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FOREWORD

The essays in this issue of the *NBR Analysis* address two critical and related issues in Northeast Asian security: the national strategies of North and South Korea and the promising developments in multilateral fora in East Asia. In the first essay, Dr. Nicholas Eberstadt, visiting scholar at the American Enterprise Institute and NBR research associate, observes that South Korean leaders have implemented innovative policies that have allowed them to achieve remarkable levels of prosperity and a degree of independence from the United States. Export-oriented, state-led economic policies begun by President Park Chung Hee in the early 1960s showed impressive results through the 1970s. Following the 1979 assassination of President Park, the government—bolstered by the renewed commitment of U.S. President Ronald Reagan to South Korean security—eased control of the economy, bringing still greater economic growth and eventually the establishment of civilian rule and accountable government. While South Korea has progressed from Third-World levels of poverty in the 1950s to near-Western levels of affluence today, North Korea has gone from an impressive period of economic growth in the 1950s to desperate need in the 1990s. The North has lost its communist benefactors; yet in the post-Cold War era it remains committed to reunification of the Korean Peninsula as a socialist state—a strategy Eberstadt considers "completely irrelevant to the problems at hand." Continuing this policy will mean that "Pyongyang will be reduced to a tactical game of eking out extensions of its lease on life…."

In the second essay in this issue, Ralph Cossa, executive director of the Pacific Forum / Center for Strategic and International Studies, addresses the benefits and prospects for multilateral, particularly nongovernmental, organizations in East Asia. After providing a useful summary of the major multilateral efforts, Cossa argues that all regional powers have much to gain by increased participation in multilateral security dialogues in the region. Such fora act as confidence-building measures that facilitate the prevention of crises, bring leaders together who would not otherwise be inclined to meet, and at the unofficial level allow for new initiatives to be floated that would be politically unfeasible to raise officially. Cossa points out that the U.S. commitment to multilateralism is built on the premise that such dialogues must complement existing bilateral relationships. Indeed, the U.S.-Japan security relationship must remain strong if Japan is to be trusted by its Asian neighbors in multilateral fora. Cossa also points out that such efforts should be used to encourage the constructive incorporation of Russia and China into East Asian economic and security dialogues.

These essays are the last in a series of papers published in the 1996 *NBR Analysis* that were prepared for a conference organized by The National Bureau of Asian Research entitled "National Strategies in the Asia-Pacific: The Effects of Interacting Trade, Industrial, and Defense Policies." Held in Monterey, California on March 28–29, 1996, the conference was generously sponsored and hosted by the Center for Trade and Commercial Diplomacy of the Monterey Institute of International Studies.

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"National Strategy" in North and South Korea

Nicholas Eberstadt

Background and Introduction

Both states on the divided Korean peninsula, it has been argued, have developed exemplary "national strategies," that is to say considered, long-range designs for achieving key domestic and international objectives while contending with the risks imposed and opportunities offered by external circumstance. Although the "national strategies" of North and South Korea appear to observers radically different from one another, both may be said to have resulted in striking successes at various junctures, and admirers (grudging or otherwise) of these two Korean approaches may be found among students of the diverse disciplines that bear upon "national strategy": diplomacy, military affairs, international finance, industrial organization, and corporate management, among others.

Yet like many other things that are taken today by outside observers to be uniquely Korean, "national strategy" is actually a new arrival to this ancient land. Indeed, the very conception of a Korean "national strategy" happened to be unveiled and catalyzed through Korea's contact with Western countries in just the past handful of decades.

To state this much is not to lay down some Eurocentric claim. After all, East Asia's tradition of strategic thought can be traced back at least 2500 years (to Sun Zi) and was applied on a grand canvass by China (long the tutelary power to Korea) centuries before any sustained interactions with European governments.[1] Instead, it is to recognize something distinctive about Korea itself: a specific legacy of its tormented history. As fate would have it, Koreans would not begin to frame or pursue "national strategy" until the year 1945, when events far beyond Korean control suddenly and unexpectedly divided the nation and established the foundations of contemporary Korea's two states.

While it was a unified and autonomous state, imperial Korea under the Choson (Yi) Dynasty (1392–1910) lacked an international strategy because it simply did not desire one. A succession of rulers strove, to the maximum degree feasible, to avoid contact with foreigners and their governments altogether. This "jealous policy of seclusion,"[2] as it was once officially described, led Korea to be known as the "Hermit Kingdom" during the era of European exploration and expansion. Foreign relations, of course, could not be completely evaded. Korea submitted dutifully to tributary rituals required by China (and dictated by the Korean doctrine of *sadae*, "serving the great"), and it maintained "neighborly relations"—and some commerce—with Japan.[3] But to the men who

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[1] For an interesting essay on the development and execution of the imperial strategy under the Ming Dynasty, see Alastair Iain Johnson, *Cultural Realism: Strategic Culture and Grand Strategy in Chinese History*, Princeton, NJ: Princeton University Press, 1995.

[2] From the "Proclamation of the King of Korea on Foreign Relations, 1882," reprinted in Donald G. Tewksbury, ed., *Source Materials on Korean Politics and Ideologies*, New York: Institute of Pacific Relations, 1950, p. 5.

[3] For an excellent description of these arrangements, see Key-hiuk Kim, *The Last Phase of the East Asian World Order: Korea, Japan, and the Chinese Empire, 1860–1882*, Berkeley, CA: University of California Press, 1980, Chapter 1.

governed Korea in those centuries, the idea of voluntarily pursuing what we now call "national strategy" would surely have run counter to every political instinct they possessed.

In the early decades of the 20th century, Korea did become deeply involved in a "national strategy"—but not one of its own devising. Annexed by Japan in 1910 and administered thereafter as a colonial territory, the Korean land and its people were fully incorporated into Tokyo's interwar quest to augment Japanese power, prosperity, and security.[4]

Ultimately, Japan's national strategy proved disastrous. It culminated in total war and brought defeat, devastation, and foreign occupation upon Japan. As it unfolded, however, Japan's grand strategy had profound material consequences for Korea. Japan's imperial designs and methodical preparations for the Pacific War required contribution from Korea—and that contribution could only be exacted by effectuating forced-pace modernization. Between the Treaty of Versailles ending World War I and the attack on Pearl Harbor, Korea experienced rapid economic growth [5]—although the character of that growth, which emphasized heavy and chemical industries at the expense of consumer goods, was dictated by the needs of the greater Japanese strategy. The benefits, if any, that might accrue to the local Korean populace from this development regimen was of no great interest to Japanese authorities. As a completely subjugated people, the Koreans were thus for over a generation obliged to participate in a "national strategy" without any hope of influencing it.

The possibility of a uniquely Korean national strategy therefore did not reveal itself until August 1945, when the Allied powers finally forced Japan to unconditionally surrender and liquidate its empire. By a cruel accident of history, Korea went directly from having no national strategy of its own to needing *two.*

The fateful, almost off-handed, partition of the Korean peninsula into temporary Soviet and American zones (for processing the Japanese surrender) ineluctably hardened into de facto and then de jure political division with a Soviet-style system entrenched in the north and a U.S.-supported state consolidating in the south. Hostile competition between these two states, each of which claimed the right to rule the entire Korean peninsula, was all but foreordained. That hostile competition may have been a product of Soviet-American Cold War confrontation, but it has outlasted the Cold War itself, shaping prospects for security and prosperity in the Northeast Asian region and beyond.

To what extent is this competition informed by national strategy? Do North and South Korea actually have national strategies, and if so, how may these be described? Do the strategies promote the key policy objectives identified by the country's leadership or its citizenry: are they feasible, practicable, and suited to the greatly changed (and still swiftly evolving) post-Cold War international environment in which they must today be executed? These are the questions this paper attempts to explore. More than a few words of warning about this effort, however, are in order at this point.

Defining and evaluating any country's national strategy is, inescapably, a highly subjective undertaking. To divine the presumed purpose that animates and underlies observable behavior presents a classical philosophical challenge; the task is made no easier when a great multiplicity of actors, often behaving in seeming contradiction to one another, represent the entity under observation. Consequently, to describe even the most seemingly clear-cut examples of national

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[4] For one reading of that "national strategy," see Michael A. Barnhart, *Japan Prepares for Total War: The Search for Economic Security, 1919–1941*, Ithaca, NY: Cornell University Press, 1987.

[5] According to Dirk Pilat's estimates, aggregate GDP in Korea grew at an average annual rate of 3.6 %, and per capita GDP at 2.4%, between 1911 and 1938—slightly higher rates than Japan's during those same years. Dirk Pilat, *The Economics of Rapid Growth: The Experience of Japan and Korea*, Brookfield, VT: Edward Elgar, 1994.

strategy is to open the door to debate and dispute among the well-informed.[6] Finally, to assess the soundness of any strategy is to build a chain of assumptions between intention, action, and result. Even when those assumptions are valid, the verdict may be problematic. For in a risky world where chance plays a part, "bad" strategies may sometimes succeed, and "good" strategies may fail. One can only judge them with a considerable measure of caution and a vigilant sensitivity to the possibility that the questions of greatest interest may be objectively unanswerable—or impossible to frame in testable (falsifiable) fashion.

Given these extreme methodological difficulties, the discussion of North and South Korea's national strategies must be heavily narrative, and interpretive, in nature. The interpretations offered below cannot be "proved" by available data, although I will attempt to adduce pertinent factual information in the course of my argument.

If ever there were a likely candidate for having crafted and executed a national strategy, it would be the Democratic People's Republic of Korea (D.P.R.K.). While North Korea's political system may not be perfectly monolithic, it is, in the words of one authority, "as close to totalitarianism as a humanly operated society could come."

North Korea's National Strategy

If ever there were a likely candidate for having crafted and executed a national strategy, it would be the Democratic People's Republic of Korea (D.P.R.K.). While North Korea's political system may not be perfectly monolithic, it is, in the words of one authority, "as close to totalitarianism as a humanly operated society could come."[7] In North Korea, top-down decisionmaking in all realms of policy may be a reality, not just an ideal. In Kim Il Sung, moreover, North Korea had a single supreme political personality from the state's 1948 founding until the "Great Leader's" own death in 1994. Perhaps more than any other modern state, the D.P.R.K. has been run as if by a single intelligence.

Yet as any observer of North Korea can attest, assaying North Korean policy, much less strategy, is a frustrating and uncertain business. Given the regime's extraordinary secrecy, hard data—even pedestrian facts—remain amazingly scarce. Despite these limits, I believe it is fair to speak of a North Korean national strategy. Further, I would assert that the D.P.R.K. had a national strategy from its very inception. That strategy can be succinctly described:

> (1) The paramount external objective of the regime is unification with South Korea on the D.P.R.K.'s terms. The Korean peninsula must be a single and national entity, organized under socialist principles, and governed by the Korean Workers' Party (KWP).

[6] Despite all that has been written about postwar Japan's "Yoshida Doctrine," for instance, Prime Minister Shigeru Yoshida himself vigorously denied codifying any such stratagem—a denial subsequently supported by some eminent Japanese strategists. For details, see Kenneth B. Pyle, *The Japanese Question: Power and Purpose in a New Era,* Washington, DC: AEI Press, 1992, especially chapter 3.

[7] Robert A. Scalapino, *The Politics of Development: Perspectives on Twentieth-Century Asia,* Cambridge, MA: Harvard University Press, 1989, p. 67.

> (2) Unification will be achieved via military strength. Both South Korea's regime (the Republic of Korea, or R.O.K.) and its society are weak, divided, corrupt, unstable, and certainly incapable of withstanding external pressure. The R.O.K. may collapse under its own weight, or it may require an outside push. Either way, a strong North Korean military will be needed to step in and assist with unification at just the right moment.

Such a strategy can easily be read into North Korea's conduct in the country's earliest years. In 1948 and 1949, Pyongyang's inter-Korean rhetoric urged the repudiation (that is, overthrow) of "the Syngman Rhee clique"; its operatives and associates in the South strove to turn rhetoric into action. When an uprising did occur (the Yosu rebellion, 1948–49), Pyongyang eagerly expected history to take its "natural" course. The Yosu rebellion, however, was contained and smothered by R.O.K. forces. The "Syngman Rhee clique" did not topple. As soon as it became clear to North Korea's leadership that they could not count on a speedy implosion of the South Korean system, they began careful and systematic preparations to overwhelm the R.O.K. with superior military force. These preparations resulted in the surprise attack against South Korea in June 1950 that launched the Korean War.[8]

For the D.P.R.K., the Korean War proved to be a disastrous miscalculation. South Korea did *not* burst with a single bayonet thrust (as Kim had reportedly boasted it would to Stalin), for to Pyongyang's surprise and dismay, the United States (and the United Nations) rushed to Seoul's defense. As many as four million persons may have been killed during the three years of fighting, many of them D.P.R.K. civilians. North Korea was all but flattened by enemy firepower.[9] The North Korean regime, moreover, was itself very nearly overturned. Had Mao Zedong not come to Kim Il Sung's rescue in October 1950, the D.P.R.K. likely would have been doomed.

However, subsequent events suggest that the D.P.R.K. did not fundamentally alter its national strategy in the wake of this calamity. Instead, the North Korean regime doggedly clung to its initial national strategy, pressing forward with its *idées fixes* for decade after decade, perhaps up to this very day. This is not to say that North Korean policies and tactics remained frozen. They adapted to shifting circumstance. Pyongyang's almost single-minded strategic obsession with reunifying the peninsula on its own terms, moreover, was consistent with, and indeed required, the simultaneous pursuit of a fairly complex array of policies (diplomatic, domestic, military, and industrial), some of which had no direct or immediate bearing on the putative objects of Pyongyang's strategic attention.

