

# *The Unification Issue*

## **A 38 North Interview**

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*Interviewee: **Park Cheol**, Director, General Policy Division, Unification Policy Office. Ministry of Unification*

*Interviewer: **Mike Chinoy**, Senior Fellow, US-China Institute, University of Southern California*

### **TRANSCRIPT**

#### **Part I: North Korea Under Kim Jong Un**

**Mike Chinoy:** Mr. Park, thanks very much for joining us. What's your take on the overall political situation in North Korea, and the prospects for the transition? Do you think the country is stable?

**Dr. Park Cheol:** In terms of its political system, Kim Jong Un seems to have obtained the official supreme status since last April in the Party, the government, and the military. On the surface, the succession is complete and there does not seem to be any major issues there. However, experts in South Korea and defectors from North Korea all say that what is most important for the North Korean establishment to become truly stable, is first to improve external relations, and second, to obtain strong support from their people. Since April, North Korean officials have been visiting countries in Southeast Asia and working hard to improve their government's external relations. First, Vice Chairman Kim Jong Un is also showing a lot of effort, going on numerous field guidance tours to build his image as a leader who loves his people. But some time will be needed before the livelihood of North Korean citizens is fundamentally improved, and US-DPRK relations and the DPRK's relations with other countries can improve. Therefore, I would say that we'll need some time before we can answer whether Kim Jong Un's leadership will become ultimately secure and stable.

**Chinoy:** But how stable is North Korea right now?

**Park:** As of now, we have not seen any signs that the DPRK's political system is unstable. As of this point, there are no major issues on the surface of the North Korean political system.

#### **Part II: Inter-Korean Relations Since Kim Jong Un**

**Chinoy:** In the past several months, North Korea has made a number of very bellicose threats at South Korea; North Korean media has announced specific targets even including coordinates on a map for South Korean media organizations, and the North also targeted the South's GPS system. What do you make of these moves?

**Park:** Basically, the South Korean government would like to have North Korea stop these threats of provocation, step through the door of dialogue that our government is holding open, alleviate tension on the Korean peninsula and normalize relations between the two Koreas. However, we do view North Korea's threats against our democratic order. Media is the most fundamental basis of a democracy, sometimes even called the fourth branch of power. A threat against media is considered a very serious

provocation. The ROK government is prepared for every possibility that North Korea might launch provocative acts, and if that were to actually happen, we plan to cooperate with the international community and take all means to respond.

**Chinoy:** What do you think that North Korea's purpose is in making these threats, is it to intimidate people in South Korea?

**Park:** Truthfully, it is difficult for us to tell with accuracy the purpose behind North Korea's threats. Apart from directly intimidating residents of South Korea, North Korea often displays threatening behavior for its own needs within the North Korean regime. It is difficult for us to know exactly what North Korea aims to gain through such threats.

**Chinoy:** I want to ask you about China and North Korea. Trade between China and North Korea is about six billion dollars, and North Korean exports to China are around 2.7 billion dollars. That figure is way above anything involving North-South trade, or economic ties, which is essentially at a standstill. Given the importance of economic integration for the future possible reunification of Korea, how concerned are you about the increasing close economic ties between China and the North Koreans?

**Park:** Our government is not very concerned that the economic cooperation between North Korea and China is growing. If North Korea does reform and open its economy, it will have to really learn how the market economy works and introduce the rules into its own system. If trade with China helps them learn in that area, an increase in DPRK-China trade is not something to be worried about. Meanwhile, we know best about North Korea's infrastructure and systems, and we do not see economic cooperation between North Korea and China showing very rapid growth in the future. We have done a lot of work with North Korea throughout inter-Korean economic cooperation, and we know that it takes time to go forward. Also, we should remember that inter-Korean relations are always very changeable. Currently there is not much economic cooperation aside from the Kaesong Industrial Complex, but once inter-Korean relations are normalized and recovered, we expect economic cooperation between our countries to increase at least to the level of North Korea and China.

**Chinoy:** In June this year, the South Korean government notified North Korea that it expected Pyongyang to begin repaying some of the loans it received from previous South Korean governments. I can understand the financial logic of wanting the loans repaid, but I'd like to ask you, what's the political logic, under the circumstances, of making this demand especially in view of the move by Russia to forgive most of the debt that North Korea owes to Moscow?

**Park:** When we were providing the food loan, the North Koreans requested that the support be provided in the form of a loan. They asked for a loan and because the maturity is up, it was just us notifying North Korea that it was time to start repaying. There should not be any political meaning read into that notification. It was only because the agreed time to start repaying had come, and we let North Korea know that they have a debt to repay. We made it clear that we have credit to receive a payment.

### **Part III: Planning for Unification**

**Chinoy:** Given the tensions that have been growing between the North and South, tell me a little bit about what the focus of the Ministry of Unification's work is these days; both in diplomatic terms and also in terms of research and analysis.

