



# Korean Reunification Can the Dream Be Realized?

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## Abstract

This UI Brief analyses the prospects for Korean reunification and the problems that might be expected should reunification take place. Although the unprecedented pace of inter-Korean top-level summitry in 2018 gave rise to new hopes of a united Korea, it points out that the fundamental obstacles to reunification remain. Chief among these are the prohibitively high economic costs, the international sanctions on North Korea that prevent economic cooperation, the potential for US or Chinese obstructionism and, perhaps most importantly, dwindling interest in reunification among South Korea's younger generations. A number of thorny issues could also emerge after reunification to prevent a smooth transition to harmonious relations between northerners and southerners: there is an incompatibility between the occupational skills of North Koreans and the demands of a modern capitalist economy, there may be demands for some form of transitional justice and there would be competing claims for North Korean land. The paper concludes that one of the greatest long-term obstacles to Korean reunification is the declining interest in the issue among young South Koreans. If this trend continues, the preservation of the north and the south as separate states is a no less plausible outcome than reunification.



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## Introduction

Ever since Korea was divided at the end of World War 2, the intense hostility between the north and the south has presented a perennial security challenge for East Asia. War broke out in the early 1950s, and the inauguration of Donald J. Trump as US president in 2017 led many experts to fear a further outbreak of war on the Korean Peninsula. Trump and North Korea's leader, Kim Jong-Un, were exchanging insults and threats almost daily. All the while, North Korea was testing missiles at an unprecedented rate. In a test in November 2017, North Korea may finally have achieved its long-cherished goal of developing a missile that is capable of reaching the US mainland while carrying a nuclear warhead. The two states seemed to be on track for military confrontation.

The new year saw a remarkable turnaround of the situation. In his 2018 New Year's speech, Kim Jong-un called for an improvement in inter-Korean relations and announced that North Korea would participate in the Winter Olympics due to take place in South Korea later that year. The President of South Korea, Moon Jae-In, who had campaigned on improving inter-Korean relations, eagerly took this opportunity to arrange high-level meetings between the two sides. North and South Korea agreed to parade their athletes together under a common flag during the opening ceremony of the Olympic Games. They even fielded a joint female ice hockey team. The successful Winter Olympics became a stepping stone to improved relations at the political level. Shortly after the Olympics, North Korean negotiators told their South Korean counterparts that Kim Jong-Un was willing to denuclearize in return for security guarantees. This was an astonishing departure from Pyongyang's

uncompromising claim that the nuclear programme was non-negotiable.

The détente of 2018 and 2019 also led to a number of historic summits. Since March 2018, Kim has met four times with Moon Jae-In, four times with China's Xi Jinping, three times with President Trump and once with Russia's Vladimir Putin. This is quite remarkable for a man who did not meet with a single head of state during his first six years in power. One of the most memorable summits was the first meeting between Kim Jong-Un and Moon Jae-in on April 27, 2018. The two leaders smilingly shook hands across the border before Kim Jong-Un stepped into South Korean territory where the meeting was to be held. He then surprisingly invited Moon to cross the border and set foot on North Korean soil, which the latter gladly agreed to do. The pictures of the two Korean leaders crossing the border hand in hand instantly became iconic symbols of peace and unity. Everyone watching knew that they had witnessed an important event.

The two leaders then signed the Panmunjom Declaration in which both sides committed themselves to cooperation, denuclearization of the peninsula, peace and reunification. For the first time in decades it became possible for Koreans on both sides to entertain hopes of reunification. Thanks to these developments, the topic of reunification was discussed with increased frequency in Korean media and among academic experts. Although the denuclearization process has since stalled and negotiations have run into complications, reunification remains a highly salient issue. In a 2019 speech on the Korean day of liberation, August 15, President Moon declared his goal of achieving reunification by 2045.



The sections below analyse the reunification issue and some of the major hurdles on the path to a united Korea. While many of these hurdles have been identified in the existing literature on Korean reunification,<sup>1</sup> there has been relatively little written on the kind of problems that might be expected after reunification.<sup>2</sup> To fill this research gap, some of the most important post-reunification challenges are also analysed. The analysis draws on the existing literature on reunification and open access public opinion surveys.

## Enormous differences

Korea was liberated in 1945 by the World War 2 allies following 35 years of harsh Japanese colonial rule. Even before Japan's defeat, the United States and the Soviet Union had agreed to temporarily divide Korea into two spheres of influence: a US-backed south and a Soviet Union-backed north. As a result, the south adopted capitalism while the north adopted communism as their respective economic and ideological systems. The ensuing 75 years of separation under these different systems has led to remarkably different outcomes in North and South Korea. North Korea is one of the poorest states in Asia. Its economy is largely cut-off from the rest of the world due to sanctions over its nuclear programme. Its infrastructure is dilapidated, roads are bad and few in number, the railway system is notoriously unreliable, electricity and water supply are intermittent, and the agricultural sector is

inefficient and consistently fails to produce enough food to feed the population. Chronic malnourishment means that North Koreans are on average several centimetres shorter than South Koreans.<sup>3</sup> Politically,

North Korea remains a brutal dictatorship under the leadership of the Kim dynasty. The state was formally established by Kim Il-Sung in 1948. On his death in 1994, he was succeeded by his son, Kim Jong-Il. When the latter died in December 2011, he was succeeded by his son, Kim Jong-Un, the current leader of the country. The North Korean propaganda machine has built up a near religious cult of personality around the three Kims. There is no free press, no civil society independent of the state, no meaningful elections, no public access to the internet and very limited opportunity for domestic and international travel.

The contrast with the situation in the south is stark. South Korea is the world's 12th largest economy and its trade relations extend to all corners of the globe. It is an industrial and technological giant with companies, such as Samsung, LG and Hyundai, that are well-known around the world. About 90 per cent of South Koreans are connected to the internet, which is the highest connectivity rate in the world. For many decades South Korea too was ruled by brutal dictators who stifled civil liberties and democratic rights in the name of national security. Since the late 1980s, however, it has transformed into a vibrant democracy that is able to guarantee regular

<sup>1</sup> See e.g. Bennett, Bruce W. (2018) *Alternative Paths to Korean Unification*, Rand Corporation, [https://www.rand.org/content/dam/rand/pubs/research\\_reports/RR2800/RR2808/RAND\\_RR2808.pdf](https://www.rand.org/content/dam/rand/pubs/research_reports/RR2800/RR2808/RAND_RR2808.pdf); Kwak, Tae-hwan and Seung Ho-Joo (eds. 2017) *One Korea: Visions of Korean Unification*, London and New York, Routledge; Kydd, Andrew H. (2015) 'Pulling the plug: Can there be a deal with China on Korean unification', *The Washington Quarterly* 38(2): 63–77.

