

# South Korean Engagement Policies and North Korea

Identities, norms and the Sunshine Policy

Son Key-young

**POLITICS IN ASIA**

The lower half of the book cover features an abstract, textured background. It is composed of various shades of green and yellow, with several prominent, thin, diagonal lines crossing the entire section from the top-left to the bottom-right. The texture appears organic, possibly resembling a microscopic view of a material or a close-up of a natural surface like a leaf or rock.

# South Korean Engagement Policies and North Korea

*South Korean Engagement Policies and North Korea* presents a fresh historical and theoretical exploration of the much-debated question of the Korean divide by examining the impact of engagement on the separated Korean peninsula. The new dynamics and anomalies of inter-Korean rapprochement generated by President Kim Dae-jung's Sunshine Policy are scrutinized using a conceptual framework of comprehensive engagement and similar containment and engagement policies implemented after the end of the Cold War.

The book seeks to define comprehensive engagement, showing engagement existing in various forms within international politics. It illustrates the historical context in which comprehensive engagement can be implemented by a government opting to dramatically improve its relations with a long-term adversary in a favourable international environment. The topical issues of anti-Americanism in South Korea, the North Korean nuclear weapons crisis and the future of the South Korean military alliance with America are all covered within this analysis. Son Key-young includes a broad theoretical debate surrounding two key case studies: the relationship between the Hyundai Group's North Korea projects and the historic inter-Korean summit in 2000, and North Korea's nuclear weapons programmes.

Drawing on interviews with leading South Korea policymakers and utilizing new theoretical and empirical frameworks, *South Korean Engagement Policies and North Korea* provides a valuable study of engagement policy and its impact on the identities of a divided people that will be a key text for all academics in the field.

**Son Key-young** is a Lecturer in the School of East Asian Studies at the University of Sheffield, UK.

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**Son Key-young**



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# Preface and acknowledgements

One of the time-honoured sayings in Korea goes like this: ‘Give another piece of cake to those you hate.’ It might not be carrying the religious message of ‘Love thy neighbour.’ But it is suggesting an alternative way of addressing our problems with those we hate, an option traditionally regarded as a powerful recipe to effect real change. However, this axiom looks not only irrational and contradictory, but also appears hard to translate into action. To better understand this, it is necessary to rethink our notion of rationality and contradiction and look back on what we did against our enemies, often in the name of justice and morality. In many cases, strategists used the notion of rationality to brutally suppress our enemies or merely prescribe a band-aid remedy. What they failed to do is to develop better-calibrated strategies to mitigate both minor and long-running troubles arising amongst nation states.

This book is about engagement strategies. Rather than focusing on containing our enemies and reproducing mutual enmity generation after generation, this book suggests a way of transforming the behaviour of our enemies, as long as they are not lethal and adventurous enough to jeopardize the very foundation of our survival. If what we want to achieve is peace and stability, rather than the realization of ‘national interests’ which are often narrowly defined and ill-conceived for the privileged in society and detrimental to the collective well-being of the other members of a nation, it is time to think about taking an option beyond the ‘carrot-and-stick policy’, which is a training manual for donkeys, not for humans.

This book started life as a Ph.D. thesis, research for which was possible as a result of scholarships from the British Council and the Overseas Research Students Awards Scheme. Since they covered only my tuition fees, my severance payment from the *Korea Times* for which I worked for more than fourteen years was the key source of the other essential funding needed, which enabled me to enjoy unrivalled freedom and stability as a Ph.D. student. In fact, many of the perspectives adopted in this book go back more than a decade, to the early 1990s when I was a journalist covering the foreign and unification policies of the Kim Young-sam administration. Going through a plethora of events, including the first nuclear weapons

crisis, the death of North Korean President Kim Il-sung, the establishment of the Agreed Framework, and so forth, I and some of my fellow journalists, who shared a press room at the Central Government Complex which is just a stone's throw from Chong Wa Dae (the presidential house), felt profound frustration with the policies of the South Korean government, especially its engagement strategies with North Korea. At the end of this long tunnel, dotted with the upheavals and confusions of the post-Cold War world, we could find a glimmer of hope from President Kim Dae-jung's Sunshine Policy in spite of all of its shortcomings.

