

# Challenges for Korean Unification Planning

JUSTICE, MARKETS, HEALTH, REFUGEES, AND CIVIL-MILITARY TRANSITIONS

An Interim Report of the USC-CSIS Joint Study,  
The Korea Project: Planning for the Long Term

*Principal Investigators*

Victor Cha  
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## OVERVIEW

Victor Cha and David Kang<sup>1</sup>

The second meeting of the Korea Project took place at the Korean Studies Institute of the University of Southern California in Los Angeles, August 5–6, 2011. In attendance were 11 paper writers, 8 discussants, and the 2 principal investigators. Also attending, by invitation, were the Korean consul-general of Los Angeles, a representative of the Korea Foundation, U.S. government officials (participating in a personal capacity), and leaders of such nongovernmental organizations as Liberty in North Korea, the Korean-American Group, and the Korean-American Coalition.

### Concept and Format

The concept for the 2011 conference was to build upon the findings of last year's meeting to frame a discussion of the long-term tasks involved in Korean unification. Although much work has been done in both the academic and policy worlds with regard to the future of North Korea and on military contingency planning for a collapse, there continues to be far less work focused on the longer-term but inevitable tasks of knitting the two nations together.

When we briefed senior government policymakers in the United States, the Republic of Korea (ROK), and Japan on the results of the 2010 meeting, all expressed strong support for the project and found our initial findings (see appendix D) to be interesting because they challenged long-held conventional wisdom about unification held within all governments. These policymakers confirmed the project's importance by acknowledging that governments do not have the time or resources to plan for possibilities that may occur far in the future, even if they are aware that such an eventuality is unavoidable. A few acknowledged that today, with Kim Jong-il's 2008 stroke and the opacity surrounding the leadership transition, such long-term planning is even more necessary; however, governments are constrained because of the sensitivity and likely political fallout if such planning were to be leaked to the public. In this regard, policymakers from all three countries asked to be briefed on the findings from Phase Two of the project and expressed their wholehearted support.

In keeping with the successful format used in Phase One of the Korea Project, we framed unification tasks in a wider empirical context. Though it is commonplace to think of the Korean case as *sui generis*, there are so many uncertainties surrounding North Korea and so little reliable information that trying to make predictions about unification is especially challenging and, frankly, not very useful for policymakers or academia. We decided that we could only discuss unification

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1. Victor Cha is a senior adviser at CSIS and holds the CSIS Korea Chair. David Kang is a professor of international relations at the University of Southern California (USC) and director of USC's Korean Studies Institute. Funding for this report was provided by the Korea Foundation, the Poongsan Corporation, the Center for Strategic and International Studies, and the University of Southern California.

intelligently and seriously by first deducing from a wider set of cases the lessons that might be applicable to Korea.

Thus, the focus of Phase Two of the project was to bring in world-renowned experts on issues such as transitional justice, marketization, population movements, health, the role of nongovernmental organizations (NGOs), and military transitions to explain what lessons we have learned from other cases of rehabilitating collapsed systems that might be applicable to Korea. The principal investigators provided written guidelines for the functional paper writers not to focus on Korea per se, but instead to draw on their wealth of knowledge from other cases and practices to suggest what might be useful for pathbreaking thinking on Korea. The range of empirical cases presented at the conference was wide, stretching from Sub-Saharan Africa to Iraq to Haiti to Vietnam, to East Germany and the former Soviet Union. We then paired these functional experts with top Korea scholars from the United States and the ROK to form “Unification Teams.” The members of these teams were able to talk with each other in advance of the meeting, and the combination of functional and regional expertise in each team created synergies that helped lead to innovative thinking about how to conceptualize unification in the Korean context.

## Topics and Paper Writers

The topics and paper writers for Phase Two of the Korea Project were meant to supplement and build upon the knowledge acquired from Phase One in 2010. In some cases, we sought out new writers on similar topics in order to drill down further on discussions from the previous year. In other cases, we sought out writers on new topics because of questions that emerged from Phase I that led us down new avenues of inquiry. Table 1 lists all the topics for both phases.

The meetings at the University of Southern California’s Korean Studies Institute took place over two days. To maximize the time for innovative discussion, paper writers were given a hard deadline to submit papers to their team members and the group more broadly one week in advance of the conference. Preliminary discussions in advance of the conference were encouraged within each team. When we convened, we did not waste precious time by having the paper writers present their work, because the assumption was that all participants had read the papers in advance. Instead, we started each session with comments by the Korea experts on the functional papers in their team. This method enabled the discussions to move linearly toward how the universe of cases regarding, for example, transitional justice could help us to think about patterns of migration from the Democratic People’s Republic of Korea (DPRK) after a possible collapse of the regime in Pyongyang. We found this formula to be very successful and plan to continue to use it in the future phases of the project.

