

**Dealing with Pyongyang –  
In Search of a More Effective Strategy**

**By**

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## INRODUCTION

Double failure does not yield success. North Korean leader Kim Jong Il and US President George Bush claim they want a “peaceful diplomatic solution” to the Korean Peninsula’s nuclear woes, but their strategies have failed to achieve their avowed goals. More effective strategies are urgently needed. But first we need to figure out what is really impeding progress on both sides.

Kim Jong Il claims he is defending his domain from Washington’s “hostile policy” and wants “friendly relations” with the United States. But his Foreign Ministry finally confirmed on February 10, 2005, that North Korea had broken numerous previous promises and built “a nuclear deterrence capability.”<sup>1</sup> Pyongyang claimed that the United States’ hostile posture compelled it to do so. North Korea continues to declare that it will return to the Six Party Talks, but not until the Bush Administration “switches to a policy of peaceful co-existence.”<sup>2</sup> Ever since, North Korea has escalated tensions with assertions that it is now a nuclear power. It has also declared an end to its voluntary moratorium on testing ballistic missiles. On March 31, 2005, Pyongyang suggested in an authoritative Foreign Ministry statement that disarmament talks should be considered as a replacement for the Six Party Talks process.<sup>3</sup> The international response to Kim’s assertive stance has been universally negative.

Nor have President Bush’s “pre-emptive” nuclear non-proliferation strategy, refusal to negotiate with North Korea and moralistic condemnation of North Korea’s leadership promoted a diplomatic solution. As recently as April 28 in a nationally televised press conference, Bush labeled Kim Jong Il a “dangerous man,” and a “tyrant who starves his people.” These comments erased any good will Secretary of State Rice’s March tour of East Asia might have nurtured when she referred to North Korea as a “sovereign state.” Pyongyang promptly and predictably responded to Bush’s rhetoric by declaring him a “dictator.”

Common sense dictates that a diplomatic solution requires diplomacy. President Bush, however, began with the opposite. He asserts that the United States has the unilateral right of “pre-emptive” nuclear attack on members of his self defined “axis of evil,” which includes North Korea. Since the fall of 2003, Bush has demanded North Korea’s complete capitulation, in the form of CVID or complete, verifiable, irreversible dismantlement of its nuclear programs. He has made this a precondition for direct diplomatic dialogue and dismissed the possibility of any concessions from the U.S. until Pyongyang has accepted his demands. As the same time, President Bush has made it frequently clear that he has no respect for his North Korean adversary with labels of “pygmy, tyrant and outpost of tyranny,” etc. Neither such a strategy nor rhetoric promotes an atmosphere conducive to a diplomatic solution.

Pyongyang and Washington moved in early May 2005 to temper quickly escalating tensions with a “New York Channel” meeting on May 13, 2005. The meeting followed North Korea’s May 8 suggestion that such a meeting be convened in New York. At the meeting, according to press reports, US State Department officers Ambassador Joseph

DeTrani and Korea Affairs Director James Foster met DPRK Ambassadors to the United Nations Pak Gil Yon and Han Song-ryol. The US side offered North Korea:

- resume substantive diplomatic dialogue about outstanding bilateral issues within the New York Channel,
  - engage in direct bilateral diplomatic dialogue within the context of the Six Party Talks, and
  - provide multilateral security assurances, if it would rejoin the Six Party Talks.
- China had convened these talks in June, 2003, to find a diplomatic way to make the Korean peninsula free of nuclear weapons. China, Japan, the two Koreas, Russia and the United States had joined the talks and early on all the participants concurred with the goal of pursuing a “peaceful diplomatic solution.”

As of mid-May, 2005, the second Korean nuclear crisis had reached a decisive junction in the search of a nuclear weapons free Korean Peninsula. If North Korea accepts the US’ May 13 proposal, and returns to the Six Party Talks, the pursuit of a diplomatic solution will continue. On the other hand, a negative response from Pyongyang will intensify already escalated tensions.

Even if Pyongyang agrees to return to the Six Party Talks, a peaceful outcome is far from being assured. The fundamental impediment to a peaceful resolution will remain both sides’ insistence on fundamentally coercive strategies for dealing with each other. Their respective confrontational stance is hardly conducive to diplomatic dialogue and compromise. Obviously, if war is to be avoided, Pyongyang and Washington must replace their current postures and strategies with ones more prone to nurture diplomacy.

The situation today has significant parallels with bilateral US-DPRK relations on the eve of the first Korean War a half century ago. The primary antagonists today remain the United States and North Korea (the Democratic People’s Republic of Korea). Fifty years ago the concern was how best to halt the spread of communism in the wake of China’s “fall to communism,” and North Korea’s invasion of South Korea. Today, the focus has shifted to how best to halt the spread of nuclear weapons and associated technology while simultaneously deterring war and pursuing national reconciliation on a still divided Korean Peninsula. Despite profoundly changed circumstances in Northeast Asia and around the world, the options for dealing with the increasingly complex and potentially volatile situation on the Korean Peninsula remains limited to: engagement, containment or armed confrontation.<sup>4</sup>

## **Back to the Future**

The legacies of the Korean War, 1950-53, and the Cold War continue to haunt the US-North Korea relationship. The Korean War “armistice” halted the combat but not the hostility. Because of the war, Pyongyang’s generals continue view the present through a distorted perception of the past. They point to the “technical state of war” that persists between their nation and the United States. The presence of US military forces in South Korea and Japan is a threat, in their eyes, to North Korea’s existence and their justification for maintaining a million man army, an enormous arsenal of conventional

weapons and an increasingly potent arsenal of ballistic missiles and possibly even nuclear weapons. Their claim of having defeated United States “imperialism” in the Korean War legitimizes their domination of the Kim Jong Il regime, a reality recognized by Kim Jong Il’s motto, “military first government,” (*songun chongch’i*). The sum result is a persistent pursuit of armed parity with the United States.<sup>5</sup>

President Bush’s strategy for dealing with North Korea also remains linked to the Korean War. Four years ago he picked a strategy of containment over engagement. Apparently, his primary motivation was domestic political considerations rather than geo-political realities.<sup>6</sup> Bush sought from the beginning of his Administration to distance and distinguish himself from his Democratic predecessor President Clinton.