Pyongyang's postwar national strategy has unfolded in three phases, described briefly below.

(1) 1953–1962: Gaining Breathing Space, Gathering Strength

For the decade after the Korean War, North Korea concentrated upon the reconstruction and development of its devastated economy. With the United States' dramatically renewed security commitment to the R.O.K. and the seeming stability of the South Korean polity (through the 1950s, anyway), reunification on Pyongyang's terms was not a viable short-run option. As they bided their time, North Korea's leaders strove to strengthen their domestic power base both ideologically and materially.

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[8] For an excellent account of this period, see John Merrill, *Korea: The Peninsular Origins of the War*, Newark, DE: University of Delaware Press, 1989. As he concludes:

> North Korean hopes of achieving unification by forming a united front with southern opponents of Rhee, by infiltrating ROK security forces, and by armed guerilla struggle had all been dashed. . .[B]y the summer of 1950, an attack across the [38th] parallel was the only alternative Pyongyang had left (p. 184).

[9] At one point in the war the U.S. Air Force halted raids against North Korea because "there were no targets left"; by the end of the war, reportedly only two buildings in Pyongyang were standing intact. Jon Halliday, "The North Korean Enigma," *New Left Review*, no. 127 (1981), p. 29.

Shortly after the Panmunjom ceasefire ended the Korean War, the D.P.R.K. vigorously resumed its unfinished "socialist transformation." First, the nationalization of the country's industries and enterprises was completed. Thereafter, the country's farms were quickly turned into socialist cooperatives. In other communist countries, such overhauls often caused output to plummet, at least temporarily. Not so in North Korea. Even discounting inflated official claims, the growth of output between 1953 and 1962 looks to have been very rapid and fairly steady. Prewar levels of production may have been reattained by 1955 or 1956. In the following six or seven years, total output may have doubled if not more.[10] By happenstance, imperial Japan had developed northern Korea as a site for heavy industrial projects. An astonishing three-fourths of the region's industrial product was "producer goods" and one-fourth "consumer goods" by 1944.[11] Against voices in the leadership calling for greater attention to consumer needs, Kim Il Sung determined that the postwar North Korean economy would continue to favor producer goods very heavily,[12] since producer goods are imperative for fighting, and winning, wars.

North Korea's international policy played a pivotal role in rebuilding and augmenting the country's economy. The D.P.R.K. secured concessional aid (grants and loans) from virtually the entire socialist camp of the 1950s: China, the Soviet Union, and Warsaw Pact Europe. In addition, China agreed to leave a huge troop presence in North Korea,[13] thereby both relieving Pyongyang of burdensome military expenditures and providing a pool of manpower for local construction projects.

Kim Il Sung's doctrine of *juche* (usually translated as "self-reliance") was first expounded in 1955. The international arrangements illustrated *juche* in action. In essence, it was a complete inversion of the Yi Dynasty's doctrine of *sadae*.[14] There would be no bowing to the great powers with which Pyongyang had to contend. Instead, tribute (in the form of more-or-less permanent flows of concessional aid) would be exacted from *them*!

The results of North Korea's national strategy during this period were, by and large, favorable and auspicious. Within the Korean peninsula itself, the balance of power was shifting in Pyongyang's favor. During these years, North Korea was clearly winning its economic race with the South.

The results of North Korea's national strategy during this period were, by and large, favorable and auspicious. Within the Korean peninsula itself, the balance of power was shifting in Pyongyang's favor. During these years, North Korea was clearly winning its economic race with the South. Before partition, the north of Korea had been more productive (and more industrialized) than the south: that disparity looks to have been still greater by the early 1960s. No less important, there was broad *international recognition* that North Korea's economic strides were greater.

[10] For obvious reasons, quantifying the D.P.R.K.'s economic performance is a problematic task. One of the best efforts to date is Fujio Goto, "Indexes of North Korean Industrial Output 1944–1975," *KSU Economic and Business Review* (Kyoto), no. 9 (1982).

[11] G.V. Griaznov, *Stroitel'stvo material'no-tekhnicheskoi bazy sotsialisma v KNDR* (*Construction of the Material and Technical Basis of Socialism in the DPRK*), Moscow: Nauka, 1979, p. 91.

[12] See Masao Okonogi, "North Korean Communism: In Search of its Prototype," in Dae-sook Suh, *Korean Studies: New Pacific Currents*, Honolulu: University of Hawaii Press, 1994.

[13] As many as 200,000 in the mid-1950s. Chinese forces were finally withdrawn in 1958.

[14] By no coincidence, one of the terms of greatest opprobrium in the North Korean lexicon is *sadaejuui*—meaning "*sadae*-ism," but officially translated as "flunkeyism."

Migration figures indicate just how favorable to Pyongyang contemporary trends seemed to be. Between 1958 and 1961, over 80,000 ethnic Koreans residing in Japan voluntarily emigrated to the Democratic People's Republic of Korea.[15] No corresponding vote of confidence was heard for the Republic of Korea.

(2) 1962–1979: Going for Broke

There was one crucial respect in which North Korea's leadership seems to have found its policies in the very early 1960s woefully wanting. In April 1960, South Korea's President Rhee was driven from office when his government collapsed in the face of student-led riots. He was replaced by a weak, caretaker government that was pushed from office a year later by a military coup led by General Park Chung Hee. During this period of political vulnerability in the South, Pyongyang failed to act. According to reports, Kim Il Sung bitterly complained about this failure to capture the opportunity and decreed that North Korea never be caught flat-footed again.[16] That rueful resolution helped shape North Korean national strategy in the years to come.

Between roughly 1962 and 1979, North Korea's national strategy involved a careful and systematic placing of long-term bets that would pay off if the opportunity to reunify the peninsula should come again. In many respects, this was the period of greatest innovation and flexibility in North Korea's external policies. North Korea's distinctive approach to international relations, often alarming or exasperating to ally and opponent alike, for the most part skillfully protected and advanced national interests as defined by the country's leadership. By the end of this period, however, it had become grimly evident that none of the many gambles the state had wagered in support of its long-term strategy had actually worked.

Throughout this period, military buildup was a primary objective of North Korean policy. The results were awesome. In the early 1960s, the Korean People's Army (KPA) is thought to have had a strength of just over 300,000. By the late 1970s (when the buildup was finally detected by Washington and Seoul), North Korea's armed forces were approaching the million mark (a milestone they would later exceed).[17] For a country of barely 20 million people, this amounted to something like total-war mobilization on a permanent basis. Since an entire range of war industries backed this rapidly expanding army, the share of North Korea's economic output devoted to defense readiness was probably tremendously high and steadily rising. No other contemporary economy, in fact, may ever have been set on such an extreme and prolonged war footing.

. . . North Korea's national strategy was a race against time. North Korea's military machine might easily defeat South Korea's in a one-on-one contest if and when the opportunity arose: but maintaining and financing the KPA was a great, growing burden—undercutting North Korea's overall ability to engage in long-term competition with the R.O.K.

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[15] This was all the more noteworthy in that Japan's Korean community was overwhelmingly drawn from Korea's southern provinces. This big movement of people thus could not be explained by regional sentiment or family ties.

[16] For these rumors, see Robert A. Scalapino and Chong-Sik Lee, *Communism in Korea*, Berkeley, CA: University of California Press, 1973, pp. 983, fn. 74.

[17] For estimates of the growth of North Korean military manpower, see Nicholas Eberstadt and Judith Banister, "Military Buildup In The DPRK: Some New Indications From North Korean Data," *Asian Survey*, vol. 31, no. 7 (November 1991).

The purpose of this extraordinary military effort, of course, was to put Pyongyang in a position to "seize the day" when the opportunity finally arrived. As the 1960s and 1970s progressed, prospects by some measures were surely encouraging. America's ability or willingness to defend Seoul—perforce the first consideration in any North Korean calculations about unifying the peninsula on its own terms—seemed to be eroding. The Vietnam debacle; the "Nixon Doctrine"; the Carter Administration's announcement that Washington would withdraw all U.S. troops from South Korea: these and other events could reasonably be read as presaging the end of an era in the U.S.-R.O.K. relationship. To Pyongyang's strategists, it may well have looked as if patience and vigilance would be duly rewarded. But, as was to become increasingly clear, North Korea's national strategy was a race against time. North Korea's military machine might easily defeat South Korea's in a one-on-one contest if and when the opportunity arose; but maintaining and financing the KPA was a great, growing burden—undercutting North Korea's overall ability to engage in long-term competition with the R.O.K.

Just as spiraling military commitments (and the limits of stringent command planning) began to slow the pace of material progress in the North, the South—under General Park's new government—entered into a phase of explosively rapid economic growth. Given such trends, Pyongyang would not be stronger than Seoul indefinitely.

The situation was further complicated by unexpected problems in Pyongyang's relations with its main allies, Moscow and Beijing. The Sino-Soviet split, China's Cultural Revolution, and the rise of Leonid Brezhnev (who seems to have harbored a personal loathing for Kim Il Sung[18]) limited political and financial support for North Korea from these patrons.

North Korea's tactical response was imaginative. Beginning in the mid-1960s, the D.P.R.K. started to cultivate diplomatic relations with noncommunist countries: first "nonaligned states," then Western governments. (At the high-water mark of this diplomatic offensive, North Korea was discussing terms of cross-recognition with its perennial *bête noir*, Japan, but no deal was reached.) In 1970, North Korean foreign economic policy made a sharp turn toward Western markets for goods and capital. Between 1970 and 1975, North Korea contracted over $1.2 billion in hard currency loans, which it used for purchases of turnkey factories, other capital goods, and grain from the countries of the Organization for Economic Cooperation and Development (OECD). Over 90 percent of North Korea's trade turnover was with the communist bloc in 1964, but by 1974 North Korea's imports from OECD countries exceeded its imports from China, the Soviet Union, and Eastern Europe combined.[19]

These tactical thrusts, however, could not be sustained. Almost immediately, North Korea fell into arrears on its hard currency debts. As it moved toward default, its commerce with OECD countries collapsed, and trade relations with the industrial democracies were further poisoned by Pyongyang's continuing refusal to make good on the loans. (Many explanations have been tendered by Western specialists for North Korea's seemingly self-defeating behavior during this financial drama; seldom mentioned is the possibility that Pyongyang viewed the loans as a form of aid in the first place, and thus never really intended to pay them back.) By the same token, the overture toward noncommunist countries proved to be self-limiting, as Pyongyang's new diplomatic acquaintances became familiar with North Korean habits (e.g., "self-financing" embassies supported by trafficking contraband, or unpredictable payment for contracted merchandise) or, in the case of some "nonaligned" states, learned that the D.P.R.K. was a niggardly and unreliable dispenser of foreign aid.

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[18] Brezhnev was already quite familiar with Kim, and the D.P.R.K., when he became general secretary in 1964. Earlier in his career, Brezhnev had been, among other things, the Communist Party of the Soviet Union's delegate to the KWP's 1956 Congress. His speech to the Congress implicitly criticized North Korean policy.

[19] For estimates, see Soo-young Choi, "Foreign Trade of North Korea, 1946–1988: Structure and Performance," unpublished Ph.D. dissertation, Northeastern University, 1991.

Unorthodox as North Korea's national strategy may have been during these years, its game plan was by no means the gambit of a madman. It was high risk and high-tension, to be sure; but the reading of the international scene that informed the strategy was basically sound—arguably even prescient. The United States *would* suffer serious foreign policy reversals in the 1960s and the 1970s; the credibility of Washington's commitment to Seoul *would* become an open question during, and after, the Vietnam era; the R.O.K. *was* a politically fragile, and potentially unstable, polity (as was vividly illustrated in 1979 by the assassination of President Park at the hand of his own security chief).

However, this national strategy was at bottom a gamble, and luck does not smile on every gambler. In the mid-1970s—when the North had likely gained a decisive conventional edge over the South's forces and Washington's commitment to Seoul seemed to be shaky—President Park's martial law regime still looked solid. And 1979—when the D.P.R.K. probably still enjoyed a military advantage over the R.O.K. and the Park assassination brought turmoil to the surface in the South—just happened to be the year in which the American commitment to South Korea's defense was categorically and convincingly reaffirmed. North Korea's national strategy had missed its run, and North Korean leaders entered the 1980s grimly playing out a hand of bad cards they themselves had chosen.

At the start of the 1980s, North Korea's national strategy was at best a long shot. By the start of the 1990s, it looked like a hopeless fantasy. Despite increasingly unpleasant international and domestic realities, North Korea's leadership seems to have made no substantive adjustments to its grand strategy.

(3) 1980–1996: Dead End, No Exit

At the start of the 1980s, North Korea's national strategy was at best a long shot. By the start of the 1990s, it looked like a hopeless fantasy. Despite increasingly unpleasant international and domestic realities, North Korea's leadership seems to have made no substantive adjustments to its grand strategy. Both the objectives of national strategy and the instruments for achieving it remain much as they had been in the 1940s when that strategy had first been cast. Poorly adapted as it is for the latter part of the 20th century, North Korean leadership nevertheless clings to it doggedly.