At that time, I was a journalist going after a scoop and all of my attention was focused on how the two South Korean administrations mixed carrots with sticks in dealing with North Korea, which had basically constituted the backbone of my newspaper articles. After my academic training in the UK, however, I came to recognize additional dimensions, namely identities and norms, which have become the key themes of this book as crucial determinants of a state's foreign and security policy. These new tools were also the decisive variables through which I was able to differentiate President Kim Dae-jung's policies from those of the previous South Korean governments and, in the same vein, my book from the other books on engagement strategies.

In the course of my writing, the School of East Asian Studies at the University of Sheffield offered much assistance and the Kyungnam University Institute for Far Eastern Studies made available facilities which were instrumental for data collection. Interviews with key policymakers and others form an integral part of this book. I would like to thank a number of interviewees, including Ban Ki-moon, Cho Kun-shik, Cho Myung-kyun, Choe Sung-hong, Han Sung-joo, Jim Hoare, Hong Soon-young, Hwang Ha-soo, Hwang Won-tak, Jang Jai-ryong, Jeong Se-hyun, Kim Il-soo, Kim Ko-joong, Kim Sung-han, Lee Tae-sik, Lim Dong-won, Moon Bong-joo, Park Jae-kyu, Rhee Bong-jo and Yim Sung-joon. I am profoundly grateful to my Ph.D. supervisor, Professor Glenn Hook, for his encouragement and incessant attention to my book. I am also thankful to James Foley, Choe Young-min, Cathy Everard and Dominic Holland for proofreading my drafts.

In this book, all East Asian names are given in their original form, that is, the family name is followed by the given name. In romanizing Korean names and words, this book follows the modified McCune-Reischauer system, except in cases where a different method has been established, such as *juche* and Syngman Rhee. For positions and titles of government officials cited in the text, this book uses those held at the time of the event instead of the present one. To back up my arguments, I cite a range of newspaper articles which I obtained from the internet. Therefore, the publication dates of newspaper articles are those displayed on the electronic version, not on the printed version. Finally, I am deeply thankful to Routledge for publishing this book.

Son Key-young  
Sheffield, Britain  
July 2005

# Abbreviations

ABM	Anti-Ballistic Missile
ACDPU	Advisory Council on Democratic and Peaceful Unification
ADB	Asian Development Bank
AF	Agreed Framework
AFP	Agence France-Presse
ANEC	Association for National Economic Cooperation
AP	Associated Press
APEC	Asia-Pacific Economic Cooperation
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
ASEM	Asia-Europe Meeting
BAI	Board of Audit and Inspection
CFSP	Common Foreign and Security Policy
CRS	Congressional Research Service
DMZ	Demilitarized Zone
DPRK	Democratic People's Republic of Korea
EU	European Union
GDP	Gross Domestic Product
GNP	Grand National Party
HEU	Highly Enriched Uranium
HFO	Heavy Fuel Oil
HMM	Hyundai Merchant Marine
IAEA	International Atomic Energy Agency
IFANS	Institute of Foreign Affairs and National Security
IFES	Institute for Far Eastern Studies
IMF	International Monetary Fund
IR	International Relations
KAPPC	Korean Asia-Pacific Peace Committee
KCNA	Korea Central News Agency
KDB	Korea Development Bank
KDI	Korea Development Institute
KEDO	Korean Peninsula Energy Development Organization
KINU	Korea Institute for National Unification

KNTO	Korea National Tourism Organization
LDP	Liberal Democratic Party
LWR	Light-Water Reactor
MAD	Mutually Assured Destruction
MDP	Millennium Democratic Party
MFN	Most Favoured Nation
MIA	Missing in Action
MND	Ministry of National Defence
MOFA	Ministry of Foreign Affairs
MOFAT	Ministry of Foreign Affairs and Trade
MOGAHA	Ministry of Government Administration and Home Affairs
MOU	Ministry of Unification
NAM	Non-Aligned Movement
NATO	North Atlantic Treaty Organization
NGO	Non-Governmental Organization
NIS	National Intelligence Service
NLL	Northern Limit Line
NPT	Nuclear Non-Proliferation Treaty
NSC	National Security Council
NSL	National Security Law
PNTR	Permanent Normal Trade Relations
PSI	Proliferation Security Initiative
ROK	Republic of Korea
SDF	Self-Defence Forces
SDI	Strategic Defence Initiative
SPA	Supreme People's Assembly
TCOG	Trilateral Coordination and Oversight Group
TCR	Trans-China Railway
TKR	Trans-Korean Railway
TMD	Theatre Missile Defence
TRADP	Tumen River Area Development Programme
TSR	Trans-Siberian Railway
ULD	United Liberal Democrats
UNC	United Nations Command
UNDP	United Nations Development Programme
US	United States
WFP	World Food Programme
WMD	Weapons of Mass Destruction
WTO	World Trade Organization
WWII	World War Two