Paradoxically, Bush reverted to Democratic President Truman’s Cold War strategy of countering communism and communist regimes with “containment.” At the same time, Bush dismissed the strategy of “engagement” as paramount to appeasement. Actually, Republican President Nixon, at the behest of his famous National Security Adviser and later Secretary of State Henry Kissinger, had initiated the strategy of engagement to draw “Red” China away from the former Soviet Union. Later, President Reagan would apply “engagement” to the Soviet Union and a decade later, the “evil empire” collapsed. Then in 1988, President Bush, the father, teamed up with South Korea to pursue a common strategy of engagement with North Korea. President Clinton merely continued his Republican predecessors’ preference of engagement. President Bush, the son, abruptly and profoundly altered U.S. foreign policy by discarding engagement for “neo-containment.”

### **The Containment Option**

The classical form of containment served as the corner stone of US national security strategy during the Cold War, 1947 to 1990. Beginning in 1947, US strategy concentrated on containing the “global threat of communism.” The goals were to:

- deter aggression by the Soviet Union and its allies by confronting them with superior nuclear and conventional military force possessed by a network of collective alliances,
- isolate diplomatically “communist” nations by discrediting their legitimacy and blocking their entry into international and regional associations, while also
- erode their economic vitality using economic sanctions and embargoes.

Containment’s “deterrence capability” was asserted through a triad of nuclear equipped bombers, submarines and ballistic missiles. Only the United States’ superior economic and technological prowess could maintain such an expensive and sophisticated arsenal. Containment’s basic orientation was defensive and reactionary, not offensive and pre-emptive. Also, containment accented collective military alliances and multilateral diplomacy which tempered any unilateral impulses American presidents cherished.

During the Cold War, the application of containment to North Korea differed little from elsewhere, except in one respect. President Truman had succeeded in getting the United

Nations Security Council (UNSC) to condemn North Korea for its “aggression” against South Korea. The United States throughout the Cold War used this moralistic condemnation to justify its championing of South Korea and efforts to isolate and discredit the government in North Korea. US official animosity toward North Korea was translated into extensive economic sanctions and intense global efforts to diplomatically exclude North Korea from the international community.

The presidential administrations of John Kennedy and Lyndon Johnson applied a similar strategy to North Vietnam. They saw its invasion of South Vietnam as having numerous similarities to the Korean experience. Eventually containment’s inability to achieve either an end to the Vietnam War or Vietnam’s re-unification convinced America’s strategists to shift to a new strategy – engagement.

### **Transition to Engagement**

President Nixon and Secretary of State Henry Kissinger initiated a gradual conversion of containment into engagement beginning in 1971. First they commenced negotiations with North Vietnam, a profound alteration of containment’s basic premise of diplomatic isolation on one’s adversary. Next they launched diplomatic and athletic engagement of “Red” China. Their aim was to ensure the separation of China from the Soviet Union by defusing China’s hostility and mistrust of the United States. Using diplomatic and commercial inducements, they then aspired to transform China into an internationally respected nation that would become increasingly democratic and capitalistic. At the same time, the United States maintained the potency of its deterrence capability to defend itself and its East Asian allies from possible armed assault by China and/or its allies. The combination of collective armed deterrence and multilateral diplomatic and commercial exchange became the hallmarks of their engagement strategy.

Subsequent U.S. presidential administrations retained and refined engagement. Presidents Ford and Carter pursued a similar strategy vis a vis the “Communist bloc” nations of eastern Europe. President Reagan extended the approach to the Soviet Union during the 1980s. President Bush then applied the engagement strategy to “North Korea” beginning with his administration’s “most initiative” of 1988. Even the traumatic events of the Tiananmen Incident of 1989 did not weaken Bush’s commitment to engagement with China. In 1993, President Clinton also continued engagement as the United States’ preferred global strategy.

Engagement became the preferred strategy for promoting United States national interests during the three decades between 1971 and 2001. A Republican president had initiated the transition from containment to engagement, and subsequent Republican presidents had refined and extended the strategy around the world. Engagement’s success had contributed to the demise of the Soviet Union and communism. Presidents Carter and Clinton, both Democrats, also adopted the strategy. Regarding North Korea, President Bush senior initiated engagement with North Korea and his successor merely continued the strategy.

## **Neo-containmentment**

Since taking office in January 2001, the younger President Bush and his closest advisers have sought replace engagement and its multilateral deterrence capability with a new form of containment. The basic premises of the “neo-containmentment” are: a few “rogue” nations possession of weapons of mass destruction (or WMD which include nuclear, biological, and chemical weapons plus ballistic missiles) require that the United States adopt a pre-emptive counter WMD posture and build, in addition to its own nuclear umbrella, a “national ballistic missile defense system” to neutralize the threat posed by the world’s rogue nations.

When the trauma of “9/11” caught the Bush administration completely unprepared to deal with global terrorism, President Bush promptly merged the two threats. He declared America’s “new” worst enemy an “Axis of Evil” and identified its members as: Iraq, North Korea, Iran, Syria and Libya.<sup>7</sup>

The Bush Administration defined neo-containmentment on the basis of this new threat. “Cold War” containmentment was essentially defensive. It aspired to halt the spread of communism and deter invasion and war using military superiority, collective security arrangements, and diplomatic and commercial isolation of one’s adversaries. President Bush discarded multilateralism in favor of unilateralism, dismissed multilateral organizations as ineffective, declared US military supremacy and claimed the sovereign right to launch pre-emptive military strikes against any nation that he deemed a potential threat to US security. He determined that all nations should follow the United States’ lead. Only then could they demonstrate that they are “either for or against” the United States in its war on global terrorism.<sup>8</sup> This is the essence of neo-containmentment.

## **Neo-Containmentment and North Korea**

The Bush Administration’s application of “neo-containmentment” to North Korea is a consequence of several factors. These date from 1994, and include: Republican control of the US Congress dating from November 1994, the assumption that North Korea was on the verge of economic collapse, the suspicions Americans and South Koreans share about North Korea credibility and intentions, similarly common concerns among conservatives in Seoul and Washington about the Clinton Administration’s allegiance to the long standing US-Republic of Korea alliance.

The October 1994 US -DPRK Agreed Framework, their first bilateral diplomatic accord, stands at the center of a continuing controversy over how best to deal with North Korea. It was signed on the eve of Democratic President Clinton’s re-election and only one month before Republicans won control of the US Congress. President Clinton pointed to the agreement as a key diplomatic success. His critics promptly countered that it encompassed the essence of “appeasement.” These critics contended then, and many continue today to do so, that accord’s provision of the annual shipment of 500,000 metric tons of heavy fuel oil to North Korea and program of gradual normalization of diplomatic and commercial relations between North Korea and the international community would

strengthen North Korea's ability to attack South Korea, endangered the US troops stationed there, and perpetuate a ruthless authoritarian regime that could not be trusted to halt its pursuit of nuclear weapons.

