

NWC
ESSAY
92-39

KOREAN UNIFICATION:
OPPORTUNITIES AND THREATS
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Report Documentation Page

Form Approved
OMB No. 0704-0188

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1. REPORT DATE 1992		2. REPORT TYPE		3. DATES COVERED 00-00-1992 to 00-00-1992	
4. TITLE AND SUBTITLE Korean Unification: Opportunities and Threats				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) National War College, 300 5th Avenue, Fort Lesley J. McNair, Washington, DC, 20319-6000				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT see report					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES 11	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			

INTRODUCTION

North and South Korea signed a major historical and political document on 19 February 1992. The Democratic People's Republic of Korea (DPRK) and the Republic of Korea (ROK) recognized each other as sovereign states. In addition, they agreed to support the Korean peninsula as a nuclear free zone. The two countries have existed in fact since the partition of the peninsula after the allied victory over Japan in 1945. For almost fifty years, these two significantly armed states have spared over the Demilitarized Zone (DMZ) on the 38th Parallel. This period also included a three year war, 1950 to 1953, directly involving forces of two of the major powers, the United States (US) and China. The United Nations (UN) was actively involved in terminating hostilities although neither North or South Korea were members of that august body at the time. The security of the ROK has been a major factor in US national security policy. This historic event can be an opportunity for a broad, patient US-led effort to reinforce relations with and between the two Koreas resulting potentially in a peaceful reunification of the Korean nation.

The peaceful reunification of Korea, with direct US involvement, can be a major factor in improved stability in the North East Asia region. Korea's geopolitical importance is due primarily to its strategic location among three of the world's great nations: China, Russia, and Japan. Each has historically been an aspiring power over the peninsula. The US is perceived by all these historical adversaries as a balancing and stabilizing force in the region. The US can affect the evolution of the Korean nation by carefully applying its influence in economic issues, political affairs, and use of military forces to enhance the peaceful unification process. However, a major hurdle to this process, which needs immediate attention, is the aggressive pursuit of nuclear weapons by the DPRK.

THE NUCLEAR PROBLEM

The US needs to apply pressure across a broad front to convince the DPRK that fielding nuclear weapons is not in their best interest for future power and prosperity. The DPRK building their own nuclear weapons is presenting a major threat to the region and the world. North Korea is expected to field a nuclear weapon in the near future. Experts disagree on how soon--projections range from approximately one year to four years. Experts do agree that the DPRK has made weapons development a primary goal of their nuclear program.

A Soviet made nuclear reactor was delivered in 1965 at Yongbyon. The DPRK built a second much larger nuclear reactor a few miles away, without outside help, in 1980. A third plant, larger than the second, began construction nearby in 1984. In 1988, construction began on what intelligence and nuclear experts have determined is a nuclear fuel reprocessing plant. This plant, again in Yongbyon, could be capable of separating weapons grade plutonium. The reprocessing plant is nearly complete but not yet operating. Once it is, it is estimated to take approximately one year to amass sufficient material for the first weapon. The Yongbyon reactors are fueled by natural uranium mined in Pyongsan, some 100 kilometers southeast of the DPRK capital of Pyongyang. North Korean uranium reserves are reported to exceed several million tons. The Yongbyon complex is projected to be capable of providing enough weapons grade nuclear material to produce seven weapons per year.

Although the US has not ignored the North's progress, we have not yet taken an overtly strong stance against this issue. In 1985, the Reagan Administration took their concerns to the Soviet Union who subsequently pressured the DPRK to sign the Nuclear Non-Proliferation Treaty. This act requires the DPRK to place its nuclear facilities under inspection by the International Atomic Energy Agency (IAEA). A

long series of beaucratic stonewalling actions delayed their signing the agreement to IAEA inspections until January, 1992, but the DPRK legislature has not ratified the agreement. They do not expect to take up the issue until April. DPRK officials stated on 25 February, 1992, that IAEA inspections will be approved by June, a date being pressed by US officials. The IAEA has advised they have received a list of proposed sites which include Yongbyon.