# Introduction

The clinking sound of falling dominoes ushered in what we call the post-Cold War era. Soon after Soviet forces pulled out of the occupied lands of their Eastern European clients in 1989, the spectre of democracy and the market economy haunted and overturned a phalanx of communist regimes one by one. At the climax of a defining moment of world history, the Berlin Wall was smashed down into pieces which metamorphosed into souvenirs for tourists wishing to keep the tangible legacies of the Cold War. To many observers, this reverse materialization of US President Dwight Eisenhower's Domino Theory, which had originally cautioned against the sequential communization of Southeast Asian countries in the 1950s, heralded an impending collapse of North Korea's communist system and, wishfully, the unification of the Korean Peninsula. At the turn of the twenty-first century, however, Korean unity remains in the domain of guesswork, since we have no clear idea about when we shall bid farewell to the Korean Wall, a metaphoric name for the Demilitarized Zone (DMZ) dividing the two Koreas.<sup>1</sup> What went wrong? Why does the Korean Peninsula appear to be caught in a time warp, free from the sea change the world has been experiencing? Or are we just not paying enough attention to the signs of slow but fundamental change in the making?

Living up to its reputation as one of the world's flashpoints or tinderboxes during and after the Cold War, the Korean Peninsula has not only been the site of a destructive war and prolonged military confrontation, but also the test laboratory and the graveyard of numerous attempts to bring sustained peace. Launched jointly by South Korea and the United States, or sometimes independently by South Korea, these strategies of engagement had fallen short of ameliorating North Korea's behaviour and policies towards South Korea and the international community. However, the long tale of South Korean engagement policies did not end here. In spite of its shortcomings, the Sunshine Policy, the brainchild of President Kim Dae-jung (1998–2003), demonstrated a potential to bring about North Korea's limited but significant attitudinal and behavioural change, at least towards South Korea.<sup>2</sup> To name just a few examples, the leaders of the two Koreas met in 2000 for the first time since the birth of the two republics in 1948;

## 2 Introduction

pleasure boats carrying South Korean tourists were authorized to set sail towards the former North Korean naval base, Changjon; and a number of factories built by South Koreans in a North Korean industrial complex just across the DMZ started churning out a wide range of products carrying well known South Korean brand names.

Is this dynamic of inter-Korean rapprochement sustainable? What implications does this process have on South Korea's relations with its neighbouring countries, and especially with the United States? As one of the by-products of inter-Korean rapprochement, the US-South Korea alliance was put under siege amid a surge of anti-American sentiment on South Korean streets. The rise of China and the shifting power relations in East Asia further complicated the political and military landscape, putting South Korea in an ambivalent posture about its identity and future policy options. Is the US-South Korean alliance sustainable in a new era of inter-Korean rapprochement? Or is South Korea veering from the traditional course of US-centred diplomacy and security arrangements, into uncharted waters?

Empirically, this book aims to address these questions surrounding the Sunshine Policy, regarded as an example of 'comprehensive engagement'. In an interview with CNN in May 1999, President Kim himself referred to his initiative as 'a comprehensive engagement policy', contending that it was the most practical policy for South Korea in order to make the North give up its war option and opt for peaceful coexistence (Korean Overseas Culture and Information Service 1999). To achieve this goal, Kim pointed to five specific steps, which had assumed the status of mantra during his term: first, the reactivation of the 1991 Agreement on Reconciliation, Non-aggression and Exchanges and Cooperation between the South and the North (hereafter the Basic Agreement); second, North Korea's diplomatic normalization with the United States and Japan; third, the international community's strengthening of interaction with North Korea; fourth, the elimination of weapons of mass destruction (WMD) from the Korean Peninsula; and fifth, the replacement of the Armistice Agreement with a peace regime between the two Koreas (*ibid.*).