**Park:** The ROK government deems it undesirable that tensions on the Korean peninsula escalate. This is why our Unification Minister recently visited Gosung, the region where tourist groups used to take off for Mt. Kumgang, and stated that he hopes North Korea will guarantee the safety of tourists from South

Korea and reconvene in a dialogue to discuss the killing of the tourist in Mt. Kungang, among other issues. Basically we hope to smooth over any tensions through dialogue. However, North Korea has not shown any response to that suggestion, and meanwhile we are holding the door open and waiting for North Korea. For our part, the Ministry of Unification is taking practical measures to prepare for unification. There was the Jasmine Revolution in the Middle East, the global financial crisis, and the wave of democracy in Myanmar—all evidence of change in the world order. In response to such shifts in the global political climate, we believe that the Korean peninsula also needs more concrete measures for unification. We are raising awareness among South Koreans on the issue of unification and pursuing unification diplomacy to encourage support from neighboring countries. We also have the “Unification Jar” to collect funds, which will be crucial for unification. When our Unification Minister went to Germany for the Korea-Germany Unification Dialogue, Former President Weizsacker, who was the president at the time of the German Reunification, said himself that a well-prepared unification means happiness but an ill-prepared unification will lead to disaster. He expressed his wishes that Koreans would prepare for this well and for a much better unification. Our government also agrees that at this point, preparing for unification is most urgent.

**Chinoy:** In the previous administration, there was an inter-Korean fund that was established to help promote joint North-South economic cooperation; the current administration has created a separate fund, which some have dubbed the “unification tax,” as distinct behind this previous fund. It seems to me that the thinking behind this is that there’s going to be a kind of East German style collapse of North Korea, that that’s the scenario in which the unification funds are going to be needed. What’s the evidence that such a scenario is all that likely?

**Park:** Actually the notion that the unification tax would replace the Joint Inter-Korean Fund is misinformed. The Joint Inter-Korean Fund is what is needed for peaceful management of the division, and what you just called the “Unification Tax,” which is actually a fund to prepare for unification, is to be used separately to provide funds for when we actually go into the stage of unification. The unification preparation money is not to replace the Joint Inter-Korean Fund. We are working to legislate funding for unification preparations, but we will not eliminate the Joint Inter-Korean Fund. Rather, we will maintain both accounts side by side. There is a Joint Inter-Korean Fund and a separate Unification Tax to prepare for unification in the future. Also, some are under the impression that the ROK government is assuming the DPRK regime will collapse and unification will take place in the form of the South absorbing the North, but that is not true. In the May interview with CNBC, our President made it very clear that our government does not want North Korea to collapse. He said that it is more desirable to see North Korea become self-sufficient to an extent, with the help of the international community, and then move towards a more natural unification. More recently, our Minister of Unification made it clear on the topic of making Unification Jars that the notion of the Unification Jar being for unification by absorption of North Korea is an entirely unfounded misunderstanding. So, in the spirit of the Unification Jar and the Unification Preparation Fund, we are expecting unification to take place approximately twenty years from now, and the initial cost for the unification will be about \$50 billion. The government will provide the seed money for this fund, and we will collect from the private sector. We expect other voluntary donors to fill up this jar as well. Of course, the Jar will not only symbolize fund raising, but will also bring together Koreans’ will for unification. It is also meant to give hope to North Korean residents for unification, and show our neighboring countries that South Korea is truly committed to a peaceful reunification.

**Chinoy:** Mr. Park, thanks very much for speaking with us.

**Park Cheol** is the Director of the General Policy Division of the Unification Policy Office at the Ministry of Unification. He has previously served as Director for Exchange and Cooperation Planning Division at Inter-Korean Exchange and Cooperation Bureau; Director for General Management Division of the Inter-Korean Cooperation District Support Directorate; and Director for Education Planning Division of the Settlement Support Center for North Korean Refugees. Mr. Park holds a B.A. in Journalism from Seoul National University and an M.A. in North Korean Economy at the University of North Korean Studies.

**Mike Chinoy** is a Senior Fellow at the US-China Institute at University of Southern California. He was CNN's Senior Asia Correspondent and served as a foreign correspondent for more than thirty years. After joining CNN at its London bureau in 1983, Chinoy served as Beijing Bureau Chief from 1987 to 1995. During that time he covered the 1989 events at Tiananmen Square, earning the CableACE, duPont and Peabody awards. He was also Hong Kong Bureau Chief for five years. His other awards include the Silver Medal from the New York Film Festival and Asian Television Awards for his reporting in Indonesia and Taiwan. Chinoy's published two books, *[China Live: People Power and the Television Revolution](#)* (1999) and *[Meltdown: The Inside Story of the North Korean Nuclear Crisis](#)* (2008). He taught at the USC Annenberg School of Communication and ran the School's Hong Kong summer program 2007-2009. From 2006-2009 he was Edgerton Senior Fellow at the Pacific Council for International Policy.