Similar concerns were voiced in South Korea. The administration of President Kim Yong-sam deeply distrusted North Korea, but also had reservations about the Clinton Administration's allegiance to the US-ROK alliance. Seoul's distrust was rooted in its claim that the Clinton Administration had not given South Korea's concerns due consideration during the negotiations with North Korea. Also, the Seoul government alleged that the United States, by giving aid to North Korea and engaging it in diplomatic dialogue and negotiations, was undercutting the long standing US-South Korea defense alliance. Republicans in the U.S. Congress echoed these same concerns.<sup>9</sup>

### **Contending Factions - Hard or Soft Landing?**

Meanwhile, North Korea between 1994 and 2000 struggled to survive. Its economy was in steep decline. No longer could it turn to its former benefactors, China and Soviet Union, for assistance. Pyongyang's relations with Beijing turned frigid after China normalized relations with South Korea in 1992. Also, China was preoccupied with revitalizing its own economy. As for the Soviet Union, it had collapsed. Russia, its successor, lacked both the political commitment and economic ability to aid North Korea. North Korea appeared on the verge of following the other Soviet "satellite" nations into history's dust bin.

By the fall of 1995, North Korea's collapse seemed imminent. Near famine conditions prevailed. For the first time, the Pyongyang government sought international humanitarian assistance. The response was prompt, positive and profound. Between 1995 and 2001, the international community delivered more than one billion dollars worth of food aid to North Korea. Additional millions of dollars of aid in the form of basic human needs such as medical supplies, household equipment, sustainable development projects and training were and still are being provided.

Conditions in North Korea gave rise to an intense and continuing debate over whether North Korea would either collapse ("hard" landing) or transform itself ("soft" landing). An underlying assumption of both schools remains the belief that economic conditions in North Korea will determine the North Korea's political fate. Advocates of a "hard landing" claim an economic collapse was imminent, but the strategy of engagement has perpetuated the despotic Kim Jong Il regime. Promoters of a "soft landing" believe a strategy of engagement will promote North Korea's gradual transformation and greatly reduce the possibility of political turmoil, even war in North Korea.<sup>10</sup>

Naturally, the advocates of a "soft" landing aligned themselves with the Clinton Administration while its critics teamed up with the "hard" landing advocates. By 1997 and 1998, conditions in North Korea suggested that North Korea was destined for collapse. Many self proclaimed "Korea experts" popped up at Washington's conservative think tanks. These included the American Enterprise Institute (AEI), the

Heritage Foundation, the Hudson Institute and CSIS Pacific Forum. They shared the consensus that North Korea was a “failed system” on the verge of economic collapse. Furthermore, they argued that sooner the United States stopped propping up the Kim Jong Il regime with humanitarian aid and the heavy fuel oil being provided under the Agreed Framework, the sooner the ruthless regime in Pyongyang would disappear.<sup>11</sup>

By 2001, several of these experts soon found themselves in the first Bush Administration. During the six month review of North Korea policy, these advocates of a “hard” landing successfully argued that a shift from engagement to neo-containment would be the most effective way to deal with North Korea. Obviously, President Bush and his closest foreign policy advisers agreed.

### **Neo-containment Split the Administration**

Beginning in June 2001, the Bush Administration’s basic strategy for dealing with North Korea has been one of neo-containment. It would be simplistic, however, to suggest that everyone in the Bush Administration promptly lined up against engagement and for containment. On the contrary, from its conception, the Bush Administration has been deeply divided over how to deal with North Korea. The dispute has and continues to be centered on neo-containment versus engagement.

The State Department became, and remains, a bastion for promoters of engagement and a “soft landing.” Their number included Secretary of State Colin Powell, who had first learned about engagement while serving President Reagan, and Deputy Secretary of State Armitage. Assistant Secretary for East Asian and Pacific Affairs James Kelly also preferred engagement over containment. After all, he had served in the former Bush Administration’s National Security Council and was an early architect of engagement toward North Korea. But Kelly was too low on the policy ladder to assertively promote his views. One of his close advisers on North Korea, US Army Colonel Jack Pritchard, also favored engagement but ended up resigning his ambassadorship to protest Bush’s preference for neo-containment.

These so-called “moderates” had to compete for President Bush’s attention with more influential “hard line” advocates of neo-containment. These included: Vice President Chaney, Secretary of Defense Donald Rumsfeld and his deputy Paul Wolfowitz, National Security Adviser Condoleezza Rice, and at the State Department Undersecretary of State for International Security Affairs John Bolton. The shuffling of personnel at the beginning of the second Bush Administration has clearly strengthened the hand of those who advocate neo-containment and North Korea’s “hard landing.”

The situation during Bush’s second term has changed little. Former National Security Adviser Condoleezza Rice replaced Powell and promptly began to champion assertive diplomacy as the best way to deal with Pyongyang. By May 2005, she found herself advocating “engagement” in the form of bilateral US-DPRK talks under the Six Party Talks umbrella. She consequently found herself at odds with Vice President Chaney and his bureaucratic allies who prefer neo-containment.

Meanwhile, South Korea had undergone a shift from favoring containment to pursuing engagement to promote North-South Korean reconciliation. The administration of South Korean President Kim Yong-sam (1993-1997) had vacillated between engagement and containment. After the Agreed Framework's signing, Kim increasingly preferred containment. North Korea's infiltration of commandoes into South Korea in the fall of 1996 understandably played a significant role in Kim's conversion to containment and advocacy of a "hard" landing. But when the liberal Kim Dae-jung became president early in 1999, South Korea reverted to a strategy of engagement. When Roh Moo-hyun took over from Kim Dae-jung in 2003, he continued his predecessor's preference for engagement.

Consequently, the debate over neo-containment verse engagement not only divided the Bush Administration, it is a fundamental cause of tensions between the United States and South Korea over how best to deal with North Korea.