<sup>2</sup> A couple of examples of research focusing on post-reunification problems: Lankov, Andrei (2015) *The*

*Real North Korea: Life and Politics in the Failed Stalinist Utopia*, Chapter 6, Oxford and New York, Oxford University Press; Richey, Mason, Ohn Daewon, Jangho Kim and Jaejeok Park (2018) 'Be careful what you wish for: Security challenges facing the Korean Peninsula during a potential unification process', *Asian Security* 14(3): 263–281.

<sup>3</sup> Schwekendiek, Daniel (2009) 'Height and weight differences between North and South Korea', *Journal of Biosocial Science* 41(1): 51–55.



direct elections, and the freedoms of speech, assembly and the press (although support for North Korea, or indeed communism, is still punishable by law). Since democratization, South Korea has experienced peaceful transitions of power between conservative and liberal parties on numerous occasions, which is widely regarded by political scientists as a sign of a strong democracy.<sup>4</sup> In 2016, when the country's then president, Park Geun-Hye, was revealed to have misused her presidential powers to the financial benefit of a close friend, she was eventually impeached and arrested in a fully democratic process: peaceful mass demonstrations in the streets, an impeachment vote in the National Assembly and finally a guilty verdict in the Constitutional Court. For the past three years, South Korea has been awarded the highest overall democracy score among Asian states (excluding Oceania) in The Economist Intelligence Unit's Democracy Index. North Korea, on the other hand, is consistently ranked last.<sup>5</sup>

## The reunification issue

The end of the Cold War had a devastating impact on the North Korean economy. After the collapse of the Soviet Union, the newly established Russian Federation stopped selling products to North Korea at heavily subsidized "friendship prices". In the new capitalist reality of the 1990s, North Korea would have to pay market prices like any other state. This was something the economically unsound North Korea could not afford to do. The discontinuation of vital Russian exports of oil, fertilizer and spare parts crippled North Korea's industry and agriculture. A string of droughts and floods further exacerbated the situation. Food production began to drop to precarious

levels and the food rations from the state became smaller and smaller until they stopped altogether. Famine ensued and the future of the regime was thrown into serious jeopardy. It is estimated that between 3 and 5 per cent of the population starved to death in the nightmarish years of 1995–1998, a period that the state today euphemistically refers to as the "arduous march". The situation was so dire that the state even had to ask for, and received, humanitarian aid from its enemies in South Korea, the USA and Japan.

Many North Korea experts saw the famine in the North as a sign that North Korea was on the verge of collapse. Many southerners therefore believed that it was only a matter of time before the peninsula would be reunified under the leadership of the south. At no point were reunification expectations higher than in 2000, when the leaders of the two states met for the first time. North Korea's Kim Jong-Il and South Korea's Kim Dae-Jung met in Pyongyang and agreed to work towards a peaceful reunification of the peninsula. This was one of the highlights of what was called the sunshine policy, which was a decade-long southern engagement policy towards the north in the period 1998–2008. The sunshine policy involved a number of high-profile projects on economic cooperation and family reunion, as well as inter-Korean talks. Ultimately, however, the policy was not successful at reunifying the peninsula. Moreover, its critics argue that economic cooperation not only kept North Korea alive when it was on the verge of collapse, but also enabled North Korea to develop nuclear weapons. The sunshine policy was gradually rolled back during the conservative governments of Lee Myung-Bak (2008–2013) and Park Geun-Hye (2013–2017), and north-south relations deteriorated. When North Korea

<sup>4</sup> Huntington, Samuel (1991) *The Third Wave: Democratization in the Late Twentieth Century*, Oklahoma, University of Oklahoma Press.

<sup>5</sup> The Economist Intelligence Unit (2017, 2018 and 2019) *Democracy Index*.



torpedoed a South Korean military vessel in 2010, killing 46 sailors, and bombarded a small South Korean island later in the same year, killing four people, the reunification euphoria of the early 2000s seemed nothing but a distant memory.

While both Koreas have been paying lip-service to reunification for as long as the peninsula has been divided, few analysts considered peaceful reunification to be a realistic scenario. The thaw between North and South Korea since 2018, however, has reinvigorated the reunification debate. The challenges facing reunification are discussed below. First, however, it is useful to examine the two states' official positions on the reunification issue.

### North Korea's position

One of the great myths often propagated by South Korean politicians is that North Korea has never proposed any plan for reunification. Pyongyang did in fact propose

a reunification model in the 1960s, which it has largely stuck to ever since. Whether this proposal is sincere, however, is a different question. North Korea's basic position is that reunification should happen through the establishment of a north-south federation. As is discussed below, this is similar to South Korea's proposal for a confederation. The distinction between a federation and a confederation is vague, but generally a federation denotes a more integrated form of union than the looser institution of a confederacy.

Kim Il-sung first proposed a federation in August 1960. Since then, all proposals have been based on the idea of a federation as a transitional measure leading to full reunification. In 1980 Kim Il-Sung announced ten principles for the Koryo Federation (see box 1). Koryo is a reference to the kingdom that unified and ruled the Korean Peninsula in the period 918–1392.

#### Ten principles of the Democratic Federal Republic of Koryo (DFRK)

- 1) The DFRK should pursue an independent policy in all state activities.
- 2) The DFRK should implement democracy nationwide and promote great national unity.
- 3) The DFRK should ensure the development of an independent national economy through economic cooperation between the north and the south.
- 4) The DFRK should ensure uniform progress of science and technology, culture and education through north-south exchange and cooperation.
- 5) The DFRK should open free transport and communication links between the north and the south.
- 6) The DFRK should ensure the welfare of and stable livelihoods for everyone.
- 7) The DFRK should remove the state of military confrontation between the north and the south and establish a joint national army.
- 8) The DFRK should protect the national rights of all Koreans overseas.
- 9) The DFRK should conduct its foreign policy in a united manner.
- 10) The DFRK should develop friendly relations with all the countries of the world and pursue a peaceful foreign policy.

Although not included in the ten principles, Kim Il-Sung also proposed a federal assembly consisting of an equal number of members from the north and from the south. This would give North Korea disproportionate political power given that its population is only half that of South Korea's.