**Table 1. Topics for Phases One and Two of the Korea Project**

Topics/Writers for Phase One (2010)	Topics/Writers for Phase Two (2011)
Social security, Jong Han Kim	Lessons from transitional economies: Vietnam and China, Regina Abrami, Harvard Business School
Transitional justice, Phil Hong, Yonsei University	Lessons from deposing dictators: Bosnia, Christopher Hill, University of Denver
Migration, Courtland Robinson, Johns Hopkins University	Humanitarian relief operations and food security systems, Andrew Natsios, Georgetown University
Education, Stuart Thorson, Syracuse University	The role of NGOs in nation building, John Delury, Yonsei University
Energy, Peter Hayes, Nautilus Institute	Transitional justice, Leslie Vinjamuri, School of Oriental and African Studies, London
State-owned enterprise reform, Gary Jefferson	Civil-military transitions: East Germany and the Soviet Union, Dale Herspring, Kansas State University
Public health, Steve Morrison, CSIS	Economic reform in socialist systems, Byeon Yeon Kim, Seoul National University
The environment, Jin Suk Byun	Migration, Sandra Fahy, University of Southern California
Lessons from Iraq, Rusty Barber, U.S. Institute of Peace	Lessons from Iraq, Sean Kane, U.S. Institute of Peace
Lessons from other cases of conflict resolution, William Long	Health infrastructure, Sharon Perry, Stanford University
	Unification scenarios, Scott Snyder, Council on Foreign Relations

## Selection of Paper Topics

Papers were added this year on economic transition to supplement last year’s work in particular by expanding to cases of Vietnam and East Germany. We continued our fruitful work on migration, health infrastructure, and transitional justice with three new writers. Last year, we discovered the need to study the role of deposed dictators in a transition process, and therefore asked Christopher Hill, former assistant secretary of state for East Asia and now dean at the Korb School of International Affairs, to write about his experiences in dealing with Slobodan Milošević. We needed an authoritative paper on humanitarian issues and were fortunate to have Andrew Natsios, the former head of U.S. Agency for International Development (USAID), join the conference.

One new element we added to the format this year based on feedback from last year’s conference was a paper on Korean unification scenarios. We added this for the paper writers’ edification. Last year, some writers and discussants expressed a belief that they could better explicate the lessons from their universe of cases for Korea if they had a sense of how unification might come about on the peninsula. For this paper, we asked a renowned Korea expert to write about the broad range of plausible scenarios for unification.



The topics and participants in the second meeting follow:

*Scenarios:*

- Scott Snyder: scenarios for unification
- Discussants: Victor Cha (CSIS) and David Kang (USC KSI)

*Institutions:*

- Dale Herspring: military lessons
- John Delury: NGOs and transitional environments
- Discussants: John Park (U.S. Institute of Peace) and Donald Clark (Trinity College)

*Governance:*

- Leslie Vinjamuri: transitional Justice
- Sharon Perry: health infrastructure
- Discussants: Il Kwon Kim (National Assembly) and Donald Clark (Trinity College)

*The economy:*

- Byung Yeon Kim: transitional socialist economies
- Regina Abrami: economic reform in Vietnam and China
- Discussants: John Park (U.S. Institute of Peace) and Balbina Hwang (Georgetown University)

*People:*

- Sandra Fahy: migration and refugees
- Andrew Natsios: humanitarian issues
- Discussants: Dorothy Stuehmke (consultant, formerly of the U.S. State Department) and Suk Young Kim (University of California, Santa Barbara)

*Lessons from U.S. postconflict planning:*

- Sean Kane: lessons from Iraq
- Christopher Hill: dealing with belligerent dictators
- Discussants: Sue Terry (National Intelligence Council) and Scott Snyder (Council on Foreign Relations)

The agenda for the meeting and the biographies of these individuals are given, respectively, in appendixes B and C.



## PHASE TWO TAKEAWAYS: LESSONS LEARNED

The discussion was spirited and insightful. Especially because this year's meetings were able to draw upon the findings from Phase One, the discussion was focused and provided numerous direct takeaways. The two principal investigators provided written guidelines to the paper presenters and found the papers to be uniformly thoughtful, well researched, and insightful. The second phase of the project alone has produced a unique compilation of short research briefs, which we have not seen in the Korean studies literature.