### **Converting Carrots into Sticks**

Since assuming office in 2001, the Bush Administration has worked to convert the "carrots" of engagement into "sticks" for pursuing the containment of North Korea. Early in his first term, President Bush confronted Kim Jong Il with a dilemma: either forego his entire arsenal of weapons of mass destruction (nuclear, biological, chemical and ballistic missile), or face his regime's inevitable demise. Bush declared North Korea unworthy of diplomatic negotiations because conciliatory diplomacy would "reward" North Korea for its "past misdeeds."<sup>12</sup> Material aid such as food was phased out. Instead, Bush held out the promise of a "bold initiative" that could include humanitarian assistance to the people of North Korea, but only after their government had declared its readiness to disarm completely and their leader Kim Jong Il demonstrated greater respect for the North Korean people.<sup>13</sup> The Bush Administration repeatedly claimed that it would "talk" to North Korea, but it was not until June 2002 that it explained its distinction between diplomatic "dialogue" and "negotiation."

North Korea promptly rejected Bush's proposal. It subsequently and repeatedly threatened to break the Agreed Framework and to resume its nuclear weapons program. When Pyongyang finally had the opportunity to engage the United States in diplomatic dialogue, it botched the chance in October 2002. First a ranking North Korean diplomat reportedly admitted to North Korea's possession of a uranium nuclear weapons program, but then his superior denied the admission the next day. The US delegation departed Pyongyang even more suspicious of North Korea's real conduct and actual intentions regarding its nuclear ambitions.<sup>14</sup>

In Washington, the foes of engagement seized the opportunity to promote containment. In the words of a National Security Agency official, who spoke off the record to US journalists at the end of October 2002, North Korea was guilty of a "material breach" of the US-DPRK 1994 Agreed Framework. A stunned international community aligned with Washington and publicly censured North Korea. The Bush Administration promptly

won Congressional approval to halt any further aid to North Korea. By November 2002, even more strident actions were being considered in Washington.<sup>15</sup> It accused North Korea of “nuclear blackmail” and claimed it unworthy of being the United States negotiating partner.<sup>16</sup>

North Korea’s subsequent escalation of tensions made it politically impossible in Washington for any one to advocate continuing engagement with North Korea. At the start of 2003, North Korea quickly pronounced the Agreed Framework null and void, expelled the International Atomic Energy Agency’s (IAEA) nuclear inspectors, restarted its 5 megawatt plutonium reactor at Yongbyon Nuclear Research Center and then announced that it no longer belonged to the Treaty on the Non-proliferation of Nuclear Weapons (NPT).

### **Six Party Talks**

Pyongyang’s conduct has never conformed to the Bush Administration’s expectations. In the case of North Korea, neo-containment is premised on the assumptions that the United States’ military supremacy and North Korea’s poverty would compel Pyongyang to submit to Washington’s will. Obviously, that has not happened nor does it appear imminent in the near future. As of February 2003, tensions in Northeast Asia were being rapidly intensifying as a consequence of the dueling between Washington and Pyongyang over North Korea’s nuclear intentions.

Fortunately for all the concerned nations, China in the spring of 2003 intervened. First it brought the US and North Korea together for so-called Three Party Talks. Those set the stage for Six Party Talks which commenced in the summer of 2003. These brought together the two Koreas, China, Japan, Russia, and the United States. The common avowed purpose was to forge a peaceful diplomatic accord to halt the spread of nuclear weapons to the Korean Peninsula. All the parties to these talks promptly signed up to this goal. However, ever since, the talks have been stalled primarily because of differences between the Washington and Pyongyang.

Succinctly put, President Bush’s neo-containment strategy is fundamentally at odds with a strategy of engagement preferred not just by North Korea’s Kim Jong Il, but also South Korea, China and Russia. From the talks beginning, the United States has refused to engage North Korea in either direct diplomatic dialogue or negotiations. President Bush continues to insist that North Korea cannot be trusted to negotiate in good faith. Instead, he continues to demand that North Korea “completely, verifiably, irreversibly dismantle all its nuclear programs, both military and civilian (CVID). North Korea, furthermore, should do so without any compensation. Once it has accepted CVID, President Bush promises that he will consider giving North Korea appropriate economic rewards.

President Bush’s continuing position regarding the Six Party Talks reflects the essence of neo-containment. His position is unilateral. Only Japan has voiced support for it, but quietly let it be known through diplomatic channels that it would prefer greater flexibility on the US part. President Bush bases his position on a moralistic judgment of North

Korea's past conduct. Having accused North Korea of "breaking past promises and of "nuclear blackmail," he refuses to "reward" it by engaging in diplomatic negotiations with it.

Bush's primary reason for engaging in the talks has been to concentrate multilateral pressure on North Korea, not to pursue a negotiated settlement. Originally, Bush presented Kim Jong Il a choice between submitting to the US demand for CVID, or risks the US "military option." Since the start of his second term, Bush has endeavored to compel China to squeeze North Korea into a choice between submitting to Bush's demands or risk losing China's economic support. In early May 2005, however, the Beijing government rejected pressure from Washington to at least temporarily halt oil and other economic aid shipments to Pyongyang.<sup>17</sup>

Here we encounter two basic assumptions of neo-containment. The first is that an adversary would rather submit to US demands rather than risk war with the United States because of its military superiority. Secondly, given North Korea's feeble economic situation, Kim Jong Il would not risk the collapse of his regime by risking an end to China's extensive economic assistance.

### **Economic Sanctions**

All the while, President Bush has sustained and even reinforced measures beyond diplomacy that are designed to coerce North Korea into accepting his "CVID" goal. Foremost among these is the Bush Administration's extensive regime of economic sanctions. Most date from the Korean War and fall under the Trading with the Enemy Act. Others were imposed when North Korea earned a place on the US "terrorist" list by blowing up a South Korean civilian passenger aircraft in 1987, North Korea's last known act of terrorism which killed almost 200 people. These sanctions prevent US investment of any in North Korea, including US government aid of any kind which could facilitate "sustainable" development. As provided for in previous Bush Administration's 1988 "limited initiative," Americans are allowed to obtain licenses to sell and export to North Korea items classified as "basic human needs." These include food, clothing, medicines and similar materials required to sustain normal life. North Korea is barred from acquiring "Most Favored Nation" (MFN) status. Without it, all goods imported from North Korea into the United States are subject to prohibitively high custom duties.<sup>18</sup>

The small number of sanctions lifted by previous administrations has not been restored. US citizens may travel to North Korea, a barrier lifted in 1982. Telecommunication contact between the two nations is still allowed. US ships and aircraft are still allowed to deliver humanitarian goods to North Korea, and the US government allows citizens to use US credit cards in North Korea. North Korea, however, does not accept any American credit cards.