As the 1980s progressed, South Korea looked ever less vulnerable to an enforced unification with the North. In their economic race, the R.O.K. had not only overtaken the D.P.R.K. by the beginning of the 1980s, but had left it in the dust. In 1987 Seoul held the first more-or-less open and competitive national election in Korean history. A transition away from quasi-police-state and toward constitutional governance was indisputably under way, and—just as indisputably—South Korea's social foundations were gaining strength. Moreover, with the great success of the 1988 Seoul Olympics, it was no longer possible to entertain the notion that the international community regarded the R.O.K. as a problematic pariah government. All the while, the Reagan Administration's assertive and explicitly anticommunist foreign and military policies were reducing whatever doubts remained about the firmness of the U.S. defense guarantee to Seoul.

North Korea's response to these menacing changes was to continue and intensify the basic policies it had embraced in the 1960s and 1970s. The military buildup proceeded at full throttle—

by 1987 some 1.25 million men or more may have been under arms.[20] (By that date, in fact, the KPA may have become the world's fourth-largest armed service—behind only those of China, the Soviet Union, and the United States.) The costs of this commitment, however, were becoming too great for the D.P.R.K.'s relatively small economy to bear. By the mid-1980s, according to Soviet bloc observers, the North Korean economy had entered into stagnation and was heading toward absolute decline.[21] Their particular readings may have been too pessimistic, but they were also probably not too far from the mark. Month by month, the economic balance on the Korean peninsula was shifting against Pyongyang.

In the Soviet Union, analogous problems in their contest with the United States had prompted leading military figures (including Marshal Nikolai Ogarkov, at the time chief of the General Staff) to call for far-reaching economic reforms to revitalize the nation's economic base in general, and to advance the "scientific-technical revolution" within the war industries in particular.[22] North Korea, however, had no Marshal Ogarkov. Instead, under Marshal Kim Il Sung, North Korea in the 1980s foreswore virtually any alterations to its entrenched, cumbersome, and somewhat irrational central economic planning system.[23]

New directions, to be sure, were proclaimed or indicated from time to time. A 1980 KWP Congress, for example, declared that trade turnover should be tripled over the decade; in 1984, the Joint Venture Law for foreign investment was promulgated. But these were half-hearted initiatives, with no practical design for achieving their stated goals. Thus the Joint Venture Law failed to attract virtually any Western capital (save for some token offerings from *Chochongnyon*, Pyongyang's loyal General Association of Korean Residents in Japan),[24] and North Korea's non-Soviet trade turnover looks actually to have *declined* over the 1980s.[25]

North Korea was in the grip of a dilemma. Without radical economic reform, long-term competition with, or confrontation against, South Korea would no longer be possible. A radical economic reform, however, would necessarily weaken the North Korean leadership's direct political and ideological control over economy and society, and might well set forces in motion that would eventually undermine the regime and the system.

Pyongyang attempted to circumvent this dilemma through foreign policy finesse. In 1982 the death of Leonid Brezhnev opened the door to a warmer Soviet-D.P.R.K. relationship. Ominous shifts in the international "correlation of forces" had left Moscow eager for new security ties. Pyongyang, for its part, was willing to lean sharply toward Moscow in return for substantial economic and military assistance. On this basis the two parties entered into a new arrangement.

For North Korea, the benefits were tremendous: beginning in 1984, Moscow acquiesced in a ballooning trade imbalance with North Korea, an implicit subsidy reflecting Soviet willingness to ship progressively greater volumes of goods to North Korea without compensating countershipments. Soviet exports were increasingly military matériel (e.g., avionics systems, advanced aircraft, and other products of the "scientific-technical revolution" in Soviet

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[20] Eberstadt and Banister, *op. cit.*

[21] See, for example, Hans Maretzki, *Kimismus in Nordkorea: Analyse des lezten DDR-Botschafters in Pjoengyang* ("Kim-ism in North Korea: Analysis of the last GDR Ambassador to Pyongyang"), Boeblingen, Germany: Anita Tykve Verlag, 1991; and Marina Trigubenko, "Industrial Policy in the DPRK," paper presented to the KDI-Korea Economic Daily conference on the North Korean economy, September 30–October 1, 1991.

[22] Such thinking was revealed, for example, in N.V.Ogarkov, *Vsegda v Gotovnosti k Zashchite Otechestva* (*Always in Readiness for the Defense of the Motherland*), Moscow: Voenizdat, 1982. For an informative discussion of these issues, see Dale R. Herspring, "Nikolay Ogarkov and the scientific-technical revolution in Soviet military affairs," *Comparative Strategy*, vol. 6, no. 1 (1987).

[23] For an interesting analysis and critique, see Mitsuhiko Kimura, "A Planned Economy Without Planning: *Su-ryong*'s North Korea," *Discussion Paper Series F-074*, Faculty of Economics, Tezukayama University, March 1994. (*Su-ryong* means "Great Leader" in Korean.)

[24] Eui-gak Hwang, *The Korean Economies: A Comparison of North and South*, Oxford: The Clarendon Press, 1993, pp. 210–215.

[25] Choi, *op. cit.*

military industries). Although pricing commerce transacted in nonconvertible currencies is problematic, at official current ruble-dollar exchange rates Moscow's implicit subsidy to the North Korean economy would have exceeded $4 billion for the 1985–90 period, and its military transfers to the D.P.R.K. during those years would have amounted to over $5 billion.[26]

Those transfers must have had a marked impact on North Korea's military potential and defense capabilities. North Korean leaders did not repair the fundamental flaws in their national strategy in the 1980s. Instead, through successful diplomacy they were able to postpone their day of reckoning.

But this day did arrive. In 1990, President and Communist Party General Secretary Mikhail Gorbachev extended Soviet diplomatic relations to the R.O.K.; a few months later, Moscow insisted on hard-currency terms of settlement in its trade with North Korea; a few months after that, the U.S.S.R. itself disappeared from the world stage. Soviet/Russian military shipments to the D.P.R.K. all but ceased; trade turnover between Moscow and Pyongyang collapsed; and the implicit economic subsidy to the North Korean economy abruptly plummeted.[27]

Deprived of aid from and trade with the Warsaw Pact countries, the North Korean economy suddenly headed from stagnation or decline into a deep slump. At the same time, the final crisis of the Soviet state and the concomitant "end of the Cold War" deprived North Korea of its last elements of significant support within the international community. North Korea was no longer able to block South Korea's entry to the United Nations (it joined in 1991).[28] In 1992 North Korea's last ally of any consequence, China, normalized its relations with the R.O.K. Even Beijing showed growing impatience with North Korea's situation. Between 1991 and 1994 the Chinese subsidy to the D.P.R.K. was steadily and dramatically reined in.[29]

By 1993 North Korea was a country without a national strategy. To be more precise, it had a national strategy—the same one it always had—but this was almost completely irrelevant to the problems at hand. The pressing problem at hand was regime survival. North Korea's approach to the regime survival problem was almost entirely tactical in nature and revealed an admixture of painful temporizing and bold maneuvering.

Since Kim Il Sung's death in 1994, North Korea's leading personality has been the Great Leader's son and heir-designate, Kim Jong Il. While little can be said categorically about his inclinations, the younger Kim's writings evidence, if anything, even less enthusiasm for liberalized economic policies than those of his father.

On the one hand, the North Korean leadership resolutely refused to experiment with any serious economic reforms. (True, new legislation for attracting foreign investment was introduced in the early 1990s, and some North Korean officials began to talk of emulating the "Singapore model," but this was disconnected fantasy, not strategy.) Since Kim Il Sung's death in 1994, North

[26] These estimates are based upon analysis of officially reported Soviet trade data. For more details, see Nicholas Eberstadt, Marc Rubin, and Albina Tretyakova, "The Collapse of Soviet and Russian Trade with the DPRK, 1989–1993: Impact and Implications," *Korean Journal Of National Reunification*, vol. 4 (1995).

[27] For more information, see Eberstadt, Rubin, and Tretyakova, *op. cit.*

[28] The D.P.R.K. joined at the same time, but this was a face-saving retreat from Pyongyang's position that Korea should only have its one true representative accepted into that forum.

[29] For more details, see Nicholas Eberstadt et al., "China's Trade with the DPRK, 1990–1994: Pyongyang's Thrifty New Patron," *Korean and World Affairs*, vol. 19, no. 4 (1995/96).

Korea's leading personality has been the Great Leader's son and heir-designate, Kim Jong Il. While little can be said categorically about his inclinations, the younger Kim's writings evidence, if anything, even less enthusiasm for liberalized economic policies than those of his father. Under its current policy regime, North Korea's ability to earn hard currency is extremely limited—sales of minerals and raw materials, textiles and clothing, munitions, and other hard-currency goods may generate a billion dollars a year in exports—and its ability simply to maintain production levels without outside help is questionable. On the current trajectory, continuing economic deterioration seems to be the most likely prospect. One can only infer that this is a prospect less unsettling to the North Korean leadership than the vision of far-reaching systemic reforms.

On the other hand, North Korea made a series of shrewd and daring moves in the diplomatic arena. Most of these centered on the nuclear drama unveiled by Pyongyang in early 1993. By threatening to withdraw from the Nuclear Nonproliferation Treaty, hinting that it might already have succeeded in developing an atomic bomb, and indicating that it would soon be capable of producing half a dozen or more nuclear devices each year, Pyongyang generated a wave of international alarm. Through successive rounds of skillful, high-tension negotiations with the United States, South Korea, Japan, the U.N. International Atomic Energy Agency, and other parties, the D.P.R.K. finally arrived at a complex and extended understanding with Washington. According to the resulting 1994 "Agreed Framework," North Korea's program for producing fissile materials would be put on hold (and, eventually, inspected and dismantled) in return for which an American-led consortium would provide ten years of heavy oil deliveries gratis and also construct two "safe" nuclear reactors in the D.P.R.K. at the cost of an additional $4 billion. This understanding satisfied a multiplicity of North Korean security, foreign policy, and economic goals. Perhaps most importantly, it seemed to promise that North Korea might be able to draw substantial long-term concessional aid from three fresh new sources: Washington, Tokyo, and Seoul. Yet even this brilliant tactical success did not rescue North Korea from the menacing fundamentals of its new situation—much less return the government to a position where it could pursue its long-cherished, but now inoperative, national strategy.

The National Strategies of South Korea

Although vastly more information is available about South Korea than North Korea, describing South Korean national strategy is by far the more difficult task. Even during its most autocratic phases, the Republic of Korea was a country with more than one center of power, more than one list of key national objectives, and distinctly more than one accepted idea for how these key objectives might be achieved. Moreover, the turnover of key decisionmakers in politics, defense, diplomacy, public finance, and commerce, though not always regular, was nonetheless a predictable and sometimes very rapid phenomenon.[30] To describe South Korea's national strategy thus risks positing conscious design, coherence, and continuity where none may exist. Nevertheless, two general approaches to national strategy have been officially and successively embraced by the Republic of Korea since its founding in 1948. The first operated during the presidency of Syngman Rhee. The second was developed under President Park Chung Hee and continues to be pursued, albeit with important modifications, to the present day.

(1) 1948–1960: Dependence and Survival

Whether or not the Syngman Rhee government's collection of domestic and international policies taken together should qualify as a full-fledged national strategy may be debated. Nevertheless, discrete elements of strategy can be seen in the Rhee government's posture toward the problems it faced.

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[30] Leading an early observer of post-partition South Korea to speak of "the politics of the vortex." See Gregory Henderson, *Korea, The Politics of the Vortex*, Cambridge, MA: Harvard University Press, 1968.

When Rhee assumed the presidency of the new Republic of Korea in 1948, the survivability of the state was very much in doubt. The partition of Korea had severely disrupted the economy of the South, which was poor, agrarian, and densely populated. Americans (among others) had already concluded that South Korea was not, and would not be, economically viable.

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As a consummate and ruthless politician, Rhee was both inclined and capable to resolve the "survivability" problem by all means within his power. In the domestic arena, for example, he attained incontestable authority by the end of the 1940s by outmaneuvering some opponents, using the army and the police to crush others, and standing by as still others were eliminated through extralegal violence. Consolidating control over a weak and fragile state, however, was not enough to ensure South Korea's survival. In the late 1940s, viability meant finding a reliable patron. Survival could only be achieved by becoming a "client state."

The United States, of course, was the only power with the wherewithal to serve as patron to South Korea. Between 1948 and 1960, therefore, Rhee's strategy seems to have been directed toward forming indissoluble bonds of commitment from, and thus dependence upon, the United States government.[32] In the late 1940s, forging those bonds looked to be a formidable challenge. After North Korea's 1950 attack, however, the bonds were assured. In the global Cold War contest, that assault had redefined the boundaries of America's national interests: the Republic of Korea was thenceforth within that vital perimeter.

The attainment of client-state status relieved the three greatest threats to the continuing survival of the fledgling South Korean state. First and foremost, the American security guarantee effectively foreclosed the possibility that North Korea might launch another frontal assault on the R.O.K. Second, because the United States' attendant commitment of foreign economic assistance for South Korea was on a grand scale[33] during this era, the economic situation in the R.O.K.

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[31] "Report to the President," 1947, parts I–V, as reprinted in Albert C. Wedemeyer, *Wedemeyer Reports!* New York: Henry Holt & Co., 1958, p. 477.

[32] For an excellent analysis of this strategy, see Jung-en Woo, *Race to the Swift: State and Finance in Korean Industrialization*, New York: Columbia University Press, 1991, especially chapter 3.