The ROK abandoned its nuclear weapons program in the 1970's at the insistence of the US. The US has guaranteed the ROK's security from nuclear attack by outside threats with its nuclear umbrella. Our intelligence exchange agreement with the ROK has helped them stay on top of the DPRK developments, and the South is becoming very anxious. Japan is also very concerned about the DPRK's nuclear progress. The US recently played a card as part of its overall reduction in nuclear weapons. The US is removing all of its nuclear weapons from South Korea. The issue of these weapons in the ROK has been raised repeatedly by the DPRK as a requirement to reduce/eliminate their need for nuclear protection. The ball is in the DPRK court to reverse their direction, but no clear effort to turn away from weapons production has been confirmed. CIA Director Robert M. Gates testified before the House Foreign Affairs Committee on 25 February, 1992, that the DPRK has developed a deception plan to hide their nuclear capabilities.

The US must turn up the heat on the DPRK. On 22 January 1992, The Under Secretary of State Arnold Kantor met with the North Korean delegation of the UN. The DPRK had been seeking such a meeting for a long time as a statement of their legitimacy. Mr Kantor put them on notice that there would be no more meeting until the inspection agreement was signed. This is not strong enough. Now that the DPRK is a proud member of the UN, they need to be confronted with their

responsibilities by the world body. If IAEA inspections have not been approved by the DPRK in June, the US should submit to the UN Security Council a series of economic and arms sanctions against the DPRK until they agree to the IAEA inspections. Second, the US should propose a meeting under the auspices of the UN between Russia, China, Japan, ROK, DPRK, and ourselves on this issue. The agenda should present the concerns of all parties to the North on their fielding nuclear weapons. We can offer non-aggression treaties, economic enhancements, and trade agreements. If the DPRK remains obstinate and refuses IAEA inspections, and insists on fielding and/or exporting nuclear weapons, then we should be prepared for a third option--a preemptive conventional strike. This option should be held secretly in reserve until all other enticements have proved unsuccessful. The US could propose to the nations in the region that the Yongbyon facilities be destroyed. If the coalition agrees, the DPRK would be given an ultimatum of compliance. If they refuse, then they should be told to evacuate the complex by a certain date and time where upon it will be destroyed. Resolving the nuclear problem should have top priority, then other ongoing actions could possibly become more effective.

ECONOMIC ISSUES

The stark economic difference between the DPRK and the ROK could provide a bridge to reduce tensions. Food is the number one problem for the DPRK. Nearly 50 percent of the labor force pursues farming. Less than 20 percent of the DPRK land area is suitable for agriculture. The North's manufacturing systems are stagnating, and nearly 50 percent of their factories have been idled due to lack of energy fuels. Russia has greatly reduced its supply of petroleum products, eliminated subsidies, and is demanding hard currency payment due to its own economic hardships. The DPRK is finding hard currency

difficult and is currently carrying a \$5 billion external debt. The Gross National Product (GNP) of the North has begun to decline.

In the South, the ROK is experiencing significant economic growth. The ROK GNP has averaged a nine percent growth per year since 1960. The 1990 GNP of \$224 Billion was five times greater than that of the DPRK. The ROK per capita income was \$3728 in 1990, twice its DPRK counterpart which has half the population of the South. The ROK's trade with China (\$3.5 Billion) is seven times that of the DPRK. The North is being left behind by the economic advance of Asia. The DPRK leaders are very aware of the economic advance in the region and want to be part of it. The situation may now present potential opportunities to build mutually beneficial trade policies.