Summarized from *Understanding Korea: Reunification Issue* (2017), Pyongyang, Foreign Languages Publishing House





What is remarkable about the version of a federation that Kim Il-Sung set out in 1960 is that it basically describes the characteristics of a unified state: a joint assembly, a joint military, a common foreign policy, a common economy and free travel. North Korea insists that the Koryo Federation would only be a transitional phase preceding full unification, but Kim's ten principles make it appear more like an end-state. It is very difficult for contemporary North Korean party officials to depart drastically from the federation concept and the ten principles, as this would indicate that Kim Il-Sung had drafted an imperfect strategy. Thus, the Koryo Federation in one form or another is likely to remain North Korea's reunification proposal for the foreseeable future.

However, North Korea has good reasons not to pursue such a federation with too much vigour. Pyongyang knows that its plan for an open border and democracy would probably spell the end of the dictatorship. Unless you are a beneficiary from or a hard core believer in the system (and there are few of either), there would be very little incentive to support the North Korean government once fully exposed to the enormous inter-Korean differences in wealth and freedom. Furthermore, if the borders were opened, there would probably be a mass exodus from the north. There is simply no way the north could continue to function if this plan were to materialize. It is therefore better to think of the proposal as the North Korean government's attempt to increase international and domestic support rather than as a true expression of its desired future.

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<sup>6</sup> Cho, Tongjun (2014) *Tet'angtū gukmyōng-esō Pakchōnghūi hangjōngbu-ūi sōnt'ak* [The Park Chung-hee Administration's choice during the détente], p.9,

## South Korea's position

South Korea's first president, Rhee Syngman (1948–1960), argued that reunification should be accomplished through force. That said, his strong language was arguably more of a political strategy aimed at gaining votes in the presidential elections during his terms of office between 1948 and 1960 than a genuine strategy for reunification. In reality, uniting the country by force was almost impossible since South Korea at this time was inferior to North Korea both economically and militarily. Nonetheless, his warmongering rhetoric was successful in fanning hostility towards North Korea.

After Rhee was overthrown in a military coup and fled to the USA in 1960, subsequent governments distanced themselves from the strategy of reunification by force. Instead, they began conceiving the state of division as a competition in which the side that won the hearts and minds of the people would eventually be able to unite the peninsula. In other words, popular legitimacy came to be seen as crucial for reunification. It therefore became necessary for South Korea to show that its political and economic system was superior to that of the north. This competitive mentality was one of the factors that motivated President Park Chung-Hee's (1961–1979) economically successful policy of state-led capitalism. This economic policy was clearly tied to his reunification vision. In a speech in 1967, Park stated that "the path to unification will open when our economy, our freedom, and our democracy spill into North Korea".<sup>6</sup> Grand words from a man who came to power through a military coup and suppressed civil and human rights for nearly two decades. During the 1970s, Park

East Asia Institute,  
[http://www.eai.or.kr/data/bbs/kor\\_report/20140804\\_1537745.pdf](http://www.eai.or.kr/data/bbs/kor_report/20140804_1537745.pdf).



announced a three-step reunification plan: signing a non-aggression treaty, building trust through cooperation and exchange, and achieving reunification through free and fair elections. None of these steps were earnestly pursued, however. Chun Doo-Hwan (1980-1987), who also came to power through a military coup, went a little further in terms of cooperation with the north, as he helped initiate the first north-south family reunions as well as economic talks between Seoul and Pyongyang. However, the rigid structure of the Cold War greatly limited the scope of possible cooperation across the border.

The end of the Cold War made more comprehensive overtures possible. South Korea's successful democratization in 1987 and its booming economy gave its people confidence that they had won the "competition" against the north and that reunification on Seoul's terms was just a matter of time. The fall of the Berlin Wall and German reunification naturally reinforced such expectations. It was at this point that the concept of a north-south confederation became South Korea's official reunification strategy. The confederacy idea was proposed by President Roh Tae-Woo (1988–1993) as a first step towards full reunification. This confederation differed from North Korea's federation plan in a number of key respects.

Unlike North Korea's proposal, Roh's confederation was a transitional stage rather than a de facto end-goal. Roh envisaged three stages. First, the two Koreas should increase cooperation and exchanges in various fields in order to build mutual trust. Second, the two Koreas

should establish a loose confederation in which the two economies and societies would be gradually integrated and some common institutions set up. Crucially, however, each state would maintain autonomy over its own domestic, foreign and security policies. The South Korean confederation was thus a much looser political entity than the North Korean federation, as the latter would entail joint foreign and security policies. Under the confederation, north and south would be "one nation" but remain "two sovereign states". In the third stage, the two Koreas would finalize full unification, which would include merging all political and economic institutions, drafting a new constitution and electing members of a national assembly in free elections.

By and large, Roh's vision of a confederation remains South Korea's official position on reunification. The South Korean government is currently funding a number of research projects on how a confederation could be achieved in practice.<sup>7</sup> The current administration's engagement policy can be seen as an attempt to initiate the first stage of the plan – cooperation and exchange.

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<sup>7</sup> Ji, Dagyum (2019) 'South Korea to review prospects for EU-style confederation with the North: MOU', *NK News*, March 29,

<https://www.nknews.org/2019/03/south-korea-to-review-prospects-for-eu-style-confederation-with-the-north-mou/?t=1585403929586>.





North Korea (NK)	Date	Event	South Korea (SK)
Kim Il-Sung (1948–1994)	15 Aug. 1945	<b>Liberation from Japanese rule</b> The USA and the Soviet Union occupy the peninsula, causing the division.	Rhee Syngman (1948–1960)
	26 June– 1950 27 July 1953	<b>The Korean War</b> A war between NK (supported by the Soviet Union and China) and SK (supported by the UN and the USA) ends in an armistice.	
	21 Jan. 1968	<b>Blue House raid</b> NK sends a unit of 31 special troops to Seoul to assassinate President Park. The mission is unsuccessful.	Park Chung-Hee (1963–1979)
	4 July 1972	<b>North-South Korea Joint Statement</b> The first agreement between NK and SK stipulates three principles for unification: independence from foreign powers, peaceful means and a great national unity as one people.	
	20 – 23 Sep. 1985	<b>The 1<sup>st</sup> North–South family reunion</b> Divided families meet in Pyongyang and Seoul.	
	9. Oct. 1983	<b>The Rangoon bombing</b> An unsuccessful NK attempt to assassinate the SK president during a visit to Burma; 21 people killed and 46 injured.	Chun Doo-Hwan (1980–1988)
	29 Nov. 1987	<b>Korean Air 858 Bombing</b> A SK commercial plane is blown up by a bomb planted by two NK agents. All 115 people on board are killed.	
			Democratization