For international relations (IR) scholarship, this book seeks to make a contribution to the extant literature by formulating a theoretical framework of comprehensive engagement, a relatively rare and politically risky form of engaging an enemy state. Comprehensive engagement is a rarity because it has to involve, among other things, the identity shift of the status quo power's policy elites and domestic public *vis-à-vis* the enemy state. The history of international politics shows that it might be easier for a camel to pass through the eye of a needle than for a status quo power to voluntarily revise its attitude towards an enemy state it has demonized for a long time. Since the domestic public is socialized to harbour enmity towards the enemy state, and the mode of military and economic life of the status quo power is tailored to compete with and reign supreme over it, it is simply too risky for a political leader in a democratic state to embark on comprehen-

sive engagement. Nevertheless, this book identifies the building blocks of comprehensive engagement by analysing the Sunshine Policy and other variants of engagement, and formulates a process of erecting a structure of peace, which is analogous to what constructivists dub 'collective identity formation' in which former adversaries become homogenized to the extent that they feel as if they share a common fate (Wendt 1999: 343). This book, as a piece of research dealing with policies and strategies of engagement, will also heed the voices of critics who warned that the Sunshine Policy would end up as unrequited love or appeasement because of its failure to give due consideration to the security dimension (Levin and Han 2002; Han Y.S. 2002; Ha 2000).

### **The end of the Cold War and identity crisis**

To simply categorize the Sunshine Policy as a form of comprehensive engagement might be misleading in view of its diverse dimensions and conflicting interpretations in both the policy and academic communities. Hence, this book will draw on 'identity politics' as a way to trace the origins of the Nobel Peace Prize winner's policy,<sup>3</sup> while building on strategies of comprehensive engagement to capture a more nuanced and complete picture. By doing so, this book does not rule out or play down power politics or the power politics side of the policy.

Power politics has long been a catchword in the discourse of international relations, partly because the discipline nurtured itself in the historical conditions of the Cold War, during which state identities were well reflected in the formation of alliances and rivalries. However, the Soviet Union's voluntary retreat from Eastern Europe, a historic event that closed one chapter of humankind's turbulent history in a peaceful manner, made many scholars divert their attention from Cold War issues of conflict towards elucidating the underlying reasons for the end of the Cold War. In spite of the dominance of realist and liberal approaches, a group of scholars has offered an alternative analytical framework by explaining the momentous shift of Soviet president Mikhail Gorbachev's policies from the perspective of ideas and identities *vis-à-vis* the West (Checkel 1993; 1997; Mendelson 1993; Risse-Kappen 1994; Lebow 1994; Evangelista 1995).

The collapse of the Soviet bloc unravelled the past's tightly-woven state relations, prompting many states, mostly from the former communist bloc, to search for new identities, since their conventional identities *vis-à-vis* the Western world became obsolete as a means to serve their interests after the end of the East-West divide. At the turn of the twenty-first century, a number of states in Eastern Europe had undergone or were undergoing identity shifts in a desperate effort to join the European Union (EU), a club of capitalist states that once lay on the other side of the Berlin Wall. In Asia, Vietnam could be singled out as a model case of identity shift, given the fact that it established diplomatic ties with the United States, shedding the legacies of the Vietnam War, and joined the Association of Southeast

Asian Nations (ASEAN). Nevertheless, a few states were left behind in a labyrinth of frustration and dilemma over what course of action they should take to ensure their survival and, undoubtedly, North Korea was one of them. The crisis in the North Korean state has not merely resulted from the failure of its socialist command economy, but also from a crisis of state identity, which was not of its own making.<sup>4</sup> Since identities are formed in an endless cycle of interactions between self and other, the menacing military power of the United States and the presence of South Korea across the narrow strip of the DMZ as an arch-rival competing for hegemony on a relatively small land mass, called the Korean Peninsula, have been the prime factors affecting North Korea's identity formation.