Despite the Clinton Administration's phasing out of a few sanctions, the most potent ones remain firmly in place. For example, Americans are not allowed to invest in North Korea. All US government agencies are barred from providing "developmental" aid to North

Korea and all North Korean products exported to the United States face very heavy import duties and highly restrictive quotas.

### **International Organizations**

The US, with the continuing cooperation of Japan and other key allies, blocks North Korea's entry into all international financial organizations and selected international organizations like the World Trade Organization and OPEC. Consequently, North Korea is not able to enter the World Bank, Asian Development Bank (ADB) and the International Monetary Fund (IMF). These organizations are the potential source of large, low cost loans and other assistance vital for North Korea's economic modernization. Membership in the United Nations and its related agencies, first acquired during the previous Bush Administration, remains unaffected.

### **Proliferation Security Initiative**

The United States, beginning in December 2002, moved to increase the economic impediments to North Korea's economic development. Relying on the published research of a few conservative think tanks in Washington, D.C., the Bush Administration claimed that the Kim Jong Il government relies heavily on various illegal and unsavory exports to sustain itself. These include: mind altering drugs, counterfeit currency, and weapons of mass destruction, particularly ballistic missiles.<sup>19</sup>

To make its point, the US Department of Defense, with the assistance of a Spanish warship, seized a shipment of North Korean produced Scud C short range ballistic missiles in December 2002 while en route aboard a Cambodian registered cargo ship bound for Yemen. The US, however, had to release the shipment because the seizure occurred on the high seas, which is an illegal act under international law. Also, international law does not ban the sale of ballistic missiles.<sup>20</sup>

Undeterred, President Bush declared in June 2003 the formal launching of the Proliferation Security Initiative (PSI). The initiative aims to deter and obstruct international trade in illegal drugs, counterfeit money and equipment, materials and technology related to weapons of mass destruction. PSI integrates current international law and advanced technical means to identify and track ships carrying undesired cargo.

The Bush Administration claims that PSI is a global effort aimed at proliferators of WMD, not any particular nation. Several nations are known to be responsible for the spread of WMD technology, specifically President Bush's so-called "Axis of Evil." Since PSI began in earnest in 2003, the list of targeted nations has decreased. Iraq's former leader has been toppled and thorough searches of Iraq have yet to turn up any significant evidence of WMD stockpiles. Libya has acted upon its pledge to rid itself of all WMD and the US has normalized relations with it. This leaves Iran and North Korea as the primary focus of PSI. North Korea remains convinced that PSI is a "blockade" aimed at impeding its efforts to revitalize its economy.

Meanwhile, Pakistan has escaped the Bush Administration's condemnation and imposition of sanction despite its prior long term record of being the world's leading proliferators of nuclear weapon's technology. Instead, the Bush Administration has taken at face value the Pakistani government's promise that it has discontinued and will not resume its prior proliferation activities.<sup>21</sup>

### **Japan and Neo-Containment**

Japanese Prime Minister Koizumi has consistently but cautiously supported President Bush's preference for neo-containment of North Korea. This has been most apparent in Japan's participation in the Proliferation Security Initiative. Japan has been a key participant in PSI since its conception. In June 2003, Japanese Maritime Police began inspections of all North Korean ships entering Japan's territorial waters and ports. The intent is to deter any possible North Korean effort to covertly position a nuclear device or other type of weapon of mass destruction in Japan's territorial waters. On a more practical level, the inspections also aim to block the alleged flow of counterfeit currency and mind altering drugs from North Korea into Japan and to other nations in East Asia.<sup>22</sup>

New laws passed in the summer of 2004 give the Japanese government authority to block the entry of all North Korean ships into Japanese territorial waters and make them and their cargoes subject to seizure. Japanese Maritime Self Defense Forces already have the authority to board, and even fire on uncooperative North Korean ships. Japan's Diet, much to the approval of the Bush Administration, gave the Japanese cabinet extensive new authority to impose comprehensive economic sanctions on North Korea, if Tokyo deems necessary. All of these activities strengthen PSI's potency and, if implemented, would most directly affect North Korea.

The flow of Japanese hard currency to North Korea has also subsided significantly since 1998. Japan's Korean population once favored North Korea over South Korea. This minority's ability to share in Japan's prosperity enabled it to make substantial investments in North Korea and contributions to various North Korean educational and political organizations. Since 1998, however, an increasing number of Korean residents in Japan have distanced themselves from North Korea and the pro-North Korean Association of Koreans Resident in Japan, the *Chosen soren*. North Korea's development and testing of long range ballistic missiles, combined with Pyongyang's increasingly hostile attitude toward Japan, particularly Pyongyang's inept handling of the abducted Japanese issue, convinced the Japanese people that North Korea had replaced the Soviet Union as their nation's number one enemy. South Korean President Kim Dae-jung's decision to allow Koreans living in Japan to visit their ancestral homes in South Korea further eroded allegiance to North Korea.

After 1998, the annual pilgrimage of Koreans from Japan to North Korea dwindled by an estimated 75%. By 2000, membership in the *Chosen soren* had declined by half. As of June 2004, the *Chosen soren*'s active membership dropped from its high of nearly 400,000 in the late 1950s to about 10,000.<sup>23</sup>

Similarly, the flow of Japanese currency to North Korea for investment and other purposes steadily subsided. In 2001, the pro-North Korean association's primary bank had collapsed into bankruptcy. According to Japanese officials, as reported in Japan's conservative *Yomiuri Shimbun* on June 28, 2003, a total of Yen 12.7 billion was transferred North Korea through registered remittances and cash carried by visitors to North Korea during the previous three years (2000, 2001 and 2003). This sum is equivalent to about USD 115,454,000, or about USD 38.5 per year. Over all, according to Japanese government reports, the amount of total remittances (registered plus estimated illegal currency transfers) continues to decline despite the increasing registration of money transfers from Japan to North Korea.

Japan's contribution to neo-containment of North Korea is impressive when all the various aspects are taken into account. These include Japan's willingness and military ability to contribute to implementation of PSI, Tokyo's refusal to facilitate Pyongyang's admission into the Asian Development Bank, inspections of North Korean fishing and cargo ships, and the shrinking flow of Japanese currency into North Korea.