The North's natural resources include large quantities of coal, iron ore, the previously mentioned uranium, and non-ferrous metals to include gold. The DPRK is also a potential reservoir of demand for products already commonplace in the ROK. The South is an exporter of many products to include food. The DPRK and the ROK have established indirect trade through third parties totalling \$127 million in the first half of 1991. In July 1991, they agreed to their first direct bartering trade with the South exchanging rice for the North's supplying cement and coal. The DPRK is pursuing an agreement with Japan to export coal, gold, uranium, and zinc hoping to acquire hard currency and financial credits. The DPRK losing the support of the dissolving Soviet Union, and having continued disagreements with China, provides the US an opportunity to assert its economic influence.

First, the US should monitor the development of the trade progress between the DPRK with the ROK and Japan. These need to progress to reinforce the DPRK in the world market. Second, the US could quietly extend an offer to trade oil and energy products to the DPRK through a third party. Third, we could offer to send a

delegation to, or host a meeting with, the DPRK to provide technical assistance to improve their international political and communication capabilities. Fourth, we could extend subsidies to permit DPRK students to attend our colleges and universities to expand their nation's ability in the international economic community. This would have to be offered confidentially. The DPRK directed all their students in Eastern Europe and the Soviet Union to return home when those states dissolved their ties to the communist form of government. Fifth, if the previous actions bring results, we could use our position in international financial operations to help relieve the DPRK's debt obligation and garner financial assistance. These efforts will prove difficult and require compromise and patience. We should coordinate our efforts to the DPRK with the ROK, China, Russia, and Japan. The last option will prove most difficult. In the early 1970's, the DPRK went on a buying spree to stimulate lagging industrial growth. They then defaulted on \$800 million in payments. The hard currency shortage created large difficulties for DPRK officials and alienated them in the world market. In addition, all proposed economic incentives must also be predicated on successfully resolving the nuclear weapon issues.

POLITICAL AFFAIRS

The two Korea's systems of government pose a challenge to cooperation and future reunification. Although the ROK political system is not a Jeffersonian democracy, it has made a transition from a military dominated authoritarianism to an increasingly pluralistic society. In the North, Kim IL Sung has created a personality cult that exceeds that of any other communist state--past or present. Forecasting the future of the two systems is difficult, but indications are that the ROK will be the most stable, and there are tough days ahead for the DPRK.

The ROK democratization system has not been fully achieved in the eyes of some portion of the populace, but political change since 1987 has been sufficient to deprive the issue of much of its emotional appeal. The economic prosperity enjoyed by the large middle class appears to have had a stabilizing effect. The ROK legislature has become a stronger national actor in the direction of the country. The student activists are receiving little to no support for their recent demands that President Roh Tae Woo step down.

The DPRK has the image of political stability sustained by coercion and brute force. The majority of observers are convinced that nothing positive can happen between the Koreas until Kim Il Sung dies. He has ruled in the fashion of an absolute monarch/communist dictator. Some have credited Kim with giving the DPRK people a sense of identity, purpose, and self-confidence. He is also a master manipulator, has enormous energy and a ruthless will. He will be 80 years old in April 1992, and has designated his son, Kim Jung Il, to follow him as leader of the DPRK. There is strong speculation that Kim Jung Il is in no way capable of stepping into this position and may be moved aside by the senior government ministers and military leadership. Opportunities then may exist for a moderation of DPRK's policies.

The collapse of communism in the Soviet Union and Eastern Europe has added to the North's sense of insecurity and increased the South's stature. The Soviet Union officially recognized the ROK in October 1990. This hurt the DPRK which had argued against it. The ROK has contributed aid to Russia this winter sending food, medicine and clothing. China refused the DPRK's request to veto the ROK's admission to the UN last fall. In addition, China has become a major trading partner with the ROK. The North is becoming increasingly isolated. This could both provide opportunities to expand relations

with democratic nations, or cause them to respond with irrational acts.

The first course of action is to reinforce quick and consistent lines of communication with the DPRK through the good offices of the UN. Second, the US needs to begin reinforcing the status of the DPRK. We need to focus on the major good or poor activities in which they are involved. Third, our efforts with the North also need to be coordinated with the other regional states, particularly the South. Fourth, we need to very secretly let the ROK understand that their state should be the model for the future unified Korea. The final consideration is that we may need to be very subtle and withhold even moderate pressure on the DPRK, except in military and nuclear weapons issues, until Kim Il Sung is gone. Kim's passing may be the major break through in softening relations, and laying the ground work is necessary now to take advantage of potential opportunities.

