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"Korea", The Korea Society

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Record Type*: Speeches & Remarks

MONTH/YEAR of Records*: June-1998
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* "required information"
Good morning. My sincere thanks to David Kim and the Korea Society for arranging this event, and to the National Press Club for hosting us. And while I am here with the speech, I know you are the experts. So I hope for me this will be as much a listening as a speaking engagement.

INTRODUCTION

Over the past few weeks we have been more or less flooded with news -- some of it very serious, like the reports from India and Indonesia. Some of it -- like the uproar in Congress over China -- remains to be evaluated but has certainly hit the press hard.

But in all these cases we are dealing with breaking events. And in fact, that is what we do all too often in Washington. So today, as we prepare to welcome President Kim Dae-jung to Washington for his first state visit, I would like to look a little further ahead.

Most of the time, as we approach our Asian policies, looking ahead is difficult. Will Japan reform its bureaucracy and revive its economy? What will China’s government look like in twenty years? After the financial crisis and with a new government in Indonesia, will ASEAN be as effective in the future as it was in the past decades? The answers are hard to tell.

But in Korean policy I think the task is easier. We can see, though with blurred vision, the almost inevitable events of the next two decades. First, South Korea will come through its economic crisis and emerge a stronger and more stable nation. And second, the decline of North Korea will lead to fundamental change in the nature and policies of the North Korean state; and at some point to reunification of the whole of Korea.

This is a welcome prospect. Whether a more open North Korean state or unity, the result will be less human suffering and less danger of war. But the process which brings us to it will likely present the most profound and dangerous challenge we face in Asia in the next decade. As Vice President Gore said when he visited Korea two years ago, although we may not know quite when our boat will reach the falls, we can already hear "the roar of a distant waterfall."

THE KOREAN PENINSULA

Our responsibility now is to think ahead. So today I want to start with first principles -- the situation we face and our own fundamental interests -- and then examine the ways in which we might
secure them in the coming years. And then I hope you'll tell me what I've missed.

So let us begin with the most basic facts: those of geography.

Korea is a medium-sized country surrounded by three giants: China, Russia and Japan. As Koreans like to say, Korea is a "shrimp among whales."

For Koreans, that has often meant danger and suffering. When Korea has not been strong and prosperous, its neighbors have seen either opportunities or threats to their own interests. China and Japan fought over Korea in 1895; Japan and Russia in 1904; China and the United States in 1950. Korea has been invaded; annexed; fought upon by foreign armies; it remains divided to this day.

But it has also meant strengths. Korea is a nation of achievers, who in the past three decades built some of the world's great companies and made their country an industrial giant. And it is a nation of citizens, who ten years ago won democracy and today have Asia's most open debates and elections.

THE BASIC INTERESTS

For Americans these realities have great consequences.

We have an overwhelming interest in a peaceful Pacific, and a particular interest -- given our troop presence -- in peace on the Korean peninsula. Because of Korea's economic development, we now have important trade ties with Korea. We have natural sympathy for a fellow democracy; and with more than a million Americans of Korean descent, we have personal stakes in the well-being of Korea.

So in whatever dimension we choose -- security, trade, solidarity, emotion -- we need a strong and stable Korea. And that requires us to do four things.

First, deter a North Korean attack on the South.

Second, prevent nuclear weapons from entering the peninsula.

Third, help ensure that South Korea is prosperous; thus politically strong and stable.

And fourth, prevent developments in Korea from bringing us into a confrontation with China (or Japan or Russia, though that is much harder to imagine) that neither we nor the Chinese want.

These are the basics. And we must remember them as we debate any issues in Korean policy -- from our contribution to the International Monetary Fund, to the Korean Energy Development Organization; the four-party talks; famine relief and human rights in North Korea; and the ultimate
prospects for unity.

SOUTH KOREA TODAY

Let me now turn to these specific issues; and start with our relationship to South Korea. The goal here is partnership with a strong ally. It begins, of course, with our military commitment under the Mutual Defense Treaty. That must not be shaken.

It also means working with Korea to solve the financial crisis. President Kim Dae-jung, in his Inaugural Address, did not exaggerate when he called it "the most serious national crisis since the Korean War; a crisis which could bankrupt our country."

But though severe and painful -- and though the stock market is down and we can expect bankruptcies and unemployment to rise -- this crisis will be temporary. Its causes are well understood -- political loans, close ties between business, government and banks, and a gush of money from outside. Its solution is clear, and President Kim is acting upon IMF recommendations to close failing financial institutions, end subsidies and open capital markets. And these measures are working. The won has stabilized, and in fact regained about a third of the value it lost last fall.