[33] "From 1953 to 1960, American *economic* assistance averaged about 10 percent of the [South] Korean GNP; it financed over three-quarters of imports; it accounted for nearly the whole of savings and investment; and it generated more than half the government's revenues." Edward S. Mason, et al., *The Economic and Social Modernization of the Republic of Korea*, Cambridge, MA: Harvard University Press, 1980, p. 15 (emphasis added).

When one recalls that *economic* assistance accounted for only about two-thirds of total U.S. foreign aid outlays to South Korea during this period, one begins to appreciate the magnitude of these transfers for the recipient government.

was now viable, month to month and year to year. Finally, the nature of the new client-state relationship permitted Rhee to deal with the danger of domestic instability in a convenient manner. Washington afforded the Rhee government the latitude to deal with troublesome electoral rivals more or less as it saw fit (e.g., non-transparent elections, national security legislation). Furthermore, American largesse—and the Rhee government's control of access thereto—permitted the creation of a coalition of beneficiaries that encompassed many of the most influential elements in the society.[34]

This arrangement was a perfectly workable blueprint for regime survival for some time. Whether it amounted to a "national strategy" is another question. In two key respects, in fact, the Rhee approach may be said to have been critically flawed from the standpoint of overall strategy.

First, the Rhee approach offered no practical answer to the question of how to reunify the sundered Korean nation. In Rhee's rhetoric, the reunification of Korea under a noncommunist government was an urgent task and a grave responsibility. Many of his countrymen (including many who opposed Rhee personally) concurred in this conviction. But Rhee's own program presented absolutely no means by which to bring this cherished goal nearer to reality. The "March to the North," so often promised in Rhee's speeches, overlooked the simple fact that the KPA was considerably stronger than an unassisted South Korean Army. Rhee, furthermore, had no plan for reversing that imbalance. The only conceivable way in which a noncommunist Korean peninsula could have been created during this era would have been with American bayonets, and this was an unthinkable option for the U.S. government in the wake of General Douglas MacArthur's Korean adventures (if indeed it ever could have been considered seriously).

The second, and arguably more serious, flaw in the Rhee schema is that it neglected the imperative of bringing economic health and growth to South Korea. Like a number of other statesmen of his generation, Rhee was basically indifferent to economic affairs *per se*, and insensitive to the political and strategic implications of sustained compound growth rates. Patronage mattered to him; productivity did not. Consequently, Rhee was content to pursue "aid-maximizing" policies,[35] even if these contributed to budgetary and financial disarray and hampered efforts to improve the country's output levels and living standards. It may be true that there was some method to Rhee's economic madness:[36] a judgment perhaps that pursuing an import-substitution regime underwritten by American aid was preferable to the alternative of being reintegrated into a division of labor established by a recovering Japanese economy. But under the harsh reality of the peninsula's hostile division, failure to match North Korea's economic growth presaged eventual failure to continue the competition. And the Rhee government's economic performance was extraordinarily bad. According to OECD estimates, per capita GDP in South Korea was 30 percent lower in 1960 than it had been in the late 1930s.[37] Despite American aid, per capita output in the South appeared to lag further and further behind the North as the 1950s wore on. By the time of the April 1960 riots that brought Rhee down,[38] his approach to system survival had reached the limits of its usefulness.

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[34] Some of these latter arrangements are described in broad terms in Anne O. Krueger, *The Developmental Role of the Foreign Sector and Aid*, Cambridge, MA: Harvard University Press, 1979.

[35] The apt phrase of David C. Cole and Princeton N. Lyman. See their *Korean Development: The Interplay of Politics and Economics*, Cambridge, MA: Harvard University Press, 1971, pp. 170–172.

[36] To paraphrase Jung-en Woo, *op. cit.*, p. 43.

[37] Organization for Economic Cooperation and Development, *OECD Economic Surveys, 1993–1994: Korea*, Paris: OECD, 1994, p. 14.

[38] A vivid account of this denouement can be found in Sungjoo Han, *The Failure of Democracy in South Korea*, Berkeley, CA: University of California Press, 1974, chapter 2.

(2) 1961–1996: The Quest for Prosperity and Autonomy

The military coup of May 1961 brought a very different policy approach into force for South Korea. The components of this approach coalesced into what may fairly be described as a "national strategy." General Park Chung Hee, initially head of the junta's Supreme Council for National Reconstruction (SCNR) and later president of the R.O.K, was the principal architect of this continuing strategy (which evolved during his lifetime and was modified significantly after his assassination in 1979).

Park summarized his strategic concerns shortly after the coup: "We [South Koreans] can't depend on the United States forever. Some day, somehow, we must be self-supporting, or at least close to self-supporting."[39] In principle, there was a solution to this problem. To remedy South Korea's perilous dependence, Park saw an urgent necessity to create a "rich nation and strong army" (*fukoku kyohei*), as the famous formula from Japan's Meiji period put it. (Park was deeply impressed by this earlier Japanese formula—so deeply, in fact, that he turned "enrich the country and strengthen the army" into one of his trademark political slogans.[40]) Yet South Korea's particular, and delicate, international position would require more than simple augmentation of domestic power to assure its security. Diversifying and strengthening the R.O.K.'s relations with other countries would simultaneously reduce Seoul's dependence on Washington and improve South Korea's position in its long-term contest with the D.P.R.K. These three objectives—achieving rapid economic growth, developing credible defense capabilities, and solidifying ties with the international community (while maintaining security guarantees from Washington)—informed and guided South Korean policy during and after the Park years. Pursuit of these objectives required regimens and structures adequate to the task, which for the most part had to be constructed.

Economists disagree as to the precise ingredients in this engineered "takeoff." Nevertheless, we may say that an outward-looking, export-oriented economic policy executed by a strongly dirigiste *government provided a powerful stimulus. . . .*

Within half a year of the military revolution, the major innovations in administrative machinery needed for supporting the new national strategy had been effected. First, a Korean Central Intelligence Agency (KCIA) was established, and granted broad latitude both to deal with domestic subversion and to enhance what the government viewed as "political stability." Second, an Economic Planning Board, a super-ministry with wide-ranging authority for organizing and implementing a new regimen of multiyear economic development plans, was set up. Finally, a Federation of Korean Industries was founded. Although this organization was technically private in nature, representing as it did most of the larger South Korean business concerns, its formation signaled the willingness of the country's business leaders to subordinate their activities to the priorities and plans laid down by the new regime. (A new basis for government-business cooperation had also been established by virtue of the regime's swift nationalization of the country's commercial banks: the government now stood as the business community's sole pro-

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[39] *U.S. News and World Report*, November 20, 1961, cited in Joon Young Park, *Korea's Return to Asia: South Korean Foreign Policy, 1965–1975*, Seoul: Jin Heong Press, 1985, p. 36.

[40] Wan-Soon Kim, "The President's Emergency Decree for Economic Stability and Growth," in Lee-Jay Cho and Yoon Hyung Kim, eds., *Economic Development in the Republic of Korea: A Policy Perspective*, Honolulu: University of Hawaii Press, 1991, p. 163.

vider of low-cost credit.[41]) With these mechanisms in place, South Korean policy succeeded in sparking explosively rapid economic growth and in maintaining this awesome tempo, virtually without interruption, for what has now been more than a generation.

Economists disagree as to the precise ingredients in this engineered "takeoff." Nevertheless, we may say that an outward-looking, export-oriented economic policy executed by a strongly *dirigiste* government provided a powerful stimulus: at first, for utilizing stocks of productive knowledge and pools of labor that had gone unapplied under the previous regimen; later, for shaping a climate in which the high investment ratios needed for very rapid material advance and structural transformation might be profitably achieved and sustained.

South Korea's new export-oriented trade regimen was neither particularly open nor particularly liberal.[42] Moreover, the new economic regimen included a number of policies that resulted, predictably, in increased costs, diminished efficiency, and *reduced* pace of growth.[43] South Korea's economic performance, though, suggests that getting one big thing right can more than make up for getting many little things wrong.

As the Park government moved the country into rapid industrialization, it also embarked on a sustained diplomatic offensive. Park had inherited a government that, despite its American sponsorship, had some of the trappings of an "outcast state."[44] In 1960, for example, the Republic of Korea was recognized by only 15 countries worldwide.[45] By 1962 that number had risen to 52; ten years later, it was up to 79. South Korea's swiftly expanding international commerce helped in creating bonds of mutual interest between Seoul and otherwise distant governments, but Seoul also worked resolutely to entrench itself within a greater pro-Western alliance structure. In 1964 it dispatched troops to Vietnam (an involvement that would last until 1973). In 1965 it finally normalized relations with Japan. In 1966 it organized the short-lived Asian and Pacific Council, an association of nine noncommunist governments, not including the United States, designed to serve as a forum for regional security concerns for its member states. Just as South Korea's export-led growth was diminishing Seoul's financial dependence upon Washington, its foreign policy was striving to build a web of international relationships that would simultaneously enhance the R.O.K.'s security and increase its autonomy.

All in all, South Korea's national strategy under Park worked well. Over the course of the 1970s, however, internal tensions from the strategy came to the surface, and inherent contradictions in the existing schema were revealed. Some of these tensions were generated by unexpected or immutable external shocks, chief among them being shifts in U.S. foreign policy precipitated by Washington's failure to win the Vietnam War. The "Nixon Doctrine"; the draw-down of U.S. forces in the Pacific; the United States' simultaneous deténte with the U.S.S.R. and rapprochement with China; Washington's equanimity as the Vietnam peace accords it had negotiated collapsed: such developments may have reduced the United States' burdens and risks in the international arena, but they heightened the R.O.K.'s exposure to external danger. One of the Park government's responses to these worrisome changes in the international situation was a reformulation of its high-growth policy. If South Korea might have to defend itself unassisted against Northern aggression in coming years, prudence dictated the rapid creation of a domes-

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[41] For more details, see Mark Clifford, *Troubled Tiger: Businessmen, Bureaucrats, and Generals in South Korea,* Armonk, NY: M.E. Sharpe, 1994, chapters 3 and 4; Jong-Chan Rhee, *The State and Industry in South Korea: The Limits of the Authoritarian State,* London: Routledge, 1994, chapter 3; and Leroy P. Jones and Il Sakong, *Government, Business, and Entrepreneurship in Economic Development: The Korean Case,* Cambridge, MA: Harvard University Press, 1980, chapters 3 and 4.

[42] For an important, and convincing, argument to this effect, see Richard Luedde-Neurath, *Import Controls and Export-Oriented Development: A Reassessment of the South Korean Case*, Boulder, CO: Westview Press, 1986.

[43] For more detail, see Nicholas Eberstadt, *Korea Approaches Reunification,* Armonk, NY: M.E. Sharpe, 1995, chapter 1.

[44] For more on this concept, see Ephraim Inbar, *Outcast Countries in the World Community*, Denver, CO: University of Denver Monograph Series in World Affairs, 1985.

[45] Joon Young Park, *op. cit.*, p. 49.

tic munitions capability, which in turn required a heavy industrial base.[46] Thus, early in the 1970s, Seoul embarked upon a "big push," eventually to be known as the "Heavy and Chemical Industries" (HCI) drive. Although the drive may have been more successful than some of its critics aver,[47] it nonetheless led to a number of undesirable economic consequences, including structural distortions, buildup of foreign debt, and increased restrictions on the banking and financial services industries.

The *dirigiste* directions of South Korea's economic policies in the 1970s may also have required increased political repression by the state. In any case, in 1972 the Park government, under a rewritten constitution, tightened its grip on domestic political activity and the press.

The political crackdown illuminated a fundamental problem in the South Korean national strategy as it then operated. Anxiety about the reliability of U.S. commitments had prompted Seoul to embrace forced-pace heavy industrialization, which in turn was judged to require the suppression of internal political dissent. In the new post-Vietnam environment, however, Washington was genuinely troubled by indications of autocracy, or evidence of human rights violations, in the small states to which it extended security guarantees. Thus the turn toward political repression, itself a reaction to worries about the credibility of U.S. guarantees, only raised still greater questions about the firmness of America's defense commitment to Seoul.

This *problematik* was temporarily resolved by two dramatic events: the 1979 assassination of President Park and the 1980 election of Ronald Reagan to the presidency of the United States.

The military coup that followed Park's death brought new leadership, advisers, and decisionmakers to power—by and large, persons without a personal stake in the policies enacted over the previous decade. Under the Reagan government, furthermore, U.S. commitments to the R.O.K. looked highly credible. Confidence in its new relationship with the United States facilitated the relaxation of *dirigiste* economic policies.

Though the HCI drive had formally ended shortly before Park's death, in reality it continued through preferential credit, tax, and pricing policies. Under a sturdy U.S. defense umbrella, special development of the war-support industries was no longer so urgent. In the year or two after Reagan's inauguration, the Chun Doo Hwan government methodically dismantled most of those preferences.

With less need to subsidize priority industries for reasons of national security, financial repression correspondingly eased. This shift in economic policy may have been critically important. Beginning in 1982, South Korean depositors enjoyed seven straight years of positive real interest rates on their bank accounts, the longest such run in the R.O.K.'s history.[48] The response was tremendous: South Korean personal savings, which had been unusually low for a newly industrializing economy during the 1960s and 1970s, jumped from around ten percent at the beginning of the decade to over 20 percent near the decade's end. This great rise in savings—in tandem with disciplined budgetary and realistic exchange-rate policies—made for the R.O.K.'s first multiyear trade surplus (1987–90) and dramatically reduced the R.O.K.'s net foreign debt. Perhaps more significantly, the rise in personal savings meant that South Korea could at last finance from domestic resources the high investment ratios predicated by its rapid growth. Seoul's growth formula had thus become truly "self-sustaining."