	13 Dec. 1991	<b>Inter-Korean Basic Agreement</b> The agreement calls for reconciliation, non-aggression, exchange and cooperation.	Roh Tae-Woo (1988–1993)
Kim Jong-Il (1994–2011)	21 Oct. 1994	<b>Agreed Framework between the USA and NK</b> An agreement to work towards “an overall resolution of the nuclear issue on the Korean Peninsula” and “normalization of political and economic relations”.	Kim Young-Sam (1993–1998)
	15 June 1999	<b>The First Battle of Yeonpyeong</b> A confrontation in contested waters in the Yellow Sea between the navies of NK and SK. A North Korean torpedo boat is sunk.	
	15 June 2000	<b>First inter-Korean summit</b> First ever meeting between NK and SK leaders. They sign the June 15th North-South Joint Declaration calling for trust-building, cooperation and peaceful unification.	Kim Dae-Jung (1998–2003)
	29 June 2002	<b>The Second Battle of Yeonpyeong</b> Another maritime confrontation between the two Koreas. Fatalities on both sides.	Sunshine policy
	June 2003	<b>Construction of Kaesong Industrial Park</b> An industrial park inside NK operated by SK companies using NK workers becomes the prime symbol of inter-Korean cooperation during the sunshine policy years.	Roh Moo-Hyun (2003–2008)
	2003–2007	<b>Six-party Talks</b> Six rounds of talks between China, Japan, NK, SK, Russia and the USA aimed at NK denuclearization.	Sunshine policy



	4 Oct. 2007	<b>Second inter-Korean summit</b> The second summit between NK and SK. Renewed pledges to work towards reunification.	
	26 Mar. 2010	<b>Cheonan Sinking</b> The <i>Cheonan</i> , an SK corvette, is sunk in the Yellow Sea, killing 46 sailors. A team of international experts concludes that it was sunk by an NK torpedo. NK denies responsibility.	Lee Myung-Bak Administration (2008–2013)
	24 May 2010	<b>May 24 measures</b> Sanctions imposed on NK by SK in response to the <i>Cheonan</i> sinking prevent economic cooperation with NK.	
	23 Nov. 2010	<b>Bombardment of Yeonpyeong</b> NK fires artillery shells and rockets at Yeonpyeong Island. Four killed and more than 20 wounded.	
Kim Jung-Un (2011–)	10 Feb. 2016	<b>Closure of the Kaesong Industrial Park</b> In response to an NK missile test, SK announces the end of all operations at the complex. NK immediately expels SK's workers and freezes SK's assets.	Park Geun-Hye Administration (2013–2017)  Presidential Impeachment
	9 – 25 Feb. 2018	<b>The 2018 Winter Olympics in Pyeongchang</b> NK and SK field a joint women's ice hockey team. The two states' athletes also march together in the opening ceremony. This leads to negotiations at the political level.	Moon Jae-In Administration (2017–)
	27 Apr. 2018	<b>Third inter-Korean summit</b> The two leaders sign the Panmunjom Declaration, which calls for denuclearization, cooperation, peace and reunification.	





	26 May 2018	<b>Fourth inter-Korean summit</b> Unannounced meeting at Panmunjom aimed at restarting the stalled NK–US negotiations.	
	12 Jun. 2018	<b>NK-US Singapore Summit</b> First ever meeting between a US and an NK leader. Kim reaffirms commitment to denuclearization.	
	18 – 20 Sep. 2018	<b>Fifth inter-Korean summit</b> Moon Jae-In becomes the first SK President to make a speech in front of an NK audience. Calls for unity and cooperation.	
	27 – 28 Feb. 2019	<b>NK-US Hanoi Summit</b> Ends in failure. President Trump leaves the meeting before an agreement is reached, citing NK insincerity on denuclearization.	
	30 June 2019	<b>NK-SK-US Summit</b> The leaders of NK, SK and the USA meet at Panmunjom in a session that yields no concrete outcomes.	

## Challenges before reunification

The similarities in the proposals of North and South Korea make it appear as if the problem of reunification is merely one of whether to opt for a loose confederation or a more integrated federation. The reality is of course far more complicated. The enormous material, economic, political and technological differences between north and south make Korean reunification a far more daunting task than any other unification project the world has seen.

## Reunification: a costly project

A good starting point when assessing the challenges of reunification is to examine the estimates of the economic cost. Predicting the cost of Korean reunification has become something of a cottage industry. Although the numbers in these studies are highly speculative and deal with highly hypothetical scenarios, virtually all agree that a sudden reunification through war, *coup d'état* or uprising in the north would be far costlier than a negotiated and planned reunification. The backwardness of North



Korea's infrastructure means that cost estimates typically exceed one trillion US dollars. The Stanford University professor Peter M. Beck estimated in 2010 that a reunification in which northern incomes were brought up to 80 per cent of southern incomes would cost between US\$ 2 and US\$ 5 trillion.<sup>8</sup> To put this into perspective, according to the Watson Institute at Brown University, the USA spent US\$ 5.9 trillion on its so-called war on terror between 2001 and 2019.<sup>9</sup>

Given that South Korea's GDP was US\$ 1.6 trillion in 2018, it goes without saying that even the more moderate estimates would present a daunting challenge. In order to alleviate economic concerns, South Korean presidents often downplay the costs and reframe reunification as a lucrative opportunity. In 2014 Park Geun-hye, for example, famously described it as a "bonanza". It is possible that reunification could have positive economic effects in the long term once all the major reunification-related expenses have been covered. In the short term, however, reunification will almost certainly be a costly endeavour that will be felt by all South Koreans.

The economic challenges of reunification appear even more daunting when the Korean case is compared to the German case. The economic discrepancy between North and South Korea is far greater than between East and West Germany. When Germany reunified in 1989, the GDP of the east was about one-tenth of that of the west. In terms of per capita income, the average easterner earned about 20 per cent of the average western income. In the case of Korea, northern GDP is only about one-fortieth of that of the south, while northern

per capita income is less than 5 per cent of that of South Korea. A further factor to keep in mind here is the population gap. East Germany constituted just a quarter of the West German population, while the North Korean population is about half that of South Korea. This means that South Korea would have to integrate a far poorer and far larger population than was the case in Germany.

For South Korea, the only desirable path to reunification is therefore a gradual one in which South Korea helps North Korea to reform and rebuild its economy rather than a radical one as a result of a North Korean collapse. Only once North Korea's economy has reached a sufficient level (whatever that may be), and inter-Korean cooperation and trust have deepened, would reunification become possible in practice. This has been the implicit approach of the South Korean government since the end of the 1990s. However, this model faces a major problem: North Korea's nuclear weapons.