In fact, identity crisis has been a shared problem of the Korean nation as a collectivity exposed to post-Cold War upheavals. As in North Korea, the end of the Cold War ushered in an era of unprecedented confusion and uncertainty in South Korea over whether to define North Korea as friend or foe. In this intense public discourse between groups with contesting identities *vis-à-vis* North Korea, a series of policies were launched by presidents Roh Tae-woo (1988–93) and Kim Young-sam (1993–8), exhibiting inconsistencies and fanning the further polarization of public opinion. Brushing aside this never-ending debate in South Korea's public sphere, Kim Dae-jung, who took office in February 1998, embarked on his own policy agenda in the name of the Sunshine Policy. Most of all, Kim strengthened those South Korean domestic groups that positively identified with North Korea, and opened the way for ordinary people to bandwagon with them. This identity politics, targeting both North and South Koreans, emerged in the shadow of power politics, whose feasibility was in question especially when the target state was viewed as a bankrupt, but heavily armed, state finding itself in the centre of the world's economic powerhouses.

Throughout history, one of the fundamental problems addressed by a state has been how to define its own identity *vis-à-vis* its neighbours, since this is the first thing to consider when it enters an alliance with them or decides to take a stand against them. However, it is not easy to label a state as a friend or a foe, since identities are elusive and transitional. Animosity seldom lasts hundreds of years in state-to-state relations, as illustrated by the changed relations between France and Germany in the post-war years. In many cases, it lasts a short time officially, but lurks in human emotions or collective memories, camouflaged under the veneer of overt friendship, as seen in the relationship between such neighbouring countries as Japan and the victims of its imperialism, South Korea and China. In the world of *realpolitik*, yesterday's enemy could change overnight to become today's friend. Nevertheless, an intense sense of animosity, shared by a majority of South Koreans *vis-à-vis* North Korea during the decades-long Cold War confrontation, did not fade away even after the end of the Cold War, which restricted the options of policy elites when they tried to introduce strategies of engagement.

To replace this quagmire, President Kim endeavoured to create a positive dynamic in inter-Korean relations as both a guarantee of fledgling economic integration and a kind of safety net that would permit the gradual removal of persistent problems, such as North Korea's nuclear weapons programmes. Most of all, North and South Korea entered into a phase of unprecedented interaction, which contributed to the whittling away of an acute sense of animosity among a growing number of South Koreans positively exposed to these new developments. Though weakened, there was still a bastion of anti-communist forces intact in South Korea, along with laws and regulations enforcing the conventional rules of the game.<sup>5</sup> The Sunshine Policy, as an expression of identity politics, was subject to a fierce debate between groups with competing identities *vis-à-vis* North Korea, especially when the latter showed signs of violating international norms. When the Kim administration strove to justify its policy by articulating redefined national interests on the basis of emerging identities *vis-à-vis* North Korea, political actors in the opposition camp struggled to contest state policies and maintain their established privileges and vested interests deriving from Cold War identities and logics. However, the growing nationalist sentiment, nurtured by the Kim administration in the post-Cold War situation, was able to maintain a momentum, even at difficult moments when the positive interactions between the two official enemies were not welcomed by neighbouring powers and a large number of domestic constituents.

With the domestic opponents of new identity groups waging 'ideological warfare' and foreign powers intervening in inter-Korean interactions, the process of South Koreans' identity shifts was a road strewn with stumbling blocks and landmines. The old guard, which enjoyed privileges under the established system, never yielded voluntarily to the emerging forces with new identities *vis-à-vis* North Korea. In times of momentous change, the conventional logic, conceived in the strategic and emotional setting of the past, was still valid in many respects. Therefore, state policy elites with new identities were required to launch strenuous efforts to imbue the domestic public with new information and perspectives on the changing realities, on the one hand, while endeavouring to bring about the enemy's behavioural and attitudinal change, on the other. In the fields of diplomacy and national security, South Korea's changing identity emerged as a direct obstacle to the time-honoured alliance with the United States. South Korea and the United States are treaty allies, which means that they are ready to share the same fate in times of war and peace. For South Koreans, however, President George W. Bush's administration was increasingly seen as posing a greater threat than their official enemy, North Korea, particularly if it were to attack what it called part of the 'axis of evil' and unleash an unaccountable amount of human and property losses. In this new strategic calculation, it was rational for South Korean policy elites to play the role of devil's advocate rather than faithful ally.