### **South-North Korea Economic Cooperation**

The Bush Administration has also pressed South Korea to restrain its strategy of economic cooperation with North Korea. Seoul has agreed to suspend all public and private commercial investment in North Korea. South Korea, however, continues to supply North Korea with humanitarian aid. In the spring of, 2004, Seoul sent Pyongyang 200,000 metric tons of chemical fertilizer and promised to provide 400,000 metric tons of rice and corn.<sup>24</sup> In 2005, however, Seoul has stiffened its stance when dealing with Pyongyang. It withheld further aid pending the resumption of bilateral ministerial talks. These did not reconvene until mid-May 2005, and only at the vice-ministerial level. Nevertheless, South Korea renewed its pledge to ship agricultural aid to North Korea once ministerial level talks are held in June, as Pyongyang has pledged to do.

The United States has concurred with South Korea's desire to continue its development of the infrastructure for the joint North-South Korean Kaesong Industrial Park. Private South Korean investment in the park has been stymied less by government restraints and more by investors' concerns about whether the nuclear impasse with North Korea might lead to a second Korean War.

Washington has failed to convince Seoul to end completely the construction of two light water nuclear reactors (LWR) in North Korea. The project was initiated at part of the 1994 Agreed Framework. After the October 2002 diplomatic collision between the US and DPRK in Pyongyang, Washington halted its annual shipment of 500,000 metric tons of heavy fuel oil to North Korea, another provision of the Agreed Framework. North Korea declared the accord no longer operative. But the governments in Seoul and Tokyo refuse to shut down the project entirely. Instead, despite Washington's keen displeasure, both US allies agreed to "suspend" the LWR construction project. Nevertheless, the US Congress in June 2004 voted to end all support for the project. Despite Washington's

strong objections, Seoul continues to favor resumption of the LWR project as a concession to North Korea if a diplomatic resolution is achieved in the Six Party Talks.

### **Humanitarian Aid**

The United States has not moved to halt the flow of international humanitarian aid to North Korea, but the Bush Administration since 2001 has significantly reduced the amount of food aid it has supplied to North Korea.<sup>25</sup> In 2004, US food aid to North Korea totaled 50,000 metric tons, about one tenth the annual amount provided during the Clinton Administration. The Bush Administration has also made the continuation of this aid contingent on the extent of North Korea's compliance with the World Food Program's requirements regarding access to all areas of North Korea, its population and ability to monitor the aid's distribution.<sup>26</sup> Like the Clinton Administration, the Bush Administration does not allow US sustainable development aid to go to North Korea.

Because of continuing gains in North Korea's food production and the decline amount of US food aid provided to North Korea, an abrupt end of US humanitarian aid would not undermine the North Korea's government, economically or politically. Politically, the withdrawal of aid would not necessarily alienate the population from their government. On the contrary, the government most likely would concentrate the population's frustration and anger on the United States and blame it on its "hostile policy" and alleged efforts to "strangle" North Korea. If anything, North Koreans' reaction would be hostile and directed toward the United States.

### **Diplomatic Dialogue Becomes a Stick**

Despite neo-containment's numerous "sticks," Pyongyang has remained adamant in its rejection of CVID and refusal to rejoin the Six Party Talks. President Bush's response since his re-election in November 2004, has been to intensify the pressure on North Korea. While continuing to press China, South Korea and Japan to intensify their diplomatic and economic pressure on North Korea, the Bush Administration has continued to convert diplomatic dialogue from a tool of diplomacy into a "stick" of neo-containment.

US diplomats were not allowed to meet face to face with their North Korean counterparts between December 2004 and May 2005. Even telephone contact between them was reduced to brief discussions of technical issues regarding visa issuance for travelers between the two nations and travel permission for North Korean officials wishing to go outside New York City.

Beginning in December 2005, North Korean diplomats wishing to visit the United States were denied visas. Also, travel permission was denied to North Korean diplomats wishing to travel more than 25 miles from downtown New York. As of May 2005, the situation remained unchanged.

## NEO-CONTAINMENT'S IMPACT

The extensive array of US impediments to negotiation, diplomatic dialogue, normal economic activity plus international ostracism and public condemnation are indeed impressive. But thus far they have failed to convince North Korea to submit to US demands at the Six Party Talks. In other words, the Bush Administration's neo-containment strategy as applied to North Korea has failed promote US national interests.

If anything, neo-containment arguably has made the situation worse. North Korea's attitude toward the United States remains intensively hostile. One might even venture to say that it has become virtually belligerent since the Bush Administration assumed office in 2001. Nor has the strategy halted North Korea's nuclear weapons development programs or expanding its "nuclear deterrence capability." On the contrary, North Korea proclaimed on February 11, 2005, that it is now a nuclear power. It subsequently announced that it no longer felt bound by its 1998 moratorium on testing ballistic missiles. This has excited concern that it will now quicken development of a nuclear armed ballistic missile. Then Pyongyang announced that it had shut down its 5 megawatt reactor and would extract the reactor's 8,000 spent fuel rods to make more weapons grade plutonium and possibility fabricated several more nuclear weapons.

Meanwhile, North Korea still maintains a huge conventionally armed military force of more than one million personnel. "Supreme Commander" Kim Jong Il has declared a "military first" national strategy aimed that ensuring that his armed forces receive preference over the civilian sector in all areas. Also, neither his rule or his domain's economy appears to be faltering. On the Contrary, Kim Jong Il appears to have the solid support of North Korea's most decisive political force, the military. Also, North Korea's economy, with substantial aid from China, appears to be gradually backing away from collapse and even beginning to achieve some revitalization.

On the other hand, neo-containment has certainly frustrated North Korea's efforts to revitalize its economy. The nation's civilian industrial infrastructure remains dilapidated and incapable of producing goods capable of competing in the international market place. The agricultural sector persists in its inability, despite some steady improvement in food production, to supply the nation's food needs.<sup>27</sup> Economic sanctions have achieved mixed results regarding technology. Sanctions seem to adversely affect only the civilian sector. Meanwhile, North Korea's munitions and WMD programs do not appear to want for access to advanced technology. What the United States and its allies have refused to supply, North Korea has been able to obtain from through a global network of covert dealers in arms and technology, particularly the close US ally Pakistan.

At the same time, President Bush's avowed goal of a "peaceful diplomatic solution" to the continuing nuclear crisis on the Korean Peninsula remains an allusive goal. Neo-containment's coercive elements have been met with equally coercive responses from Pyongyang. The sum result is a tension bilateral atmosphere of intensified distrust and disrespect between the United States and North Korea. Obviously, an atmosphere

conducive to diplomatic dialogue and compromise has not been built since neo-containment's initiation.