And more important, South Korea's public has responded admirably. We have seen an open, fair election and a constitutional transition of power. And a nation-wide self-help campaign last winter which brought in donations of gold from over sixteen million of South Korea's forty-two million people. As President Young Shim Dho of the Institute of Korean-American Affairs in Seoul said in a letter she sent me last winter:

"with every ounce of gold that is collected, there lies a pool of personal memories. Married couples are giving their gold wedding rings and parents are surrendering gold items they had hoped to pass on to their children."

Our responsibility in this crisis is clear. The suffering of ordinary people will be intense, and we should work with the World Bank and the Korean government to keep unemployment as low as possible. We contributed to the IMF recovery package, as we should. And Congress should pass our IMF replenishment as soon as possible. To talk about rejecting it or linking it to abortion or campaign finance is deeply irresponsible.

We must also monitor the structural reforms closely, understanding that Korea's government will come under intense pressure from beneficiaries of the old system to backslide. We should help ensure, as well as financial and investment policy reforms, reforms in trade -- for example, solutions to disputes like that over autos, and avoiding anti-import campaigns -- to rebuild international confidence in an open, market-driven economy. And despite progress in the last ten years, Korea has a way to go on trade. I speak from experience both on beef liberalization and my stay in Seoul last year, when I ran into the strangest trade dispute I have ever seen. That is, the Agriculture Ministry regulation classifying Florida gravel as an "organic food product" subject to agricultural
health and safety inspection because it contains the remains of an animal -- the dinosaur.

In conclusion, no foreigner should speak of this crisis as a "blessing in disguise." It is a miserable experience which has hurt people and ruined lives. But reform will leave lasting benefits. It will unite the two great accomplishments of modern Korea -- industrial growth and democratization -- and combine them with transparency and the rule of law. The result will be a synthesis: a modern, democratic state which relies on markets and the rule of law for prosperity. And that will be the greatest achievement of all.

NORTH KOREA TODAY

Let me now turn to a concern still greater than the financial crisis: the miseries of the 22 million Koreans above the Demilitarized Zone and the continuing decline of the North Korean state.

Widely accepted statistics tell us the North Korean economy is shrinking by 5% a year; that it can no longer produce energy for its factories; or food for its people. Last year in Seoul, US Department of Agriculture experts told me North Korea needed about 5.4 million tons of grain for a year’s supply of food, and would fall short by a million or more. South Korean Agriculture Ministry officials and North Koreans gave similar figures. Congressman Tony Hall has spent more time in North Korea than all but a few Americans, and believes the country is in the grip of nationwide famine. Jasper Becker, the world’s leading authority on China’s famine of the 1960s, agrees.

My own short experience in Pyongyang last year cannot confirm any of this. But I could see that North Korea was a country in trouble. Looking out from the Hotel Koryo, just a few blocks from the Korean Workers Party leadership compound, you have a good view of the city railway station. I saw only one train leave the station in a day, while dozens of railcars lay behind the station clearly unused. On a short walk down the road, we saw an abandoned trolley in the road with the wheels off; and few cars at all on the road other than a few shiny black Mercedes and another few rusted old-timers with their hoods up.

A year later, I see little sign of agricultural reform. No changes in military spending. To judge by World Food Programme reports, only slight improvements in the food situation. And thus we must conclude that the food shortages will be a chronic problem, perhaps lasting as long as the North Korean state itself.

DANGERS AHEAD

Three possibilities now lie ahead.

If North Korea can no longer feed its people or run its factories, it will soon be unable to run an army. As that point approaches, Northern leaders could gamble on war.
The North Korean state could also end in a sudden explosion, causing an international political crisis.

Or North Korea could look hard at itself and recognize that its system doesn't work. It would adopt reforms along the lines China began in the 1970s; cut military spending from 25% of GDP to some sane figure; accept investment from outside, and particularly from South Korea; begin to reverse its economic decline, and move on to coexist for some indefinite time with South Korea.

However, I doubt this will happen. Such an opening would expose North Koreans to the world, for the first time in fifty years, and destroy the credibility of its leaders. A North Korean Foreign Ministry official, for example, told my staff aide that the agricultural reforms and foreign investment which helped China recover in the 1970s would destroy North Korea's "national identity." I would be surprised, although nobody can be sure, if they are willing to risk that.

OUR POLICY RESPONSE

In any case, we do not know when North Korea will make its ultimate decision; and in the meantime we must be patient, remain firm in our policies, and stick to the basics. That means --

-- Most important, continuing to deter aggression through our military commitment to South Korea.

-- Sticking to the commitment we have made to the Korean Energy Development Organization, as long as we can verify that North Korea is not seeking nuclear weapons.

-- Providing food aid, when relief organizations like the World Food Program verify the need and appropriate distribution; but refusing to offer development aid as long as North Korea refuses to pull its troops away from the border, end its threats against us and our allies, and reduce military spending to concentrate on helping its own people.