### **Nuclear weapons, sanctions and the South-South conflict**

North Korea's nuclear weapon development programme has been met by one of the toughest international sanctions regimes the world has ever seen. North Korea cannot currently even export textiles or seafood without violating these sanctions, which have been tightened progressively since they were first implemented in 2006. The only type of export that other states are allowed to provide to North Korea is humanitarian aid, and even that is restricted. The current version of the sanctions regime is close to a blanket ban

<sup>8</sup> Beck, Peter. M (2010) 'Contemplating Korean reunification', *Wall Street Journal*, January 4, <https://www.wsj.com/articles/SB10001424052748704340304574635180086832934>.

<sup>9</sup> Crawford, Neta C. (2018) 'United States budgetary costs of the post-9/11 wars through FY2019: \$5.9

trillion spent and obligated', *Watson Institute, Brown University*, November 14, [https://watson.brown.edu/costsofwar/files/cow/imce/papers/2018/Crawford\\_Costs%20of%20War%20Estimates%20Through%20FY2019%20.pdf](https://watson.brown.edu/costsofwar/files/cow/imce/papers/2018/Crawford_Costs%20of%20War%20Estimates%20Through%20FY2019%20.pdf).



on all North Korea-related imports and exports.

Such conditions make South Korea's three-stage reunification plan unfeasible. South Korea could not even enter the first stage of cooperation and exchange, much less the second stage of confederacy. Attempting to do so would break any number of sanctions and probably lead to sanctions against South Korea. Seoul's reunification strategy is premised on economic cooperation but sanctions make this impossible. The tougher the sanctions get, the more difficult it becomes to separate the reunification issue from the nuclear issue. Knowing this, Moon Jae-In travelled to Europe in 2019 to appeal for sanctions relief, but was met with a cold shoulder. Not even President Trump, who bizarrely declared that he and Kim Jong-Un had "fallen in love", has been willing to consider easing the sanctions in the absence of drastic North Korean concessions on the nuclear issue. North Korea has dangled the prospect of denuclearization but this seems highly unlikely due to the weapons' deterrence value. The uncomfortable lesson from all this is that South Korea's reunification strategy will not work as long as North Korea retains its nuclear weapons.

It should also be noted that the political polarization in South Korea between right and left has further complicated the reunification issue. While left wing progressives see the north as a negotiation partner, many right wing conservatives continue to perceive it as the number one enemy of the state. This fierce political disagreement, often referred to as the south-south conflict, has been gradually

intensifying since Kim Dae-Jung initiated the North Korea-friendly sunshine policy in the late 1990s. Progressives saw this as a new way of overcoming hostile inter-Korean relations, while conservatives saw it as providing the north with life support and enabling its nuclear programme. The south-south conflict has led to widely differing North Korea policies by progressive and conservative governments. Under the progressive governments of Kim Dae-Jung (1998–2003) and Roh Moo-Hyun (2003–2008), economic cooperation with the north was carried on almost unconditionally. Under the conservative governments of Lee Myung-Bak (2008–2013) and Park Geun-Hye (2013–2017), however, cooperation was made conditional on northern denuclearization. The current government's policy can be seen as an attempt to return to the engagement years of the progressives. Ultimately, this means that South Korea's North Korea policy is highly dependent on the ideological contours of the government in power. This lack of policy consistency obviously complicates negotiations with the north.

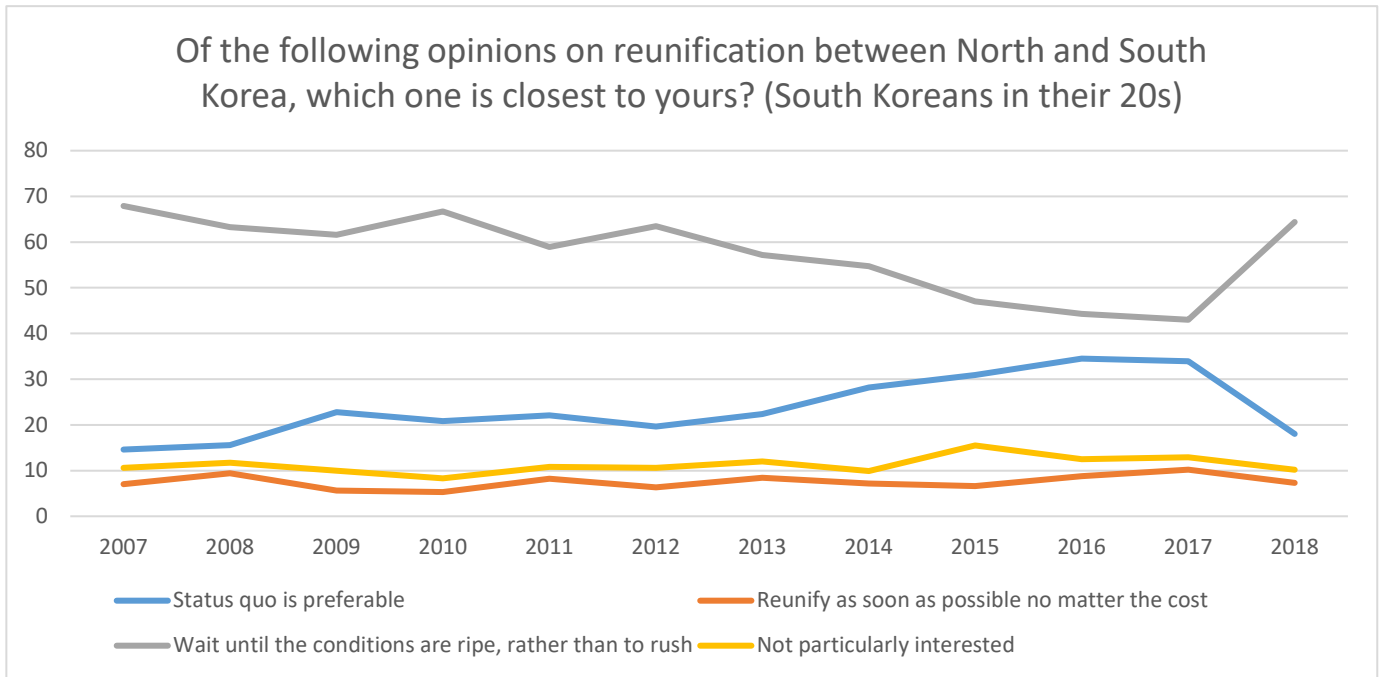
### **Reunification? No thanks**

For decades it has been an article of faith on both sides of the border that Korea must be reunified. There has been fierce disagreement about how this should be achieved but arguing that reunification is unnecessary or even undesirable has been close to sacrilege. This, however, is rapidly changing in South Korea where an increasing number of young people are beginning to seriously question the desirability of reunification.