MILITARY FORCES

The military forces situation on the Korean peninsula is the one area where the DPRK has held the numerical superiority. North Korea has the fifth largest military in the world with 1.1 million men under arms. Nearly three quarters of them (750,000) are poised along the DMZ with the South. The DPRK has spent 20 to 25 percent of its GNP on military expenditures since 1970. The DPRK continues to stockpile military equipment, export weapons to the third world nations, build heavily fortified and defended military positions, and dig extensive tunnels under the DMZ. The North is acknowledged worldwide as a threat to the South.

The ROK has 650,000 men under arms that are considered by military experts very sound and capable. The ROK's annual military expenditures have been running about 6 percent of its GNP for the last five years equating to approximately \$5 billion. The ROK and US have

been committed to a mutual defense treaty since 1954, and the presence of US armed forces in the South are acknowledged to have contributed to deterring hostilities for 39 years.

The US currently has a little over 43,000 armed force personnel stationed in the ROK. The US has announced its intent to reduce these forces by 7,000 personnel (2,000 Air Force support and 5,000 Army troops) as part of a 10 percent reduction in the Asian region by 1993. These reductions are motivated by national budgetary pressures. The size of the reduction in the ROK is also credited to the high quality of the South's armed forces.

The ROK provides \$450 million a year to support US basing in its country which reduces the total cost of \$1.9 billion. Public opinion polls in the ROK indicate that the majority of the people still favor the continued presence of US forces, and there is broad based distrust of the DPRK's intentions. The South Korean based US 2nd Infantry Division is the only substantial ground force in the North East Asia region. A key concern in the US force reduction is to ensure that the manner of draw down does not send erroneous signals to the ROK or DPRK, or other regional nations--particularly nervous US allies in Japan.

The US should draw the line at force withdrawals in the ROK at its currently announced level. Although their presence is an irritant to the DPRK, the North must begin to take some actions to reduce their threat in the region. The nuclear question aside, the North is viewed as a rogue state in the region. US forces are viewed as non-threatening and welcome by the other regional states. What will conditions in the region be in ten years? That is difficult to forecast, but China has recently announced a 12 percent increase in military spending. Their biggest threat, Russia, is in a state of disarray and reducing its military capability. But Russia's

instability is cause for concern. When is the next coup? The Pacific fleet is Russia's largest. The US is a maritime power and must protect the sea lines of communication. US forward presence has deterred armed conflict on the peninsula and contributed to regional stability. What forces the US takes out, it will not be able to take back except possibly in times of crises.

CONCLUSION

The Korean peninsula is a key geopolitical state in the Asian region. The peaceful reunification of Korea could be a major factor in the future balance of power between Japan, China, Russia, and the US interests in Asia. Korea's history points to the principal danger to international security is internal conflict in Korea with its resulting power vacuum causing perceptions of weakness among foreign powers. Opportunities are present to offer economic incentives, apply political pressure, and sustain a military presence as a stabilizing influence to aid in the future peaceful unification process. The US needs to stay engaged in the evolution of the Korean nation in close consultation with all the regional nations.

The biggest obstacle is to resolve the nuclear weapon issue. The DPRK needs to understand that it will gain nothing but the world's opposition if it fields and/or exports nuclear weapons. The North has isolated itself from world political and economic trends in its anachronistic Stalinist style policies. The DPRK has played by their own rules, offering no apologies and providing no explanations. The disastrous state of their economy and the loss of past communist subsidies has put the North in a corner. The peaceful reunification of the Korean state depends on the North Korea maturing into a responsible, open state. The US needs to lead the world community to display paths to allow the DPRK to begin to extricate itself without using the tools of war and violence.