-- Continuing to look for ways to ease military tension through the Four Party talks. I am not optimistic they will produce much, let alone a peace treaty. But talks are worth a try, as long as they do not become a substitute for deterrence. And they have a significant side benefit -- they ensure that we work closely with China, and thus help prevent an unnecessary confrontation with a great power.

-- And supporting North-South dialogue. The recent public letter from General Secretary Kim Jong-il to an "independence symposium," which includes a few sentences free of abuse and name-calling, seems conciliatory to some experts. That is not obvious to me after reading the letter -- it is seven pages long; at least in the Korean Central News Agency translation, it is one long paragraph; and to put it mildly, contains a bit more vitriol than my letters usually do. But I am lucky enough not to follow the KCNA every day. And hints of dialogue must always be welcome.
TOWARD UNITY

These things mean keeping our commitments; being patient; not looking for a fight but making sure everyone knows we will not be intimidated. And they should guide us safely through the next few years.

But we should also use this time to look ahead. If we can judge by events in Romania nine years ago, totalitarian states may decline slowly over years, but can blow up very quickly. And divided nations, if we can learn anything from Germany, grow together with a gush of public emotion that pushes the plans of government aside. So I believe Korea will unite at some point in the next decade. And if that is correct, it will probably happen fast. We should prepare now; and let me conclude with some thoughts about the future.

THE CHALLENGES OF UNITY

As we look toward unity, I see three broad challenges.

1. Internal Reconciliation

The first will be that of internal reconciliation and rebuilding. Here we may be able to help, but most of the work must be done by Koreans.

Koreans will have to reconcile families divided for half a century and address emotional national questions -- for example, responsibility for the famine and human rights abuses in North Korea.

They will have to rebuild a viable economy in the North -- and because of the pollution and hazardous waste contamination we must expect to find after fifty years, they will literally have to rebuild it from below the ground up. Our environmental experts may be able to help here.

And not least, North Koreans -- who for fifty years haven't even had radios to hear the news -- will learn about everything from fax machines and computers to political parties and elections to American country music. To me, this is strangest aspect of a visit to Pyongyang. The thin, tired, drab-looking people with Kim Il-sung badges live only 120 miles -- less than the distance from Washington to New York -- from relatives in Seoul who wear bright clothes, travel the world, watch MTV, surf the Internet and complain to utter strangers about politicians and bureaucrats.

2. US-Korea Relations

The second challenge will come in our relations with a united Korea.
In particular we can expect a debate in Korea about the presence of American soldiers.

Today it is a good policy which helps keep the peace on a divided peninsula.

One of the most interesting stops I made in Seoul last year was at Yongsan Boys High School. I spent an hour there fielding questions from the senior class. And about half the questions were variations on the theme of "why are the American soldiers here?"

The kids were not hostile or anti-American, but they were -- understandably -- puzzled and a little annoyed that foreign soldiers are on their land. They wanted to know why -- and that is a legitimate question.

The answer is pretty easy today; but it will be tougher after Korea is united. American troop presence could, for some time at least, help prevent latent tensions from emerging in the region. But Koreans will be the ones to decide whether they stay. So we need to begin discussing the issue, at least at the academic and government level, with South Koreans now.

3. International Implications of Unity

And the third challenge will be the effect of unity on our relations with Russia, China and perhaps even Japan.

For example, if North Korea were to suddenly collapse, it is quite possible that American and Chinese soldiers could meet again in the mountains along the Yalu River. The reason could be as simple as humanitarian relief, or as complex as efforts to prevent a civil war in the North. But we should be talking with the Chinese now to ensure that if a crisis arises, neither country's actions will surprise or alarm the other.

Further on, Japan will observe a Korea united for the first time since the colonial period, and independent for the first time since the annexation in 1910. It will be a nation of 70 million, no longer a "shrimp among the whales," but at least a dolphin. And the implications of that are something we, with both the Koreans and Japanese, ought at least to think about.

CONCLUSION

All these are profound questions. The day when we must answer them may lie years ahead. But we should think them through, as far as we can manage, today. And I hope in our discussion later you will give me some of your thoughts.

But let me say one final thing first. The ultimate unification of Korea will present us with the most complex, and dangerous, challenges we will face in Asia. But we should be proud and happy to face them.
Because the division of Korea is really less a policy issue than a moral question. It is one of the last great wrongs of the Cold War. It has brought misery to millions of divided families; and almost inconceivable suffering to all those unfortunate enough to live in North Korea today.

The righting of this wrong will unite a nation. Mend the ties between brothers, sisters and cousins parted for half a century. A nation large and strong enough to take its rightful place in the world. And ultimately, help guarantee peace in Asia.

That is the inevitable future. And so, as the Vice President says, we may hear the roar of a distant waterfall ahead; and we may already be in the rapids. But we are in the same boat. And beyond the falls we will find calm and clear water.

Thank you very much.