Figure 1



The Institute for Peace and Unification Studies has been conducting surveys on reunification since 2007. The overall picture that emerges from these surveys is that young South Koreans are increasingly content with the status quo of two separate Koreas and less and less excited about reunification (see Figure 1). In 2007, only 14.6 per cent of South Koreans in their 20s reported that they were satisfied with the status quo. This number has been steadily increasing, however, and reached 33.9 per cent in 2017. Conversely, the proportion of young respondents who favoured conditional reunification fell from 67.9 per cent to 43 per cent in the same period. That said, in the reconciliatory atmosphere of 2018, status quo sentiment fell remarkably to just 18 per cent, while conditional reunification sentiments rose to 64.4 per cent.<sup>10</sup> However, this sudden reversal of the underlying trend was probably an outlier caused by the unusual situation in that year,

during which the leaders of the two states met three times. Just two top-level summits had occurred in inter-Korean history before that. Nonetheless, this suggests that although sentiment among young South Koreans is trending towards the status quo at the expense of reunification, this trend is susceptible to change in times of rapprochement.

A comprehensive 2019 study on South Korean attitudes to reunification conducted by the Korean Institute for National Unification (KINU) showed that a clear majority of South Koreans still favour reunification in the abstract. Given a choice between reunification and peaceful coexistence as separate states, however, the latter was far more popular among women and the younger population than among men and older South Koreans. While only 12 per cent of men preferred peaceful coexistence, 28 per cent of women saw this

<sup>10</sup> Chŏng, Tongjun, Sŏn Kim, Hŭijŏng Kim, et al. (2007-2019) *T'ongil ŭisikchosa* [Unification perception

survey], Institute for Peace and Unification Studies, <http://tongil.snu.ac.kr/xs/sub710/98869>.



as preferable to reunification. In addition, while only slightly more than 10 per cent of people in their 50s and 60s preferred peaceful coexistence to reunification, 36 per cent of those in their 20s stated that peaceful coexistence was their preferred option.<sup>11</sup>

One reason for this discrepancy is that women and young people often fear that they would lose far more than they would gain in the case of reunification. According to the KINU study, a plurality of women see reunification as beneficial to neither themselves nor the nation, whereas a plurality of men see reunification as beneficial to both themselves and the nation. In addition, young South Koreans worry that the enormous costs of reunification would worsen an already struggling economy and intensify competition in the job market. South Korea already has a high rate of youth unemployment (10%) and young people are becoming increasingly frustrated by the lack of social mobility. The prospect of millions of low-skilled North Korean workers increasing competition and pushing down wages is naturally not particularly appealing to young people. As a leading North Korea expert, Andrei Lankov, has pointed out, “unification will probably mean decades of working Chinese hours while paying Swedish taxes. This fact is increasingly understood by younger South Koreans”.<sup>12</sup>

However, the problem may go deeper than just economic concerns. We might also be witnessing a shift in South Korean national

identity. A 2018 ASAN Institute survey on *South Koreans and their Neighbors* asked South Korean respondents whether they saw North Korea as “one of us/neighbor” or as a “stranger/enemy”. While older age groups overwhelmingly chose the former category, only 32 per cent of the youngest cohort – the 20-year olds – saw North Korea as “one of us/neighbor” while 49 per cent saw it as a “stranger/enemy”.<sup>13</sup> This means that young people in South Korea feel far less of a common identity with North Korea than their elders. Even if sporadic instances of rapprochement can temporarily heighten pan-Korean sentiment, even among the young, it seems logical to assume that as more time passes, the common identity with the north will become weaker. Young South Koreans increasingly see North Korea as just another state like Japan or China.

As future generations that are likely to feel even less affinity towards the north become voters and politicians, at some point a clever politician will assess the trend in public opinion and conclude that he or she would be better served by opposing reunification. At that point anti-reunification sentiment would cease to be a private and hidden position at the grassroots level and become a public and open position at the political level. This would be the beginning of the end for the reunification dream.

### **What is the position of other relevant countries?**

When discussing the challenges of reunification, other relevant states should

<sup>11</sup> Korea Institute for National Unification (2019) *KINU Unification Survey 2019: Realistic Outlook and Persistent Confidence*, May 13, p. 15–18, <https://www.nknews.org/wp-content/uploads/2019/06/KINU-Unification-Survey-2019-preliminary-analysis-English.pdf>.

<sup>12</sup> Lankov, Andrei (2017) ‘Why, despite improving inter-Korean ties, unification remains as tricky as ever’, *NK News*, February 17,

<https://www.nknews.org/2019/02/why-despite-improving-inter-korean-ties-unification-remains-as-tricky-as-ever/>.

<sup>13</sup> The ASAN Institute for Policy Studies (2018) *South Koreans and their Neighbors 2018*, p.15, <http://en.asaninst.org/wp-content/themes/twentythirteen/action/dl.php?id=43696>.



also be included in the calculation. Reunification must ultimately be left to the Koreans themselves, but opposition from other states could seriously complicate the process.

Due to its geopolitical standing, the non-Korean state with the most influence over the future process is the USA. While many analysts expect the USA to welcome reunification, various factors might lead to US obstruction. A unified Korea would mean that the official *raison d'être* for the US military presence on the Korean Peninsula would disappear. However, it is obvious that a significant but unspoken reason for having US troops in South Korea is to constrain a rising China. If it became evident that reunification would result in the USA being asked to withdraw its troops from Korea, there might be various US attempts at obstruction in order to retain its strategically advantageous foothold in China's proximity. Such obstructionist efforts could take the form of delegitimizing the reunification process by highlighting North Korea's human rights abuses, overtly or covertly supporting reunification opponents or threatening to impose secondary sanctions on South Korea for breaching the international sanctions regime against North Korea. The possibility of obstruction would increase if reunification coincided with worsening Sino-US relations. Needless to say, this would complicate the reunification process significantly.