It is still to be seen whether these two enemies can move to forge a pan-national community, which was once unimaginable, between them. In spite of the uncertainty of the future course of the Korean nation, this book highlights the process by which South Korea's national interests and identities *vis-à-vis* North Korea have been reconfigured in order to engage the enemy state. In particular, this book places primary emphasis on elucidating how government and social forces embodying new identities could nurture a collective identity shift by mobilizing various strategies and tactics.

## **Approaches and methodology**

One of the primary goals of this book is to produce a model of comprehensive engagement *vis-à-vis* an enemy state that can be used to analyse empirically the Sunshine Policy as a set of engagement strategies. Even in the confusion of the post-Cold War world, the paramount mission of every state is to decide how to keep its own people safe from a wide range of threats emanating from the international structure or individual states seeking to alter the status quo. Nevertheless, a state's blind pursuit of security-first policies, in the absence of a strategic reformulation of national interests and state identities, runs the risk of yielding more threats, thus undermining the very foundation of its own security. Thus, this book, based on a theoretically grounded empirical approach to exploring the diverse dimensions of the Sunshine Policy, suggests the time lines for the successful implementation of comprehensive engagement. In fact, the Sunshine Policy is an outgrowth of time-honoured philosophies and strategies of engagement employed to transform an enemy state into a responsible member of the international community. However, the existing studies on South Korea's engagement policies fall short of capturing the Sunshine Policy in its entirety, since their theoretical grounding and analytical frameworks have been narrowly conceived to elucidate mainly the political and economic dimensions of the policy, thus playing down the ideational and social dimensions behind those developments unfolding before and during President Kim's five-year tenure.

Western and South Korean scholarship on this question has been heavily biased in favour of theories and approaches developed by the realist and liberal schools, reflecting the Cold War template lingering on the Korean Peninsula. Based on the proposition that the international system would be anarchic without the presence of overarching authority, realism injected an acute sense of fear and threat into the South Korean policymaking process, forcing state policy elites to put priority on national security and act in a tit-for-tat manner against North Korea's provocations. Meanwhile, liberalism spawned unrealistic images and agreements in inter-Korean relations, while its traditional ideal of liberal democracy led to the intolerance of an authoritarian state, like North Korea, and the mobilization of coercive measures, such as economic sanctions.<sup>6</sup>

Analysing the Sunshine Policy, some realists and liberals reached the rather premature conclusion that the policy, despite the leadership's goodwill, failed to achieve its goal of transforming North Korea's behaviour in view of the resurgence of the nuclear weapons problem in October 2002, or was bogged down in the cash-for-summit scandal, which eroded the moral credibility of the Kim administration (Levin and Han 2002; Yoo 2003; Kim Sung-han 2003a; 2003b). Meanwhile, Moon Chung-in (1999; 2001; 2002) approaches the Sunshine Policy in a balanced manner to explain the diverse dimensions of the policy, but still lacks a framework of analysis that could be subject to rigorous empirical tests.

This book reinvestigates the various dimensions of North Korea's highly enriched uranium (HEU) programme, the cash-for-summit scandal, and other cases, as a study of the Sunshine Policy mainly from the perspective of constructivism, which puts emphasis on identities and norms. Nevertheless, this book does not aim to maintain theoretical purity, but rather draws on necessary analytical tools from both realism and liberalism, which are indispensable to formulating strategies of engagement. In the process, this book answers the question of whether the Sunshine Policy, a unique blend of various policy tools to hand, helped South Koreans to collectively shift their identities *vis-à-vis* North Korea in the direction of creating a harmonious national community from the legacy of decades of war, confrontation and rivalry. To set up strategies of engagement, aiming at revamping state-to-state relations fundamentally based on identity shifts, what caveats should be identified? If these identity shifts proceed, what implications would inter-Korean rapprochement have for the policy elites of the countries concerned and the international community as a whole? To answer these questions, this book embarks on an intellectual and empirical journey in which the reader should be able to witness the changing relations between North and South Korea from enemies to would-be partners or brothers, and between South Korea and the United States from blood-sharing allies into reluctant partners.