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[46] For an insider's view, see Chong-yum Kim, *Policymaking on the Front Lines: Memoirs of a Korean Practitioner, 1945–1979*, Washington, DC: World Bank, 1994, chapter 7.

[47] As concluded, for example, by Joseph Stern et al., *Industrialization and the State: The Korean Heavy and Chemical Industry Drive*, Cambridge, MA: Harvard University Press, 1995.

[48] Data from Il Sakong, *Korea in the World Economy*, Washington, DC: Institute for International Economics, 1993, p. 212.

After Park's assassination by his own KCIA chief, the KCIA was purged, reconstituted, and renamed; and its power steadily ebbed thereafter. Nevertheless, Chun Doo Hwan's Fifth Republic government could still reasonably be called a quasi-police-state. The regime, after all, had seized power through violence (later formalizing its seizure through ritualistic elections), and maintained its control through police practices unrestrained by any codified set of laws.[49] This fact pointed to a profound challenge for South Korea's national strategy. Under the Park-Chun framework, South Korea's economic growth had been extraordinary, its defensive capabilities had greatly improved, and its international status had incontestably strengthened. But the South Korean system had no reliable and regular mechanism for the peaceful transfer of political power. Between 1948 and 1986, in fact, the only means by which the government had changed hands were revolutions, coups, and assassinations.[50] Under such circumstances, political instability remained a perennial danger—one that could possibly spoil all the fruit the South Korean national strategy had borne.

With South Korea's 1993 elections and the victory of former opposition leader Kim Young Sam (who had since joined the ruling party), the transition to open elections, civilian rule, and accountable governance was largely completed and firmly established. Needless to say, this transition fundamentally altered the tenor of South Korean politics.

In the late 1980s the nature of the South Korean political system changed suddenly and radically. In a few critical months in 1987, under mounting pressure from demonstrations at home and cables from Washington, the Chun government acquiesced in an open and competitive presidential election. The drama was composed of design, accident, and luck.[51] In the end, the candidate elected, former General Roh Tae Woo, possessed the twin virtues of being a close associate of the outgoing president and also actually having won more votes in the campaign than anyone else. With South Korea's 1993 elections and the victory of former opposition leader Kim Young Sam (who had since joined the ruling party), the transition to open elections, civilian rule, and accountable governance was largely completed and firmly established. Needless to say, this transition fundamentally altered the tenor of South Korean politics. But it did not basically alter South Korea's national strategy. The goals remained the same; many of the policies remained as well. Whatever its other merits, the political transition added a new dimension of depth and resilience to the country's capability to pursue its national strategy.

A final and momentous emendation in South Korea's post-1961 national strategy should be mentioned—one made possible in part by the domestic political transformation noted above. This was the so-called *Nordpolitik* diplomacy,[52] enunciated by President Roh Tae Woo just weeks before the 1988 Olympiad convened in Seoul.[53] It took note of developments in the 1980s within

[49] For a critical examination and review, see Yoon Dae-kyu, *Law and Political Authority in South Korea*, Boulder, CO: Westview Press, 1990.

[50] South Korean politics, moreover, had not been kind to ex-presidents; under the *modus operandi*, to relinquish office voluntarily might well be to expose oneself to great personal danger.

[51] For one interpretation, see Nicholas Eberstadt, "Taiwan and South Korea: The 'Democratization' of Outlier States," *World Affairs*, vol. 155 (1992).

[52] I.e., "northern policy"—deliberately choosing the German words for official communiqués for the intended analogy to *Ostpolitik*.

[53] For an exposition of this policy by a scholar (and sometime government official) who had been involved in it, see Kim Hak-joon, "The Republic of Korea's Northern Policy: Origin, Development, and Prospects," *Japan Review of International Affairs*, vol. 5 (1991), special issue.

the communist world—under Deng Xiaoping in China, Mikhail Gorbachev in the Soviet Union, and in some smaller states in Eastern Europe. Now that South Korea was no longer an "anti-communist dictatorship," the formulators of *Nordpolitik* reasoned, programmatic hostility between Seoul and these states was no longer a predetermined outcome.[54] Through economic, cultural, and diplomatic initiatives, the R.O.K. might be able to build working relationships—or better—with these longtime enemies. By doing so, the R.O.K. would directly enhance its international security and would furthermore bring considerable pressure upon Pyongyang to seek a working relationship of its own with Seoul.

Nordpolitik was a tremendous—though not a total—success. Within two years of its formal inception, South Korea had normalized, or agreed to normalize, relations with Hungary, Poland, Bulgaria, Yugoslavia, Czechoslovakia, Romania, and, most importantly, the Soviet Union. Thus *Nordpolitik* paid off even before the final crisis of Soviet communism and the end of the Cold War. Formal diplomatic relations with China took another two years to cement. In the interim, China and the R.O.K. enjoyed a booming commercial relationship (within limits set by China's economic reforms, the now substantial wage gap between China and South Korea, and the R.O.K.'s ability and willingness to transfer technology and direct foreign investment) that continues to this day.[55] In 1991, with no communist vetoes on the Security Council to block its entry, the Republic of Korea at last joined the United Nations. At nearly the same time, reflecting newfound confidence in its security situation, Seoul announced that U.S. nuclear weapons had been removed from its territory and invited Pyongyang to enter into sustained diplomatic and economic engagement. Despite some promising initial steps, including ambitious joint resolutions signed by both governments in late 1991 and early 1992, Seoul has to date failed to elicit anything like sustained diplomatic and economic engagement with Pyongyang.

In March 1995 the Republic of Korea officially requested membership in the Organization for Economic Cooperation and Development. This rite of passage underscored the great successes of the previous three decades of South Korea's national strategy. From near-India levels of poverty in the early 1960s, the R.O.K. had lifted itself to near-Western levels of affluence by the 1990s. South Korea had in fact become one of the world's dozen largest economies and one of the dozen largest trading countries. The polity's survival in the face of external danger was no longer a pressing question. The country had developed its own extensive network of international relations and enjoyed a generally positive international reputation; no longer was it an "outcast state," or even a "client state." In the long contest with the North, the Republic of Korea looked increasingly likely to emerge as the government that would eventually inherit authority over the entire Korean peninsula.

Concluding Comments and Observations

Because of the nature of the exercise, this exposition of national strategy in North and South Korea cannot claim to be conclusive. It may nevertheless be useful at this juncture to reflect upon the record to date and to consider prospects for the future.

Looking back, what is striking in both the North Korean and the South Korean cases is the degree to which each national strategy has drawn from familiar historical patterns. Like other

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[54] As Kim Hak-joon put it, "The ... 1988 Seoul Olympics held great importance for the *Nordpolitik*. The event enabled the northern countries to see South Korea in an entirely new light, one that revealed neither a colony of the "American imperialists" nor a nation economically dependent upon "international capitalism." *op. cit.*, p. 39.

[55] In 1994 new South Korean foreign direct investment (FDI) in China reportedly approached $1.7 billion. China reportedly has more South Korean FDI than any other country. Bilateral trade turnover in 1995 is anticipated to exceed $15 billion; each country is the other's sixth-largest trade partner. See Foreign Broadcast Information Service: *East Asia Daily Report*, March 17, 1995, p. 51, and August 22, 1995, p. 29.

communist polities, the D.P.R.K. may have promised to bring the country into an entirely new order. Yet North Korea's national strategy is informed by—indeed obsessed by—the past. The overarching preoccupation with reunifying the Korean *minjok*, or race, may be genuinely and deeply felt, but these are emotions shaped by searing events in the past. The idea that military power by itself can answer all strategic questions is an antiquated, not a modern one: it comes from a fixation on the past and a misreading of the present. The idea that a network of tributary relationships could support a hereditary dynasty from generation to generation also derives from the Korean past.

South Korea's national strategy, too, has drawn on the historically familiar, perhaps more than most South Koreans are yet comfortable admitting. The administrative apparatus that Park Chung Hee erected in the early 1960s to elicit rapid modernization, for example, bore more than passing resemblance to the security and economic planning structures that had been in place in Korea during the era of war-economy colonialism. This should not be surprising. In an earlier life, General Park had been Lieutenant Okamoto Minoru, an officer in Imperial Japan's Kwantung Army.

Yet there is a decisive difference between the national strategies of the North and the South, not only of degree, but of kind. North Korea has become a prisoner of the past and is today apparently incapable of reconsidering its strategy or refocusing on international realities. South Korea, on the other hand, has not let itself become permanently shackled by the war-economy legacy that it resurrected in the early stages of rapid economic growth. Over time, the South Korean economic system has become less *dirigiste* and more open. By the same token, the shift to competitive, mass-participation, civilian-led politics marks a turn away from all that is familiar in the Korean political past. To note as much may simply be to observe that successful states and societies *cope*, and that unsuccessful ones do not.

It may be too easy from our current vantage point to dismiss North Korea as an unsuccessful state with an unsuccessful national strategy. Thirty years ago a very different verdict on the national strategies of the two Koreas might have been rendered. For some years thereafter, the North Korean goal of enforcing a Socialist unification upon the South was no mere pipedream.

Looking toward the future, North Korea's prospects are grim. Barring a radical overhaul of its national strategy, Pyongyang will be reduced to a tactical game of eking out extensions of its lease on life for the foreseeable future. Even the most skillful "madman diplomacy" and the most successful aid negotiations can only maintain the regime on a "life-support" basis.

One wonders, if the D.P.R.K. *had* succeeded with its national strategy, what then? What would be the national strategy for the new entity? Reviewing the North Korean record, one can easily come away with the impression that the leadership's strategic thinking came to a full stop at this threshold. How a unified socialist Korea would compete in the world arena or economy was, to put it mildly, never clear. In the final analysis, North Korea did not have an effective formula for self-sustaining economic growth. The D.P.R.K. formula might have worked better on a unified peninsula, but probably not that much better. For sustained international competition, a national strategy must encompass a regimen for self-sustaining economic growth. South Korea's national strategy has done so; North Korea's has not.

Looking toward the future, North Korea's prospects are grim. Barring a radical overhaul of its national strategy, Pyongyang will be reduced to a tactical game of eking out extensions of its lease on life for the foreseeable future. Even the most skillful "madman diplomacy" and the most successful aid negotiations can only maintain the regime on a "life-support" basis.

As for South Korea, its ringing successes to date should not obscure the very real challenges that lie ahead. Three challenges bearing upon national strategy deserve particular mention.

First, the time-tested South Korean formula for rapid economic growth is approaching its end; it cannot be continued indefinitely. The arrangements that have fueled rapid growth—e.g., close business-government cooperation, subsidized by artificially cheap credit, reinforced by a posture of economic nationalism, and administered in the absence of any transparent or impartial rule of law[56]—cannot (and should not) go on forever. To date, South Korea's rapid growth owes much more of its success to mobilizing factors of production than to improving the "total factor productivity" of the resources it mobilizes. Unless South Korea finds an arrangement for accelerating the growth of total factor productivity, its pace of economic growth must decelerate sharply in the years ahead. If growth rates do decelerate, convergence with other OECD members could take very much longer than most South Koreans currently expect.

Second, South Korea has yet to face up to the ambiguities now present in its relationship with the United States. Just what sort of international security arrangements are appropriate for a country of 44 million people with a $400 billion GDP bordering a hostile state with 22 million people and a GDP (according to Seoul) of $22 billion? To some degree, Seoul's current security concerns can be traced to an unwillingness to allocate an adequate portion of its rapidly growing wealth to its own defense. The transition from "patron" to "partner" in the Washington-Seoul relationship, desired by both parties, cannot be completed unless South Korea is reconciled to behaving like the regional power it has become.

Finally, South Korea's national strategy today appears to lack any positive approach to the problem of Korean reunification. Pressed in private, many leading figures in South Korea simply express the hope that the issue can be deferred into the distant future. The genesis of this "ostrich policy" is easy enough to trace. For many decades, unification on South Korea's terms was not a realistic option. After the German unification, South Koreans were shocked by the enormity of the fiscal transfers Western Germany was obliged to underwrite in the effort to reconstruct the former German Democratic Republic. Some South Koreans may further believe that devising a practical reunification strategy would constitute a *causus belli* in the eyes of Pyongyang.

Whether South Korea's security position is improved by neglecting this central strategic question, however, may be doubted. It is true that Germany's unification took place after the Federal Republic had more or less given up hope of an imminent reunification, and that, despite a lack of preparations, unity was achieved in a bloodless, happy, almost simple drama.[57] But as we know, not all peoples are so lucky. n

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[56] For a measured and penetrating criticism of those arrangements, see Cho Soon, *The Dynamics Of Korean Economic Development*, Washington, DC: Institute for International Economics, 1994.

[57] For two gripping accounts of this drama—one by a journalistic "outsider," one by policy "insiders"—see Timothy Garton Ash, *In Europe's Name: Germany and the Divided Continent*, New York: Random House, 1993, and Philip Zelikow and Condoleeza Rice, *Germany Unified and Europe Transformed: A Study in Statecraft*, Cambridge, MA: Harvard University Press, 1995.

MULTILATERALISM, REGIONAL SECURITY, AND THE PROSPECTS FOR TRACK II IN EAST ASIA

Ralph A. Cossa

Multilateral dialogue holds great promise for enhancing regional security, provided its limitations as well as its benefits are fully recognized. All Asia-Pacific nations express support for enhancing dialogue, and the current trend toward multilateralism is generally consistent with the national strategies of the major regional players.