While the USA might oppose reunification if it meant that its military would have to leave Korea, for China this logic would work in reverse. China might oppose reunification if it meant that the US military presence would remain in Korea. North Korea's strategic worth to Beijing is mainly as a

buffer between China and the US military presence in South Korea. If this buffer disappeared, US troops could theoretically be deployed on the banks of the Yalu River that separates Korea from China. This is obviously something that China would want to avoid, and could lead to Chinese attempts to prevent reunification. China's political tools are less powerful than those of the USA but as South Korea's biggest trading partner, its economic levers could be effective. When in 2017 South Korea introduced a controversial missile defence system in spite of Chinese objections, China responded by putting sanctions on a number of South Korean products and companies, while also restricting Chinese tourism to South Korea. Similar punitive moves could be enforced if China became displeased with the reunification process. Alternatively, China could try to dissuade North Korea from reunifying by offering it economic incentives and guarantees of military protection. In order to avoid US or Chinese obstruction, it would therefore be crucial for South Korea to be open with the USA and China about plans for the US forces in a post-reunification Korea.

Due to its colonial legacy, Japan's stance on Korean reunification is somewhat ambiguous. Japan does not want to needlessly fan negative emotions in Korea by getting involved in the reunification debate. On the positive side, reunification would mean an end to the North Korean security threat and increase the likelihood of a sincere investigation of the fate of the Japanese citizens kidnapped by North Korea – an important and highly emotional issue in Japan.<sup>14</sup> On the negative side, however, Tokyo is concerned that policymakers in a united Korea would try to build unity and identity between northerners and southerners by focusing on

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<sup>14</sup> Hagström, Linus and Ulv Hanssen (2015) 'The North Korean abduction issue: emotions, securitisation and the reconstruction of Japanese identity from

"aggressor" to "victim" and from "pacifist" to "normal", *The Pacific Review* 28(1): 71–93.





Japan as a common enemy. This is a well-founded concern. However, even if Japan does have some inhibitions about reunification, the political means available to obstruct it are far fewer and weaker than those of the USA and China.

## Challenges following reunification

Leaving aside the question of whether reunification is possible and assuming that it actually happens, a united Korea would face a number of practical challenges. What these might be will very much depend on the way in which reunification takes place. If reunification happened through war, all hopes of a smooth reconciliation between the two peoples would be shattered. A war would eventually lead to reunification under Seoul's leadership, but the enormous destruction and suffering on both sides would create a massive degree of mutual mistrust and hostility that would plague the union for decades. A war would also increase the likelihood of continuing armed opposition by guerrillas in communist enclaves after reunification. By any metric, war would be the least preferable method of reunification, but more peaceful forms of reunification would not be unproblematic either. Even if both sides agreed to peaceful reunification as outlined in the federation or confederation plans, the process would be fraught with problems.

First, there would be the problem of mass migration from north to south. As news of an open border began to spread, countless North Koreans, who are well aware of the wealth gap between the two states, would seek a better life in the affluent south. If the migration process were not managed properly, the massive and sudden influx into South Korea, and Seoul in particular, would be beyond the south's capacity to house, feed and integrate. The South Korean government would have to find ways to

incentivize northerners to stay in the north, such as rebuilding the completely outdated infrastructure, offering well-paid jobs, extending social services and reforming the education system. In addition to granting full democratic and political rights, many other measures would be required to ensure a timely and continuous improvement in living standards. However, the unavoidably slow pace of reform would undoubtedly disappoint many North Koreans.

One major problem northerners would face in a reunified Korea is their lack of skills that could be of use in a modern capitalist society. Generally speaking, North Korea's doctors are unfamiliar with modern medicine, its farmers are unfamiliar with mechanized agriculture, its engineers are unfamiliar with computers, its politicians are unfamiliar with democracy and its economists are unfamiliar with capitalism. Occupational skills that are sufficient in the north will often be useless in the south. Experience with the approximately 30,000 North Korean defectors has shown how they struggle in the South Korean labour market and in society more generally. The unemployment rate among defectors is 80 per cent higher than the national average, they earn almost 25 per cent less than the national average income and are three times more likely than average South Koreans to commit suicide. The latter statistic is especially worrying given that South Korea already has the highest suicide rate of all the Organisation for Economic Cooperation and Development states (more than twice the rate of Sweden). The question has to be asked: if South Korea cannot manage to integrate some 30,000 North Korean defectors, how is it going to integrate 25 million North Koreans in a unified state?

Retraining and re-education programmes on a massive scale will take a long time and probably only achieve moderate success.



Many relatively high-skilled North Korean workers would only be able to find low-skilled and low-paid work in a unified Korea. Their wealth and living standards would improve, albeit probably not in line with their expectations, but their social status and sense of self-worth would decline quite dramatically. Disillusionment and lack of success in the labour market are likely to drive a disproportionately high number of northerners into criminality. North Koreans would probably find themselves stigmatized by southerners as criminals and/or second-rate citizens. A united Korea is bound to be an anticlimactic experience for many North Koreans.

Another major post-reunification challenge would be the issue of transitional justice. The North Korean state operates numerous labour camps and maintains the unjust principles of guilt by association and collective punishment. What should be done with those responsible for North Korea's egregious human rights abuses? Punishing everyone who has committed or somehow enabled human rights abuses would appear to be almost impossible since "the nature of the current regime makes unmanageably large numbers of people substantially complicit in grave crimes".<sup>15</sup> In other words, there are too many people with blood on their hands to punish everyone. The study cited above proposes that only leaders at the secretary level and above should be prosecuted, while junior officials, officers and party cadres should be amnestied but barred from positions in the government or military. Everyone else should be exempt from punishment.

This is one possible, albeit somewhat arbitrary and necessarily incomplete, way of meting out justice. Regardless of how the question of justice is handled, however, it

seems certain that some people or families responsible for heinous crimes in North Korea will find ways to escape punishment and end up in powerful positions in a unified Korea. This will be the uncomfortable price to pay for opting for an incomplete but therefore manageable legal process.

If reunification happens not through a coup or uprising, but through a negotiated process between the current North Korean leadership and the South Korean government, it is likely that any legal process will be lenient, if it takes place at all. All North Koreans in high office are bound to make assurances regarding their personal safety a primary condition for reunification. Although such a promise from the south would make a mockery of justice, most South Koreans would probably consider it a reasonable price to pay for reunification and peace.

Finally, the issue of land redistribution could become highly divisive. There are no property rights in North Korea, and technically all land belongs to the state. In a reunified Korea, this problem might easily be resolved by giving North Koreans property rights over the land and houses they currently occupy. However, much of the land in North Korea is claimed by South Koreans. In the early phase of his rule, Kim Il-Sung sought to end feudalism and began to purge rich landowners. Many landowners fled to the south but were careful to take their land titles with them. These land titles have been passed down from generation to generation in the hope that one day Korea would be reunified and the former landowner families could move back to their lands in the north. However, North Koreans have of course been living on this land for seven decades and will naturally reject any claims to their de facto properties.