As a method to build a theoretical framework, this book reviews a wide range of literature on theories of realism, liberalism and constructivism, as well as strategies of containment and engagement. Overall, the book is heavily inclined to a constructivist approach and an engagement option as the most efficacious way to highlight the shift of South Koreans' identities *vis-à-vis* North Korea and the policy implications that follow. For the case studies, it uses various primary sources and secondary materials, both in English and Korean, to illustrate the South Korean administrations' policy shifts, as well as South Koreans' identity shifts *vis-à-vis* North Korea. First, it surveys speeches and statements by policy elites, businessmen and other opinion leaders, as published in official documents, newspapers and other printed materials, to supplement academic publications in analysing the shifts of policy and opinion. The analysis of public discourse is indispensable for shedding light on key actors' shifting articulation of state



interests and identities over time. Second, a collection of opinion polls by both government and private agencies is presented to illustrate the shift of South Koreans' identities and norms *vis-à-vis* North Korea on the popular level. Third, a wide range of interviews has been conducted with those of the policy elite and with businessmen, to shed light on the ideas and beliefs of these major policy actors which have not been published in official documents or other printed materials. In particular, the interviewees include top policymakers in the Kim administration: national security advisors, foreign ministers and unification ministers.

### **Outline of this book**

This book is structured into two parts to make the case for theorizing and operationalizing comprehensive engagement. The first part is devoted to conceiving a conceptual framework of comprehensive engagement. The first chapter contains an analysis of the past policies of containment and engagement from both theoretical and historical perspectives. In particular, Chapter 1 reviews the US Cold War policies *vis-à-vis* the Soviet Union, as well as its policies towards so-called 'rogue states', with the aim of identifying their strengths and weaknesses and laying the groundwork for formulating a new framework for analysis of the Sunshine Policy in the following chapters. This review of the literature is followed by Chapter 2, which surveys some examples of engagement between the United States and China, between the United States and Vietnam, and between East and West Germany, to identify the underlying principles in such relatively successful cases of engagement. The two chapters show that the problematization of the conventional theories and practices of containment and engagement could open a new window for conceptualizing comprehensive engagement. Chapter 3 puts forward a framework of comprehensive engagement to capture the diverse dimensions of the Sunshine Policy. It outlines a core proposition of this book by identifying the three levels of comprehensive engagement, namely, identity shifts, the status quo and integration. It is followed by an analysis of South Korea's policymaking process, which provided the institutional framework for the implementation of the Sunshine Policy. It sheds light on the Kim Dae-jung administration's rigid information processing system, which had not been susceptible to outside stimuli, as well as the key actors in the Kim administration's policymaking process.

Part II contains two empirical case studies to offer an in-depth look at the achievements and failures of the Sunshine Policy. In particular, it elucidates a few events of prime significance during the Kim administration, such as the Hyundai business group's North Korea projects, the inter-Korean summit and a controversy over North Korea's nuclear weapons programmes. Chapter 4 investigates Hyundai's Mt Kumgang tourism project and its linkage to the inter-Korean summit, known as the cash-for-summit scandal. The invisible partnership between the government and a

private company and, in particular, the use of bribes, which are featured in great length in the last section of the chapter, help to establish the notion of an activist government that struggles to engage an enemy state through all available means. The chapter also sheds light on the negative side of government-business collusion and the positive side of inter-Korean interactions that were made possible on an unprecedented scale as a result of this controversial tourism project. Chapter 5 focuses on analysing South Korea's multidimensional endeavours to cope with the North's strategies of brinkmanship, which were expressed in the form of the admission of a clandestine nuclear weapons programme in October 2002. This chapter probes what role the Kim administration played in preventing the escalation of tension between North Korea and the countries concerned, especially the United States, and in encouraging them to sit round the negotiating table instead of mobilizing economic sanctions or other coercive measures. The chapter highlights how the Kim administration, in tandem with the effort to maintain the political status quo, endeavoured to preserve the cumulative process of inter-Korean economic cooperation in spite of interference by the United States. It demonstrates that identities matter in a state's foreign policy to the extent that an enemy state can be embraced and turned into a partner for cooperation, while traditional allies can be somewhat estranged as a result of such a rapprochement process.

The conclusion draws together the arguments of the book and reviews the legacy of the Sunshine Policy under the next administration, led by President Roh Moo-hyun. On the basis of this book's empirical findings, the concluding chapter argues that President Kim played a major role in improving inter-Korean relations with his Sunshine Policy, which is a mixture of various strategies aimed at shifting South Koreans' identities *vis-à-vis* the North, preventing military crises and promoting economic interdependence.