Asian-Pacific multilateralism is clearly a growth industry today, both at the official and nongovernmental (track II) levels. One publication documented 13 governmental and 49 track II political or security-related multilateral dialogues during the second half of 1995 alone.[1] Another noted that by early January 1996 at least 80 multinational conferences, symposiums, and workshops had already been scheduled for the year to discuss Asia-Pacific security developments.[2]

While many are one-time affairs, a 1995 survey identified over 40 institutionalized forums in East Asia (including regularly recurring conferences) aimed at promoting political, economic, or security discussions.[3] Some of these forums, particularly in the political and economic arenas, date back to the 1960s and 1970s, as do several military-to-military efforts.

However, the most ambitious and potentially significant are of a more recent vintage and focus on political or security issues.[4] Foremost among the new official mechanisms is the ASEAN Regional Forum (ARF).[5] This annual gathering of foreign ministers, first held in 1994, provides clear evidence of the growing regional commitment to multilateral security dialogue throughout the Asia-Pacific. In fact, well-established multilateral mechanisms aimed at enhancing Asia-Pacific security now exist both at the official and track II levels. Both official and track II forums are useful, with the latter especially effective in dealing with politically sensitive issues. In some instances, the track II efforts aim at facilitating essential official dialogue.

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[1] *Dialogue Monitor: Inventory of Multilateral Meetings on Asia Pacific Security Issues*, University of Toronto-York University Joint Centre for Asia Pacific Studies, no. 2 (January 1996).

[2] *Regional Security Dialogue: A Calendar of Asia Pacific Events (January 1996–December 1996)*, prepared jointly by the Regional Security Section, Department of Foreign Affairs and Trade, Australia, and the Strategic And Defence Studies Centre, Australian National University. Available online at http://coombs.anu.edu.au/Depts/RSPAS/SDSC/APSecurityTop.html.

[3] See "Appendix C: Compendium of Multinational Activities in East Asia," in Ralph A. Cossa, *The Japan-U.S. Alliance and Security Regimes in East Asia: A Workshop Report*, Japan Institute for International Policy Studies and the U.S. Center for Naval Analyses, January 1995. The Compendium was prepared by Rear Admiral Larry Vogt, USN (ret.) and Ms. Margo Cooper, and includes direct military-to-military dialogues.

[4] Even the most prominent of the economic gatherings, the Asia-Pacific Economic Cooperation (APEC) forum, has taken on an important political dimension with the introduction in 1993 if the annual "Leaders' Meeting," which brings together the heads-of-state of member nations. Note, however, that APEC is a gathering of "economies" not nations; a distinction that made it possible for the P.R.C., Taiwan, and Hong Kong to all participate. Of these three, however, only China's president is represented at the annual leaders' meeting—a source of constant irritation to Taiwan.

[5] The ARF brings together the foreign ministers of the Association of Southeast Asian Nations, or ASEAN, (Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam), their dialogue partners (Australia, Canada, China, India, Japan, South Korea, New Zealand, Russia, the United States, and the European Community), and other key regional states (Cambodia, Laos, Myanmar, and Papua New Guinea)—21 players in all—to discuss regional security issues.

It was not that long ago that most Asia-Pacific policymakers viewed multilateral security dialogue mechanisms with a great deal of apprehension and suspicion.

Background

It was not that long ago that most Asia-Pacific policymakers viewed multilateral security dialogue mechanisms with a great deal of apprehension and suspicion. As recently as 1991, when Japan's Foreign Minister Taro Nakayama suggested at an ASEAN Post-Ministerial Conference gathering that a forum be established to discuss regional security issues, his remarks were poorly received by the ASEAN states and their dialogue partners.[6]

The United States was particularly unreceptive to the idea. U.S. officials at the time were more comfortable with the one-on-one approach to security issues in Asia and were hesitant to embrace multilateral approaches, especially for addressing security concerns. With the end of the Cold War, however, there has been a decided shift in both U.S. and regional attitudes.

President Bill Clinton underscored the shift in the American stance when he identified multilateral security dialogue as one of the four pillars of his vision for a "new Pacific community" during his July 1993 address to the Korean National Assembly. Clinton stressed that such initiatives must build upon, and remain compatible with, enduring bilateral U.S. security relationships that continue to serve the interests of peace and stability in Asia.

The change in attitude in favor of multilateral dialogue was solidified at the 1993 ASEAN Post-Ministerial Conference when the assembled foreign ministers met informally over lunch to discuss security matters. The ministers decided that they would reconvene the following year in Bangkok for the inaugural meeting of the precedent-setting ASEAN Regional Forum.

ASEAN Regional Forum

While the focus of this paper is on nongovernmental organizations, it is appropriate to begin with a brief review of the ASEAN Regional Forum, since its activities both guide, and are guided by, the track II effort.[7]

The "Chairman's Statement" issued at the end of the July 1994 ARF meeting underscored the participant nations' commitment "to foster the habit of constructive dialogue and consultation on political and security issues of common interest and concern."[8] Of particular note has been the ARF's willingness to look beyond the immediate ASEAN neighborhood and address broader regional concerns. For example, the foreign ministers have unanimously endorsed the early resumption of inter-Korean dialogue and have also supported South Korea's call for the establishment of a sub-regional forum to look at Northeast Asian security concerns.

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[6] The annual ASEAN Post-Ministerial Conference is attended by the foreign ministers of the ASEAN states and the "dialogue partners," including Japan, the United States, the European Community, China, and several other Asia-Pacific powers.

[7] Note also that track II does not mean the absence of government officials. Most track II meetings include active participation by foreign ministry and defense (including uniformed military) officials acting not as official representatives but in their "private capacities." This helps ensure a more informed debate while allowing new ideas to be explored without being interpreted as government policy.

[8] For the complete text and a review of the ASEAN Regional Forum proceedings by the Thai Foreign Ministry's ARF coordinator, see Sarasin Viraphol, "ASEAN Regional Forum (ARF)," *PacNet*, no. 33–94, (October 14, 1994). *PacNet* is a weekly newsletter produced and disseminated by the Pacific Forum / CSIS.

An agreement at the 1995 ARF meeting to "move at a pace comfortable to all participants" was aimed at tempering the desire of Western-oriented members for immediate results in favor of the "evolutionary" approach favored by most ASEAN states, who see the process as being as important as any eventual results.

The ASEAN Regional Forum seems particularly well-suited to serve as the consolidating and validating instrument behind the many security initiatives proposed by governments and nongovernmental organizations (NGOs) in recent years. ARF ministers have already surprised many security analysts by dealing with substantive, even contentious, issues in a fairly direct manner. Nonetheless, the ARF has its limits, especially when it comes to Northeast Asian security issues. For example, while the ARF has taken a position on the need for increased dialogue between North and South Korea, only South Korea is a member of the forum at present.[9]

There are also few illusions regarding the speed with which the ARF will move. An agreement at the 1995 ARF meeting to "move at a pace comfortable to all participants" was aimed at tempering the desire of Western-oriented members for immediate results in favor of the "evolutionary" approach favored by most ASEAN states, who see the process as being as important as any eventual results. The desire for consensus assures that the ARF will move ahead only as fast as its most cautious members permit. It also underscores the utility of track II mechanisms that can tackle more difficult or more sensitive problems.

Council for Security Cooperation in the Asia Pacific

Among the most promising mechanisms at the track II level is the Council for Security Cooperation in the Asia Pacific (CSCAP), which links regional security-oriented institutes and, through them, broad-based member committees comprised of academicians, security specialists, and former and current foreign ministry and defense officials.[10]

CSCAP, while predating the ARF, is now concentrating its efforts on providing direct support to the latter forum while also pursuing other track II efforts. Several CSCAP working groups are already focusing on specific topics outlined in the ARF's annual communiqués. These include international working groups on confidence- and security-building measures, comprehensive and cooperative security, and maritime security cooperation, along with a North Pacific Working Group working to establish frameworks for Northeast Asian security cooperation. CSCAP is one of the few multilateral organizations that can boast of North Korean membership.[11]

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[9] North Korea has expressed a desire to be included but the South is not eager to see Pyongyang represented until such time as North Korean leaders agree to a resumption of direct dialogue between South and North.

[10] CSCAP member committees have been established in Australia, Canada, Indonesia, Japan, South and North Korea, Malaysia, Mongolia, New Zealand, the Philippines, Russia, Singapore, Thailand, and the United States. A European Community consortium and an Indian institute have joined as associate members. It is hoped that China will join soon under an arrangement that will also permit Taiwanese scholars and security specialists to participate in their individual capacities.

[11] The Democratic People's Republic of Korea (D.P.R.K.) first sent representatives to the June 1995 CSCAP Steering Committee meeting in Kuala Lumpur, and CSCAP-D.P.R.K. representatives from Pyongyang's Institute of Disarmament and Peace have attended international Confidence and Security Building Measures (CSBM) Working Group meetings in Tokyo (October 1995) and Washington, D.C. (April 1996).

Northeast Asia Cooperation Dialogue

A prominent track II forum focused on the Korean Peninsula is the Northeast Asia Cooperation Dialogue (NEACD) sponsored by the University of California's Institute on Global Conflict and Cooperation. Its purpose is to enhance mutual understanding, confidence, and cooperation among China, Japan, Russia, the United States, North Korea, and South Korea through meaningful dialogue in an unofficial setting.[12]

The NEACD brings together government officials (usually from the foreign and defense ministries) and private individuals (often noted academicians or security policy specialists) from each participating country for dialogue on political, security, and economic issues on the Korean Peninsula of concern to all parties. The NEACD has met five times since October 1993, most recently in September 1996 in Seoul. While North Korea attended a preparatory meeting in July 1993, it has not participated in any of the regular meetings held to date.

Other Northeast Asia Initiatives

Several other multilateral forums focused on Northeast Asia also show promise, and may prove useful in overcoming lingering regional apprehensions about the intentions of many of the region's central actors. For example, in August 1994 the Pacific Forum Center for Strategic and International Studies (Pacific Forum/CSIS) and George Washington University's Gaston Sigur Center for East Asian Studies sponsored what is believed to be the first ever meeting between defense (including uniformed military) officials from Japan, South Korea, and the United States. The meeting provided a politically acceptable forum for the three parties to discuss common security concerns and brought America's two closest allies in Northeast Asia closer to one another. Such talks are now becoming more formalized.

Another multilateral initiative concentrating on Northeast Asia, the Korean Peninsula Energy Development Organization (KEDO), was established to finance and supply a light-water nuclear reactor project to the Democratic People's Republic of Korea (D.P.R.K.), as specified in the 1994 U.S.-D.P.R.K. Agreed Framework. While government sponsored, it is officially listed as a track II NGO. The United States, South Korea, and Japan are members of the Executive Committee of KEDO, which is open to any nation that wishes to participate in the light-water nuclear reactor project. KEDO provides an innovative vehicle for the three founding members to deal directly with North Korea in the absence of diplomatic relations, demonstrating yet another service that track II multilateral mechanisms can provide.

Dialogues focused exclusively on Northeast Asia are more the exception than the rule, however. Of the 49 track II meetings listed in the *Dialogue Monitor* for 1995, only 12 concentrated on Northeast Asian issues. Likewise, only nine of the 80 multilateral security gatherings forecast in the 1996 Regional Security Dialogue Calendar focus on Northeast Asian security.[13] Notwithstanding the Republic of Korea's (R.O.K.'s) proposed Northeast Asia Security Dialogue,[14] no official Northeast Asian dialogues have been instituted. Furthermore, there are few prospects for future dialogues—at least that include the D.P.R.K.

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[12] For background information, see Susan Shirk and Christopher Twomey, "Beginning Security Cooperation in Northeast Asia: A report on the first meeting of the Institute of Global Conflict and Cooperation's Northeast Asian Cooperation Dialogue," *PacNet*, no. 33–93, (November 5, 1993).

[13] The Calendar also identified ten bilateral meetings centered on subregional Northeast Asian issues.

[14] This proposal was announced by R.O.K. Foreign Minister Hang Sung Joo at the May 23–25, 1994, ARF Senior Officials' Meeting in Bangkok and was endorsed conceptually at the full ARF meeting two months later. For more on this proposal and how it fits into the broader Korean dialogue strategy, see Byong-Hyo Choi and Seo-Hang Lee, "Peace and Stability on the Korean Peninsula and in Northeast Asia: A Korean Perspective," *IFANS Review*, vol. 3, no. 6 (December 1995), published by The Institute of Foreign Affairs and National Security in Seoul, pp. 1–12.

National Strategies

The successful establishment and productive results to date of the ASEAN Regional Forum, and the willingness of government officials to participate actively in their private capacities in such track II organizations as CSCAP and the NEACD, provide ample evidence of regional acceptance of multilateral security dialogue. Such dialogue appears generally consistent with the national security desires and strategies of the United States and the other Northeast Asian regional actors, with several important caveats.

It is important to note that in virtually every case proponents of multilateralism, at least at the governmental level, do not see such activity as a substitute for bilateral arrangements—especially not in the near term. Simply put, bilateralism and multilateralism are not mutually exclusive, but mutually supporting.

It is important to note that in virtually every case proponents of multilateralism, at least at the governmental level, do not see such activity as a substitute for bilateral arrangements—especially not in the near term. Simply put, bilateralism and multilateralism are not mutually exclusive, but mutually supporting. Without solid bilateral relationships, few states would have the confidence to deal with one another in the broader context. Conversely, some problems can best, perhaps only, be solved bilaterally.