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<sup>15</sup> Richey, Mason, Ohn Daewon, Jangho Kim and Jaejeok Park (2018) 'Be careful what you wish for: Security challenges facing the Korean Peninsula during

a potential unification process', *Asian Security* 14(3): 263–281.



How might the government of a reunified Korea deal with these competing claims? It is arguable that siding with the former landowner families would be upholding the rule of law. However, dispossessing poor North Koreans of the only assets they have and giving these to South Korean families, who in many cases have become very rich over the years, is hardly the best way of fostering unity and trust in a newly united country. It is therefore likely that the government would reject the former landowner families' property claims, which would probably lead to discontent and litigation by these families. In order to mitigate the situation, or as an outcome of legal judgments, it is possible that the government would decide to compensate these families financially. However, such a solution would risk dissatisfying those South Koreans who wanted more and leaving North Koreans feeling that the government was siding against them. Regardless of what the government does on this thorny issue, it is bound to create dissatisfaction among some segments of the new state.

Reunification would not be without benefits. Most importantly, reunification would end the constant threat of war and improve living standards and the human rights situation for millions of North Koreans. It could also reinvigorate a sluggish South Korean economy through a massive construction and investment boom in the north, while also providing access to cheap North Korean labour and the massive mineral resources in the north. (The potential for southern exploitation is an obvious concern.) In addition, reunification would rejuvenate a rapidly aging South Korean population as the birth rate for North Korean women (1.91) is almost twice that of South Korean women (0.98). Despite

the many important upsides of reunification, however, seven decades of separation and hostility would be bound to result in numerous problems. This UI Brief identifies just some of these. In order to ensure a smooth transition from division to unity, it is important that the South Korean government is prepared for the challenges that lie ahead. There is every reason to believe that South Korean governments, liberal as well as conservative, are keenly aware of these issues and know the potential costs. However, convincing the South Korean people to begin making financial sacrifices for a reunification that may or may not happen has proved extremely difficult. In 2010, the then president, Lee Myung-bak, suggested the introduction of a reunification tax to prepare for the costs of reunification. The suggestion was deeply unpopular and damaged his approval rating. A 2019 survey showed that more than 50 per cent of men and more than 60 per cent of women oppose such a tax, while less than 30 per cent of men and less than 20 per cent of women would support it.<sup>16</sup> Knowing this, the current Moon administration has largely avoided economic policies on North Korea that would incur new costs for taxpayers, although the strict sanctions regime is also partly responsible for this. The biggest future challenge for the South Korean government might not be to devise a solid post-reunification plan, but to gain public support for it.

## Conclusions

This UI Brief has completely avoided the scenario of reunification under North Korean leadership. The reason for this is that we consider it virtually impossible. B.R. Myers, Professor of international studies at Dongseo University, South Korea, is notable

<sup>16</sup> Korea Institute for National Unification (2019) *KINU Unification Survey 2019: Realistic Outlook and Persistent Confidence*, May 13, p. 65,

<https://www.nknews.org/wp-content/uploads/2019/06/KINU-Unification-Survey-2019-preliminary-analysis-English.pdf>.



for holding the fringe view that a North Korea-led reunification could happen. He argues that North Korea could exploit strong nationalist sentiments in the south to drive out the US military and essentially take over the peninsula with little resistance: 'While nationalism is not strong enough to make people welcome a North Korean takeover, all Kim needs is for it to weaken their resistance to one'.<sup>17</sup> Kim Jong-un could well harbour such hopes, but we think Myers overstates the power of pan-Korean nationalism in South Korea. The 2019 survey mentioned above asked South Korean respondents whether they agreed or disagreed with the statement: 'Just because the two Koreas are one people [this] does not necessarily make them one nation'. Only 26 per cent of respondents disagreed, while 41 per cent agreed.<sup>18</sup> Such numbers suggest that pan-Korean nationalist sentiment in South Korea is simply too weak for North Korea to exploit in a bid to reunify the peninsula under its leadership. Furthermore, North Korea has neither the necessary military power nor the international support to ensure reunification on its terms. Reunification if it comes will almost certainly be led by the south. There might be a negotiated north-south process, through which both sides agree to merge in one format or another, but this would only occur as long as the ultimate outcome of capitalism and democracy was guaranteed. Anything else would be unacceptable to South Korea.

More likely, however, is that reunification would come as a result of a North Korean collapse stemming from war, coup, popular uprising or a combination of all three. A regime that relies on the suppression of its people for survival to the extent that North Korea does will always face the risk of

revolution or coup. This possibility naturally increases when the state in question has to deal with a neighbouring state that is not only unimaginably wealthier but also consists of people who speak the same language, look similar and share the same history and culture. It is difficult to explain the failures of the north and the successes of the south by anything other than their different economic and political systems. South Korea's mere existence poses an existential threat to the North Korean system as it offers the North Korean people a reference point against which they can easily compare and evaluate the performance of their own government. In other words, South Korea serves as a constant reminder of the North Korean leaders' mismanagement. The undermining of the North Korean system that South Korea creates simply by existing is a constant existential threat to North Korea. A collapse could happen with little warning. Needless to say, it is essential that South Korea be ready for this eventuality.

However, we would argue that an equally plausible scenario is that both North and South Korea survive and are preserved as two separate entities. There are grounds for thinking that such an outcome is likely. First, the collapse of North Korea has been predicted for many decades, but it has had a knack of proving these theories wrong. It has survived the loss of its Cold War allies, famine, US military threats and international sanctions. From a purely political perspective, this is impressive and we should not be surprised if North Korea finds ways to survive against all odds in the future. Its possession of a nuclear deterrent greatly enhances this prospect.

<sup>17</sup> Myers, B.R. (2017) 'North Korea's unification drive', December 21, *Sthele Press*, <http://sthelepress.com/index.php/2017/12/21/north-koreas-unification-drive/>.

<sup>18</sup> Korea Institute for National Unification (2019) *KINU Unification Survey 2019*, p. 19.





Second, permanent separation is also made more likely by the fact that young South Koreans are increasingly uninterested in, and even opposed to, reunification. They worry about intensifying post-reunification competition for jobs and the likely financial burden, but they also feel less common identity with North Koreans. North Korea is becoming just another state. As time goes by, opposition to reunification among the South Korean population will probably only

get stronger. Moon Jae-in has stated that reunification should wait until the conditions are ripe, and set 2045 as a goal, but it might be a more urgent matter than is commonly assumed. If reunification does not happen while the desire for it in the south remains relatively strong, the separation of the two states might become permanent.



# brief



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