Even if the Six Party Talks resume, restoring the mutual trust essential for diplomatic negotiation and compromise will be much more difficult to achieve than if neo-containment had not been implemented. Consequently, even if the Six Party Talks resume, achieving a peaceful diplomatic solution will remain a distant hope. Eventually, if this goal is eventually achieved, successful implementation will be possible only if a strategy of engagement is employed.

## End Notes

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<sup>1</sup> DPRK Foreign Ministry, “Spokesman Statement,” Korea Central News Agency (KCNA) February 10, 2005.

<sup>2</sup> For a discussion of North Korea’s perspective of the United States, see: C. Kenneth Quinones, “The United States in North Korean Foreign Policy,” in: Koh Byung Chul, editor, *North Korea and the World – Explaining Pyongyang’s Foreign Policy*. Seoul: Kyungnam University Press, 2005.

<sup>3</sup> DPRK Foreign Ministry Statement, march 31, 2005; “Yonhap Interview with DPRK Deputy Permanent Representative Han Song-ryol interviews, *Yonhap News* (April 1, 2005); and Barbara Slavin, “North Korea Arsenal May be Growing,” *USA Today* (April 19, 2005).

<sup>4</sup> For in depth discussions of US Cold War strategies see: Henry Kissinger, *Diplomacy*. New York: Touchstone, 1994, and *Years of Renewal*. New York: Touchstone, 1999. Also see: George P. Shultz, *Turmoil and Triumph*. New York: Charles Scribner’s Sons, 1993. Regarding the transition from containment to engagement in US policy toward North Korea, see: C. Kenneth Quinones, “North Korea: From Containment to Engagement,” in Dae-sook Suh and Chae-jin Lee, editors, *North Korea After Kim Il Sung*. London: Lynne Rienner Publishers, 1998.

<sup>5</sup> Byung Chul Koh, “Military-First Politics and Building a *Kangsong taeguk*,” Institute of Far East Studies Forum (IFES) [forum@kyungnam.ac.kr](mailto:forum@kyungnam.ac.kr) (March 25, 2005).

<sup>6</sup> C. Kenneth Quinones, “Dualism in the Bush Administration’s North Korea Policy,” *Asian Perspective* (Vol. 27, No. 1) 2003.

<sup>7</sup> *Ibid.* pp. 197-224.

<sup>8</sup> U.S. State Department, *National Strategy to Combat Weapons of Mass Destruction*. Washington, D.C.: Department of States, December 2002, online at [www.whitehouse.gov](http://www.whitehouse.gov). White House, *National Security Strategy of the United States of America*. *Ibid.* Bob Woodward, *Bush at War*. New York: Simon & Schuster, 2002.

<sup>9</sup> For insight into ROK President Kim Young-sam’s term, see: Donald Kirk, *Korean Crisis*. New York: St. Martin’s Press, 1999. President Kim’s policy toward North Korea is discussed in: C. Kenneth Quinones, “South Korea’s Approaches to North Korea: A Glacial Process,” in: Kyung-ae Park and Dalchoong Kim, editors, *Korean Security Dynamics in Transition*. New York: Palgrave, 2001. Leon Sigel addressed the tension between the Kim Young-sam and Clinton Administrations during the first US-DPRK nuclear negotiations. See: Leon Sigel, *Disarming Strangers – Nuclear Diplomacy with North Korea*. Princeton, Princeton University Press, 1998.

<sup>10</sup> The debate among “Korea” experts peaked between 1997 and 2001. A concise summary of these divergent views appears in: Warren I. Cohen, “Compromised in Korea

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Redeemed by the Clinton Administration?" *Foreign Policy* (May/June 1997) 106-112. The views of those who advocated engagement and a "soft" landing can be found in: Kim Kyung-wan and Han Sung-joo, editors, *Managing Change on the Korean Peninsula*. Seoul: Seoul Press, 1998. The opposite view point appears in: Henry Sokolski, editor, *Planning for a Peaceful Korea*. Carlisle, PA: U.S. Army War College's Strategic Studies Institute, 2001.

<sup>11</sup> Nicholas Eberstadt of the American Enterprise Institute and Michael Green, formerly with the Council on Foreign Relations and currently in the Bush Administration as the senior Asia adviser on the National Security Council, championed the "hard landing" scenario. Nicholas Eberstadt, "Hastening Korean Unification," *Foreign Affairs* (March/April 1997), "Prospects for Inter-Korean Economic Cooperation in the Sunshine Era," in: *To the Brink of Peace*. Stanford: Stanford University Press, 2001. Michael Green, "North Korean Regime Crisis: U.S. Perspectives and Responses," *Korean Journal of Defense Analyses* (Winter 1997). Marcus Noland of the International Institute of Economics in Washington has maintained a middle position between "hard" and "soft" landing scenarios. His thesis is that North Korea will "muddle through." Marcus Noland, "Why North Korea Will Muddle Through," *Foreign Affairs* (July/August 1997). Selig Harrison is one of the more outspoken advocates of a "soft" landing. Selig Harrison, "Promoting a Soft Landing in Korea," *Foreign Policy* (Spring 1997). Also see: C. Kenneth Quinones, "Beyond Collapse – Continuity and Change in North Korea," *International Journal of Korean Unification Studies*. (February, 2002) Vol. 11, No. 2.

<sup>12</sup> Leading Congressional critics of the Clinton Administration's engagement policy toward North Korea formed the North Korea Advisory Group. The Republican group was chaired by Congressman Benjamin Gilman, Republican, New York and Chairman of the House Committee on International Relations. Members of Congress on the committee came from c House committees on International Relations, Foreign Operations, Intelligence and Armed Services. Selected Congressional staff, working with the Congressional Research Service (CRS) and Government Accounting Office (GAO) produced a lengthy and detailed assessment of Clinton's engagement strategy. The report was made public in 1999. The report warned that North Korea's nuclear and missile capabilities "have improved dramatically." The Clinton Administration was faulted for unsatisfactory monitoring of its food and heavy fuel oil shipments to North Korea. Also the aid "frees other resources for North Korea to divert to its WMD and conventional military programs." Key members of the working group subsequently shifted to other jobs. Peter Brookes first accepted an appointment as a deputy assistant secretary in the Department of Defense's Bureau of Asian Policy, but soon after became vice president of the Heritage Foundation. Chuck Downs moved to the American Enterprise Institute. Mark Kirk was elected as a Republican member of Congress.