The United States

As noted earlier, the United States, recognizing the value of multilateral security dialogue in the post-Cold War era, has in recent years modified its view of such dialogue mechanisms, provided they complement America's vital bilateral alliances in Asia.

In his July 1993 speech to the Korean National Assembly, President Clinton called for the creation of "a new Pacific community, built on shared strength, shared prosperity, and a shared commitment to democratic values." He identified four priorities for the security of this new community: a continued American military commitment, stronger efforts to combat the proliferation of weapons of mass destruction, support for democracy and more open societies, and *the promotion of new multilateral regional dialogues on the full range of common security challenges*.

This new approach to U.S. policy toward Asia has raised concerns among those in Asia who are skeptical of America's long-term commitment to the region. Even many long-time proponents of multilateralism in Asia, while clearly pleased with the change in U.S. attitude, have expressed concern that U.S. participation in multilateral security mechanisms might serve as a cover or excuse for a reduced American military commitment. Many Asians are worried that Americans (and particularly the U.S. Congress) will view multilateral security arrangements as a substitute for America's web of bilateral alliances[15] or that it will lead to a marked reduction or even withdrawal of the current U.S. military presence in Asia.

[15] The United States maintains formal bilateral security ties with Australia, Japan, the Republic of Korea, the Philippines, and Thailand, and has a de facto (if somewhat ambiguous) security relationship with Taiwan.

American policymakers seem attuned to these concerns, and continually stress that U.S. support for increased regionalism is built upon the premise that such multilateral efforts complement or build upon, and are not a substitute for, enduring bilateral relationships. The United States remains committed to the region; U.S. political, economic, and security interests dictate that this be so. This commitment will not be pursued to the exclusion of other important regions; U.S. interests will continue to be global. But Asia will continue to play an increasingly prominent role in U.S. security thinking.

Japan

Multilateral security forums offer a particularly effective means for Japan to become more actively involved in regional security matters in a manner that is not threatening to neighboring countries. It is an unfortunate, but highly relevant, fact that many of Japan's neighbors remain uncomfortable about Japan playing a larger security role in Asia. This puts serious limits on Tokyo's ability to exert a regional political or security role commensurate with its economic clout.

Nonetheless, as Japan strives to become a more "normal" nation, voices inside Japan and beyond are insisting that Japan become more active internationally. Active participation in the ARF, CSCAP, NEACD, and similar multilateral forums provides a means for Japan to cautiously exert a greater leadership role. This is not to suggest that Japan should or must chart a course independent from its closest security ally, the United States. Japanese regional security efforts, to remain nonthreatening to Japan's neighbors, can most effectively be accomplished within the framework of the U.S.-Japan security alliance. United Nations peacekeeping operations provide another useful avenue for greater Japanese participation in international security affairs.

The U.S.-Japan bilateral relationship is not only a prerequisite to both nations' participation in regional multilateral activities but, arguably, required for the success of such efforts in general. The following statement, delivered at a meeting of Japanese and U.S. security specialists reviewing the bilateral and multilateral options and implications, captured one consensus conclusion:

> The combination of the strategic interests of the U.S. and the constraints imposed on Japanese international behavior make the U.S.-Japan security alliance as close to a permanent fixture of East Asia as one can identify. Therefore it is important to realize that all multilateral frameworks in the region are intended to complement rather than to replace this vital bilateral relationship. The interconnection is important to understand: the bilateral relationship is a precondition for multilateral initiatives; simultaneously, no multilateral initiative can or should be undertaken that would weaken the bilateral connection.[16]

The People's Republic of China (P.R.C.) was initially reluctant to participate in regional multilateral security forums. Beijing strongly prefers to deal on a bilateral basis with its neighbors, assuming correctly that its smaller neighbors in particular are much more inclined to yield to P.R.C. persuasion when dealing one-on-one with sensitive or contentious issues.

[16] See Ralph A. Cossa, *The Japan-U.S. Alliance and Security Regimes in East Asia: A Workshop Report, op. cit.,* p. 33.

People's Republic of China

The People's Republic of China (P.R.C.) was initially reluctant to participate in regional multilateral security forums. Beijing strongly prefers to deal on a bilateral basis with its neighbors, assuming correctly that its smaller neighbors in particular are much more inclined to yield to P.R.C. persuasion when dealing one-on-one with sensitive or contentious issues. However, with the emergence of the ASEAN Regional Forum and the growing solidarity of the ASEAN states themselves, China has been confronted with a multilateral environment that it can no longer ignore. As a result, Beijing has decided to participate in, and is now generally (although perhaps grudgingly) supportive of, such efforts.

Chinese attitudes regarding conflicting claims of sovereignty in the South China Sea provide an illustrative case. Beijing was initially reluctant to engage in multilateral dialogue, even when restricted just to the other claimants, insisting that each should deal with Beijing separately. However, Beijing did agree to participate in the Indonesian-hosted track II workshops on the Spratly Islands (although some countries have accused Beijing of participating only to delay or impede progress) and has agreed to abide by multilateral principles, such as the UN Convention on the Law of the Sea, in addressing these claims.[17]

Yet Beijing still refuses to participate in multilateral dialogue involving non-claimants in the South China Seas dispute, even in track II forums, stating that outside forces (especially the United States) have no right to interfere in this "internal" matter. Beijing also protests bilateral discussions between any of the other claimants (e.g., Philippine-Vietnam talks), based on Beijing's insistence that only its South China Seas claims are valid.

As regards the Indonesian-hosted track II workshops, China alone has been unwilling to elevate the talks to an official level or to advance the discussion much beyond the examination of technical issues. This may be due at least in part to Taiwan's participation in the workshops. This is, in fact, one of the few instances where China will sit down with Taiwanese counterparts to discuss a security-related topic. Usually, P.R.C. representatives refuse to participate in such dialogues, even at the track II level, if scholars from Taiwan are invited.

Nevertheless, from the perspective of the United States and China's more immediate neighbors, even limited Chinese participation in multilateral mechanisms is useful for drawing an emerging China into the international community in a constructive manner. Active Chinese participation in a broad range of security-oriented forums could also promote greater transparency regarding Chinese military capabilities and intentions, which would of course contribute to regional stability.

Russia

Multilateral forums provide Russia the same opportunities for greater regional integration. For its part, Moscow has signaled its desire to become more directly involved in multilateral security dialogue in Asia. For example, during the 1994 UN Security Council debate over sanctions against North Korea, it was Russia that proposed an international conference of key Asian players to seek ways of defusing the crisis (while assuring Russia a seat at the table).

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[17] The Spratly Islands are claimed, in whole or in part, by China, Brunei, Malaysia, the Philippines, Taiwan, and Vietnam. For more information on the Spratly dispute and Chinese attitudes, see Ralph A. Cossa, "Security Implications of Conflict in the South China Sea," *Pacific Forum CSIS Special Report*, June 1996.

Russia continues to stress that it is both a European and Asian power. Most recently, Moscow voiced displeasure at not being included in the R.O.K.-U.S. proposal for four-party talks with North Korea and China aimed at replacing the Korean War armistice with a permanent peace treaty—even though the former Soviet Union was not a signatory to the original armistice.[18]

One could argue that Russia brings very little to the multilateral table today beyond the ability to be antagonistic and obstructionist if left out. Moscow possesses very little leverage over its former Cold War ally, North Korea. Russia is still generally distrusted by Japan, given the lingering dispute over the Northern Territories, a group of islands at the southern tip of the Kurile Island chain seized from Japan by Soviet forces during the closing days of World War II.

. . . bringing Russia into the Asian dialogue community costs little and also bolsters those in the Kremlin most committed to reform and international cooperation.

Nonetheless, bringing Russia into the Asian dialogue community costs little and also bolsters those in the Kremlin most committed to reform and international cooperation. Russia is currently a member of the ARF, CSCAP, and the NEACD; and has taken the lead in developing "norms and principles of security and stability" for the Asia-Pacific region for the ARF. Moscow has also made a bid for entry into the Asia-Pacific Economic Cooperation (APEC) forum.

Republic of Korea

The Republic of Korea is also supportive of multilateralism as long as it complements existing bilateral relationships. As one R.O.K. official noted:

> Currently, Asia-Pacific security is sustained primarily by a network of bilateral security arrangements, with the United States playing a key role. The United States has been the region's *de facto* stabilizer and moderator through these bilateral security arrangements. A strong U.S. presence will continue to serve as the backbone of security in the region and help to inhibit the reemergence of tensions. However, there is also emerging a genuine need for a framework for security dialogue and cooperation among the countries of the region.[19]

South Korean security specialists promote a three-pronged approach to security on the Korean Peninsula.[20] The first is through direct dialogue with the D.P.R.K., based on the Agreement on Reconciliation, Nonaggression, and Exchange and Cooperation and the Joint Declaration for a Non-Nuclear Korean Peninsula accords worked out between South and North Korea in 1991.[21] Another is through the application of global agreements on disarmament and arms limitations, such as the Nuclear Nonproliferation Treaty, Missile Technology Control Regime, and the Chemical and Biological Weapons Conventions.

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[18] The proposal was made during President Clinton's April 16, 1996, summit meeting with R.O.K. President Kim Young Sam on Cheju Island in South Korea.

[19] Chung Eui-Yong, "Challenges and Prospects for Northeast Asian Cooperation," in *Joint U.S.-Korea Academic Studies Volume 6, 1996: Economic and Regional Cooperation in Northeast Asia,* Washington, DC: Korea Economic Institute of America, 1996, p. 232. Mr. Chung is minister for economic affairs of the Republic of Korea Embassy in Washington, DC.

[20] Choi and Lee, "Peace and Stability on the Korean Peninsula and in Northeast Asia: A Korean Perspective," *op. cit.*, pp. 6–11.

[21] See *Ibid.*, p. 7, for an excellent chart summarizing these two landmark agreements which provide a roadmap for South-North cooperation, if and when meaningful direct dialogue is resumed.

South Korea also endorses a multilateral approach as a means to promote cooperative security, prevent disputes from arising, and prevent existing disputes from escalating. It was in this spirit that the R.O.K. foreign minister introduced a proposal for a Northeast Asia Security Dialogue at the May 1994 ARF Senior Officials' Meeting in Bangkok. The R.O.K. commitment to multilateralism is also evidenced by its active participation in the ARF, APEC, CSCAP, and the NEACD, among other multilateral mechanisms. The most recent manifestation of this commitment was the previously mentioned R.O.K.-U.S. proposal for four-party talks with North Korea and China announced during the Clinton/Kim Young Sam summit meeting in April 1996.

South Korea's approach to multilateralism appears to be based on four working principles laid out by R.O.K. security specialist Seo-Hang Lee:

- Any multilateral security forum in Northeast Asia should not undermine or erode the existing bilateral arrangements in the region;
- Emphasis must be placed on a gradual approach that nurtures habits of consultation and cooperation;
- In addition to official or governmental talks, there is a need for unofficial channels of dialogue on security;
- Forums should involve all the members of the region as much as possible. However, this principle must be flexible in practice. In the first stage, forums can be established without the participation of certain countries that show negative responses.[22]

South Korea is willing to participate in multilateral dialogue with North Korea but is also clearly prepared to engage in such forums without the North, even when the Korean Peninsula is the focus of attention. While the R.O.K. has been very supportive of D.P.R.K. participation in track II efforts—leading the effort to bring North Korea into CSCAP and encouraging its participation in the NEACD and four-party talks—it seems less certain about the desirability of having the North enter the ARF at this time.

In my own discussions with R.O.K. Foreign Ministry officials, their mixed feelings on this subject are clear. On the one hand they feel the need for more dialogue and greater awareness in Pyongyang of geopolitical realities—a need that would be met by immediate D.P.R.K. participation. On the other they experience continued frustration over North Korea's refusal to recognize South Korea's legitimacy and resume direct dialogue. At present both South Korea and the United States appear to agree that a resumption of South-North talks should precede U.S. recognition of the D.P.R.K. and its subsequent participation in official forums such as the ARF.

Democratic People's Republic of Korea

D.P.R.K. spokesmen acknowledge Pyongyang's commitment, at least in principle, to multilateral security dialogue, with one important caveat—that the dialogue not be directed specifically toward (i.e., against) them.

North Korea's resistance to multilateral settings also stems from their resentment, if not feeling of betrayal, over the lack of progress in establishing diplomatic relations with Japan and the United States. After both Koreas joined the United Nations and Beijing and Moscow established diplomatic relations with Seoul, there was an expectation in Pyongyang that Washington and Tokyo would soon follow suit and recognize the D.P.R.K. Ironically, it was North Korean actions—specifically their threatened pullout from the Nuclear Nonproliferation Treaty and refusal to permit International Atomic Energy Agency inspections—that justifiably delayed achievement of this goal.

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[22] Seo-Hang Lee, "Korea's Approach to Multilateral Security Regimes: Four Working Principles," *PacNet*, no. 34 (November 12, 1993). Dr. Lee is from the R.O.K. Foreign Ministry's Institute of Foreign Affairs and National Security (IFANS).

D.P.R.K. spokesmen have repeatedly told me that North Korea has no intention of participating in Korean Peninsula-oriented dialogues at either the official or track II levels until "all bilateral relationships are in balance," i.e., until the United States and Japan recognize the D.P.R.K.[23] North Korean officials maintain that "in order to ensure security in the region through multilateral negotiations, it is important to create an atmosphere of confidence building above all by resolving the complicated issues bilaterally."[24] Unfortunately, Pyongyang does not include the bilateral relationship between South and North Korea in its calculus.

Despite these problems (or perhaps, because of them), broader-based, nongovernmental multilateral security mechanisms such as CSCAP can prove invaluable. They provide a useful venue for bringing North Korean security specialists and government officials into direct contact with their southern counterparts in a less-confrontational atmosphere, while also helping to expose the North Koreans to other opinions and a more realistic worldview in an informal setting where propaganda can be minimized. It is more difficult to imagine an official multilateral forum serving this purpose, at least not until some progress is made in South-North talks.

Multilateralism Pros and Cons

Multilateral security dialogue mechanisms hold many promises for Asia, but have their limits as well. A clear understanding not only of the strengths but also of the weaknesses and boundaries of multilateralism can prevent false or overly optimistic expectations and allow the nations of the region to maximize the many opportunities and benefits that can be derived from multilateral approaches to regional security.[25]

Multilateral settings can also facilitate bilateral and sub-regional dialogue among nations and their official or unofficial representatives who may be unable or ill-prepared to make arrangements directly with one another. The APEC Leaders' Meetings, for example, have made it possible for President Clinton twice to engage in direct discussions with Chinese President Jiang Zemin when bilateral summit meetings would have been politically impossible to arrange.

Benefits of Multilateralism

Multilateral security mechanisms in Asia can be important vehicles for promoting long-term peace and stability. Institutionalized multilateral forums can be most valuable if they serve as confidence-building measures aimed at preventing, rather that reacting to, crises or aggression. In time, they should also be capable of dealing with such nontraditional security concerns as refugee problems and pollution and other environmental issues.

[23] Based on my own discussions with D.P.R.K. diplomats, most recently at the February 1996 conference sponsored by the UN Regional Centre for Peace and Disarmament in the Asia-Pacific in Kathmandu, Nepal (another annual multilateral track II gathering of governmental officials, scholars, and specialists) and the CSCAP CSBM Working Group meeting in April 1996 in Washington, DC.

[24] As stated by So Chank-Sik, chief of the D.P.R.K. Ministry of Foreign Affairs' Disarmament Division, in a summary statement entitled "Features of Security Situation in the Asia-Pacific Region, Northeast Region, and the Korean Peninsula," distributed at the UN Regional Centre for Peace and Disarmament in the Asia-Pacific's 1996 Kathmandu conference.

[25] This section updates and expands upon commentary provided by participants at the 1995 and 1996 annual ASEAN-ISIS (Institutes for Strategic and International Studies) Asia-Pacific Roundtable conferences in Kuala Lumpur.

Multilateral settings can also facilitate bilateral and sub-regional dialogue among nations and their official or unofficial representatives who may be unable or ill-prepared to make arrangements directly with one another. The APEC Leaders' Meetings, for example, have made it possible for President Clinton twice to engage in direct discussions with Chinese President Jiang Zemin when bilateral summit meetings would have been politically impossible to arrange. The 1994 APEC Leaders Meeting in Indonesia also produced a three-way "mini-summit" involving the leaders of South Korea, the United States, and Japan. While few would support adding security topics to the APEC agenda at this time,[26] the annual heads-of-state meeting adds an important political-security dimension to this gathering of regional economies.

Multilateral security mechanisms such as the ARF and CSCAP are, by their mere existence, confidence-building measures, in that they promote greater trust and understanding among participants. They also provide a forum for the further investigation and development of specific confidence-building measures that may be applied either region-wide or on a more selective, subregional basis. In this, as in many other instances of multilateral dialogue, the process itself is an extremely important product, since increased dialogue promotes increased understanding which, in turn, leads to a reduced risk of conflict.

Track II forums also provide a venue for regional actors to float new initiatives that would be risky or impossible to raise officially. Organizations such as CSCAP can provide "benign cover" for governments to vet new policies and strategies in a more academic setting before adopting formal proposals at the official level. Nongovernmental organizations can also provide a voice to nations, territories, and regional groupings that, for a variety of reasons, might be excluded from official gatherings. Especially important in this regard is the ability to provide Taiwan with a voice in regional security affairs, given Beijing's refusal to permit Taiwanese representation at official forums.

In addition, nations or entities that might find it uncomfortable or politically unacceptable to engage in bilateral dialogue can still effectively interact at the multinational level, particularly in NGO forums. As noted earlier, forums such as CSCAP can provide a useful means for Koreans on both sides of the demilitarized zone to engage one another in security discussions that otherwise might be difficult to arrange. Asian multinational gatherings also contribute to a sense of regional identity and cooperation that can spill over into the political and economic spheres, just as growing political and economic cooperation has helped set the stage for expanded security dialogue.

Finally, as noted earlier, multilateral security forums provide a framework for enhanced U.S. involvement in Asian security that complements, but does not seek to replace, current bilateral security commitments. They permit Japan to become more actively involved in regional security matters in a manner that is nonthreatening to neighboring countries. They also provide a useful vehicle for greater interaction between China and its neighbors (including, in certain track II forums, Taiwan) while promoting greater transparency regarding Chinese capabilities and intentions. Multilateralism also provides Russia with opportunities for greater regional involvement while bolstering those in the Kremlin most committed to international cooperation.

Limitations of Multilateralism

While broad-based, institutionalized multilateral forums like the ARF and CSCAP are useful vehicles for discussing potential problems, they seem ill-equipped and not very eager to resolve crises once they have occurred. Ad hoc coalitions and more focused problem-oriented groupings appear more useful in solving problems or dealing with actual crises in Asia (as they have elsewhere—witness the "Desert Storm" coalition formed to respond to Iraq's invasion of Kuwait).

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[26] U.S. Defense Secretary William Perry's suggestion in Tokyo just before the 1995 annual meeting that APEC might want to one day consider issues relating to security was uniformly rejected by all the other participants and later disavowed by U.S. State Department officials as well.

In Northeast Asia, it appears that problems on the Korean peninsula can most effectively be resolved in a bilateral setting. This was the case with the U.S.-D.P.R.K. dialogue to defuse the nuclear crisis. This effort appears to have enjoyed some success with the signing of the October 1994 "Agreed Framework" in Geneva—although the proof of success will hinge on continued North Korean adherence to the agreement.[27] While these negotiations required close and constant coordination between the United States and South Korea, they seemed most effectively handled initially in a bilateral forum.

Most importantly, the U.S.-D.P.R.K. talks were aimed at setting the stage for the resumption of direct South-North dialogue, initially agreed upon in 1991 but subsequently put on hold by North Korea. Direct dialogue between South and North Korea still appears essential in order to reduce tensions, build confidence, and eventually bring about the peaceful reunification of the Peninsula. Pyongyang will no doubt continue to try to avoid direct negotiation with Seoul, seeking to deal directly and bilaterally with Tokyo and Washington at Seoul's expense.

Japanese and U.S. officials clearly understand the importance of South-North Korean dialogue and will likely continue to insist upon direct talks between Seoul and Pyongyang as a prerequisite to the establishment of diplomatic relations.[28] The Clinton-Kim four-party proposal is in keeping with this philosophy since both the United States and China have made it clear that they would serve as secondary players, participating primarily to create an atmosphere for direct South-North dialogue.

Both governmental and track II multilateral organizations generally act through consensus in setting their agendas and making recommendations. While a consensus approach to problem-solving has merits, it is slow. Consensus acts as a brake on the speed at which these organizations can move forward. For this reason, those promoting multilateral dialogue and various forms of regional confidence building realize the continued value and relevance of unilateral and bilateral measures that not only build trust and confidence in their own right but also help lay the foundation for broader-based cooperation.

Some general observations generated by CSCAP's Confidence and Security Building Measures (CSBM) Working Group regarding previous multilateral confidence-building efforts underscore other potential limitations or cautions to be kept in mind as multilateral efforts proceed. The CSBM Working Group concluded that:

- CSBMs cannot work in the absence of a desire on the part of participants to cooperate; they must be viewed in "win-win," not "win-lose," terms;
- CSBMs are most effective if they build upon or are guided by regional and global norms and are in tune with a region's underlying political, economic, and cultural dynamics;
- Foreign models do not necessarily apply and cannot be imposed from outside the region. In Asia, there is a general distrust of Western "solutions";
- CSBMs are stepping stones or building blocks; they represent means toward an end;
- Consensus-building, especially in Asia, is a key prerequisite for successful problem-solving;
- Gradual, methodical, incremental approaches work best;

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[27] Despite occasional bumps in the road and a one-year delay caused by arguments over the light-water reactors' nameplate ("made in the U.S.A." versus "made in the R.O.K."), progress has been better than most had anticipated, and the D.P.R.K. appears to still be honoring its part of the agreement.

[28] The exchange of official liaison offices in Washington and Pyongyang, as promised in the Agreed Framework, should proceed, however, as long as both sides demonstrate good faith in living up to the agreement.

- In Asia, there is a preference for informal structures and a tendency to place greater emphasis on personal relationships rather than on formal structures;
- Military CSBMs, in particular, should have realistic, pragmatic, clearly defined objectives, and there should be common agreement as to what constitutes compliance and progress;
- Initially, the process may be at least as important as the product. Over time, however, substantive issues must appear on the agenda; dialogue without a focused, defined purpose can be difficult to sustain and a waste of precious resources and effort;
- In Asia there is a genuine commitment to the principle of noninterference in one another's internal affairs that cannot be dismissed as a mere excuse to avoid living up to international commitments.

Emerging Asia-Pacific multilateral security mechanisms are generally consistent with the national strategies of the major regional actors in Northeast Asia and thus hold great potential for enhancing regional security. Efforts that build upon existing bilateral security relationships are of particular value.

Conclusion

Emerging Asia-Pacific multilateral security mechanisms are generally consistent with the national strategies of the major regional actors in Northeast Asia and thus hold great potential for enhancing regional security. Efforts that build upon existing bilateral security relationships are of particular value. The ASEAN Regional Forum at the governmental level, and the Council for Security Cooperation in the Asia Pacific and the Northeast Asia Cooperation Dialogue at the track II level, are particularly relevant first steps.

While structured, security-oriented multilateral dialogue mechanisms are a relatively new phenomenon in the Asia-Pacific region, they have already achieved some modest successes. The ARF has managed to bring China into the dialogue process and to place meaningful topics (including some that Beijing earlier refused to discuss) on the agenda. CSCAP has begun serious work on a variety of issues related to regional confidence building and provides one of the few venues where North and South Korean security specialists and officials acting in their private capacities can discuss broader security issues. CSCAP also hopes soon to bring Chinese from the mainland and Taiwan into the dialogue process.

The track II workshops in Indonesia on the South China Sea are already bringing all Spratly Island claimants—including the P.R.C. and Taiwan—together for technical talks which could provide the basis for joint oil and gas exploration and greater cooperation in one of the region's potentially most volatile areas. Meanwhile, the Korean Peninsula Energy Development Organization has provided the means for the United States, South Korea, and Japan (among others) to deal directly with North Korea in a politically acceptable arena in order to implement the Agreed Framework.

The trend toward multilateralism appears consistent with post-Cold War national strategies of the nations of the Asia-Pacific region; and the various documented benefits provide motivation for regional states to encourage and support such initiatives. There are several inhibiting factors, however, in addition to the previously outlined limitations.

Foremost among these is the proliferation of dialogue opportunities. As noted, multilateralism is a growth industry. There are already more ongoing initiatives than there are qualified people to attend them—or funding available. More initiatives are emerging every day. While redundancy of effort is sometimes a good thing—one can argue that there is no such thing as too much cooperation or peace—the added value of so many meetings must be questioned.

In addition, there are sovereignty concerns that will continue to be raised as these groups begin delving into more sensitive and politically contentious issues. Differing opinions over organizational goals and objectives, over methods of approach, or over what constitutes success or progress may create tensions or misunderstandings rather than resolve them.

All things considered, however, the pros today seem to outweigh the cons associated with participating in multilateral dialogue mechanisms—provided the goals set are realistic and achievable. Most importantly, such activities should not be seen as a cure-all or as a substitute for maintaining bilateral relations. Bilateralism versus multilateralism is not an either-or situation; the two should be mutually supportive. Future national strategies must effectively incorporate both approaches.

Future Prospects

While Asian multilateral security initiatives hold promise for the future, it is important to understand their limits as well as the opportunities they present. Since a NATO-type alliance aimed at containing a specific threat simply is not relevant in post-Cold War Asia, emerging mechanisms should be viewed more as confidence-building measures aimed at reducing the possibilities of, rather than reacting to, crises or aggression.

On the Korean Peninsula, significant progress in reducing tensions is expected to be slow and contingent upon the eventual active and constructive participation by North Korea. While formal arrangements such as the R.O.K.-proposed Northeast Asian Security Dialogue appear unlikely in the near future, track II approaches hold some promise.

Broad-based mechanisms such as CSCAP may be more capable, at least initially, of creating an atmosphere for subregional dialogue. Meaningful progress in reducing tensions on the Korean Peninsula, especially at the official level, will require a resumption of South-North dialogue and subsequent recognition of North Korea by both Japan and the United States.

In the Asia-Pacific region, multilateral approaches to enhancing regional security show great promise. In order to strengthen both governmental and track II forums, policymakers across the region would be wise to proceed slowly and carefully. They should take a gradual, incremental approach; not overformalize the process; recognize that the process, at least initially, is as important as the product; understand that sub-regional differences exist; and not neglect the importance of unilateral and bilateral measures as stepping stones toward greater multilateral cooperation and confidence building.