One year later, the Council on Foreign Relations North Korea Working Group reached similar conclusions. The group's Republican co-chairman Richard Armitage became Deputy Secretary of State in the new Bush Administration, James Kelly of CSIS (Pacific Forum) became Assistant Secretary of State for East Asian and Pacific Affairs, Paul Wolfowitz (then dean of John Hopkins School of Area and International Studies [SAIS]

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became Deputy Secretary of Defense and Torkel Patterson (CSIS Pacific Forum) and Michael Green (Council on Foreign Relations) were appointed to the National Security Council.

<sup>13</sup> George W. Bush, “Statement by the President on North Korea Policy,” White House Press Release, June 6, 2001, online at [www.whitehouse.gov](http://www.whitehouse.gov). Colin Powell, “Remarks at the Asia Society Annual Dinner,” New York City, June 10, 2002, online at [www.state.gov](http://www.state.gov). For further background, see: C. Kenneth Quinones, “The United States in North Korean Foreign Policy,” forthcoming in: Byung-chol Koh, editor, *North Korea and the World*. Seoul: Institute for Far East Studies, 2004.

<sup>14</sup> James Kelly, “Remarks at the Woodrow Wilson Center,” Washington, D.C., December 11, 2002, on line at [www.state.gov](http://www.state.gov). “Statement of the Foreign Ministry Spokesman,” October 15 and 25, 2002. [www.kcna.co.jp](http://www.kcna.co.jp).

<sup>15</sup> The material breach comment is based on a confidential conversation with a journalist. Regarding the Bush Administration’s reaction, see: Richard Boucher, U.S. Department of State spokesman, “North Korean Nuclear Program” October 16, 2002. [www.state.gov](http://www.state.gov). George W. Bush, “Remarks by President Bush and Polish President Kwasniewski,” Washington, D.C., January 14, 2003.

<sup>16</sup> Bob Woodward, *Bush at War*. New York: Simon & Schuster, 2002. George W. Bush, “Remarks by President Bush and Prime Minister Koizumi in Joint Press Conference, Tokyo, Japan,” February 18, 2002; and “Remarks by President Bush and President Kim Dae-jung in Press Availability, Seoul, Republic of Korea,” February 20, 2002, on line at [www.state.gov](http://www.state.gov).

<sup>17</sup> *Washington Post* May 7, 2005.

<sup>18</sup> Rinn-sup Shinn, *Korea: Procedural and Jurisdictional Questions Regarding Possible Normalization of relations with North Korea*. Washington, D.C.: Congressional Research Service, 1994. Dianne E. Rennack, *North Korea: Economic Sanctions*. Washington, D.C.: Congressional Research Service, 2003 Congressional Research Service, “Memorandum on “Terrorism List” Sanctions,” Washington, D.C. (March 5, 2004).

<sup>19</sup> “G8 Action Plan on Nonproliferation,” Text of Joint Statement by G8 Participants, Evian, France, June 2003. John Bolton, Under Secretary of State for Arms Control and International Security, “The Bush Administration’s Non-proliferation Policy: Successes and Future Challenges, Testimony to the House International Relations Committee,” Washington, D.C. (March 30, 2004). On line at: [www.house.gov/international\\_relations/108/bolto33004](http://www.house.gov/international_relations/108/bolto33004). James Cotton, “The Proliferation Security Initiative and North Korea: Persuasion or Pressure?” Seoul: *IFES Forum*. June 14, 2004.

<sup>20</sup> “Spain, U.S. Seize N. Korean Missiles,” *Washington Post*, December 11, 2002, and, “Scud Missiles Found on Ship of North Korea (sic),” December 11, 2002, p.1. (the *New*

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*York Times* carried a similar story but it was less accurate than the *Post*'s report. Ari Fleischer, Presidential Spokesman, "Press Briefing," December 12, 2002, online at [www.whitehouse.gov/news/releases](http://www.whitehouse.gov/news/releases).

<sup>21</sup> Leonard Weiss, Pakistan: It's *Déjà vu* All Over Again," *Bulletin of the Atomic Scientists*. (May/June 2004) 52-59.

<sup>22</sup> Based on discussions with Japanese officials in the Japan Defense Agency, and Ministry of Foreign Affairs and Ministry of Economy, Trade and Industry, June 2003, November 2003 and June 2004.

<sup>23</sup> Based on June 2004 discussion with *Chosen soren* (Chongnyon) official in Tokyo.

<sup>24</sup> *Agence France-Presse*, "South Korea to Ship 400,000 tonnes of Rice to North," (July 6, 2004). UN Office for the Co-ordination of Humanitarian Affairs, "DPR Korea Situation Bulletin, March through May, 2004."

<sup>25</sup> Edward Reed, "Unlikely Partners: Humanitarian Aid Agencies and North Korea," Paper presented at the American Enterprise Institute, Washington, D.C., February 12-13, 2004. William Brown, "Prospects for North Korea's Economy: Its All About Money," undated manuscript. Aidan Foster-Carter, "North Korea Chooses Guns over Butter," *Asia Times* (March 31, 2004) [www.atimes.com](http://www.atimes.com).

<sup>26</sup> Department of State briefing of American NGOs at InterAction, Washington, D.C., April 22, 2005.

<sup>27</sup> Bradley Babson, "Economic Cooperation on the Korea Peninsula," Berkeley, CA: The Nautilus Institute, 2003. [www.nautilus.org/DPRKBriefingBook](http://www.nautilus.org/DPRKBriefingBook). C. Kenneth Quinones, "Abducted Japanese Issue Blocks North Korea's Entry into Asian Development Bank," *Asahi Monthly* (Tokyo, in Japanese) April 2004. Joseph Winder, "Promoting Cooperation on the Korean Peninsula and in Northeast Asia," *Cooperation and Reform on the Korean Peninsula*. Washington, D.C.: Korea Economic Institute, 2002. Bernhard Seliger, "Economic Reform in North Korea," *Korea's Economy 2004*. Washington, Korea Economic Institute and Korea Institute of International Economic Policy, 2004. Eliot Jung, Youg-soo Kim and Takeyuki Kobayashi, "North Korea's Special Economic Zones: Obstacles and Opportunities," *Confrontation and Innovation on the Korean Peninsula*. Washington, D.C.: Korea Economic Institute, 2004.