During the two-day conference, discussion centered on a number of issues:

- What is the range of plausible scenarios for unification? On this spectrum, does a particular outcome affect the assumptions about regime, state, or political system collapse? What are the conditions that could lead to a peaceful, gradual, internal transition or, alternatively, to a violent belligerent collapse?
- What are the roles of China, South Korea, and the United States in a regime on the brink of collapse? Are there perceived “first-mover advantages” that are strong enough to compel one or more parties to intervene at the first sign of instability? Or will all parties be mutually deterred from acting too precipitously?
- What types of planning are possible? Are there trade-offs between actions designed to respond immediately to a crisis, and those designed to effect long-term structural change? Do political expediencies obstruct planning on the ground? If so, to what degree? Is there a way to make planning more “efficient,” given such complications?
- What have we learned from other cases about the fate of the military in posttransition societies? What happens to unemployed military personnel? Do they “retool” and reenter the employment market? Or do they become an unstable and unemployed element in society? Are there successful cases of transition where elements of the military are reintegrated into the existing new military of the standing country?
- What role can NGOs play in transitional environments? What are their records in providing humanitarian relief and bringing about reform and change in societies? What insights can be gained from other cases by people who have a wealth of on-the-ground experiences about how NGOs can do better?
- What have we learned about conflict resolution and transitional justice in national reconciliations? How important is the need for immediate action? What makes for a transitional justice process that is perceived by all as legitimate? What are the tensions between an absolute standard for achieving justice and one that is more managed and nuanced, as a tool in promoting reconciliation and nation building?

- What have we learned about reconstituting failed health and energy systems? How important are local systems to promoting health in transitional environments?
- What have we learned about transitional economies in Eastern Europe that could help us to understand the challenges of dealing with North Korea? In particular, how is economic reform promoted in previously closed political systems? What is the appropriate “model” for the DPRK’s economic rehabilitation, if any?
- What have we learned from other cases about movements of people after regime collapse? Would a large portion of the North Korean population attempt to move to either China or South Korea? Or would they attempt to remain in North Korea? What factors might affect their decision about whether to migrate?
- What have we learned from other cases of collapse planning and political transition? What variables have the greatest bearing on success—the military, the economy, humanitarian issues, or politics? Can we make plans in the abstract that have any bearing on the reality on the ground in North Korea? Or are these attempts unlikely to be useful when the actual time of unification occurs?
- What have we learned from past and current cases of state building and nation building? Is it better to destroy and remove all existing institutions and begin anew, including the political mandarins, as the United States attempted in Iraq, or does this create such chaos that the costs outweigh the benefits? What have we learned about other cases of deposed dictators that might be useful for North Korea?

THE PRINCIPAL INVESTIGATORS BELIEVE THAT the project in its first phase unearthed a wealth of interesting data and cases applicable to Korean unification. We sought to build on this knowledge base in Phase Two.

We learned two types of lessons that might be useful for Korean experts and practitioners as they think about the North Korea case. One type of lesson is the prescriptions derived from mistakes that have been made in other cases, which could be avoided in Korean unification. These types of lessons are invaluable to policymakers because they provide definable boundaries on the complex universe of policy choices that a decisionmaker would face on the day of unification. Put simply, knowing what not to do can be as important as knowing what to do. Having said this, we did succeed in also defining a second type of lesson: useful proactive directives for decisionmakers to consider. These are admittedly more at the conceptual than specific level, in large part because of the plethora of unknowns in the absence of a specific contingency for unification to consider. Proactive directives in such a crisis situation almost never can be provided in advance and without context. However, both cautionary lessons and prescriptions are extremely useful for thinking about unification. The benefit of past experience allows future policymakers to understand what sorts of pitfalls to avoid and what sorts of initiatives to pursue when the rush of the crisis comes upon them. These are some of the important initial lessons learned from Phase Two of the Korea Project.

## Unification Scenarios

This year, the project began with an explicit discussion of unification scenarios. If unification or collapse were to occur, the specifics of how it happened would of course have a major impact on the issues of the transition that would subsequently occur. What did we learn from this discussion?

### *“Failing to Plan Is Planning to Fail”*

- There has been a traditional resistance to talking openly about unification scenarios. Policy-makers and scholars avoid the issue for fear of diplomatic fallout from China or the DPRK, or because it operates in the realm of meaningless speculation and punditry. The absence of such discussion is a recipe for disaster. Planning for a long-term transition cannot take place in earnest without acknowledging the need to plan openly for collapse.

### *Defining the Endgame Is Critical*

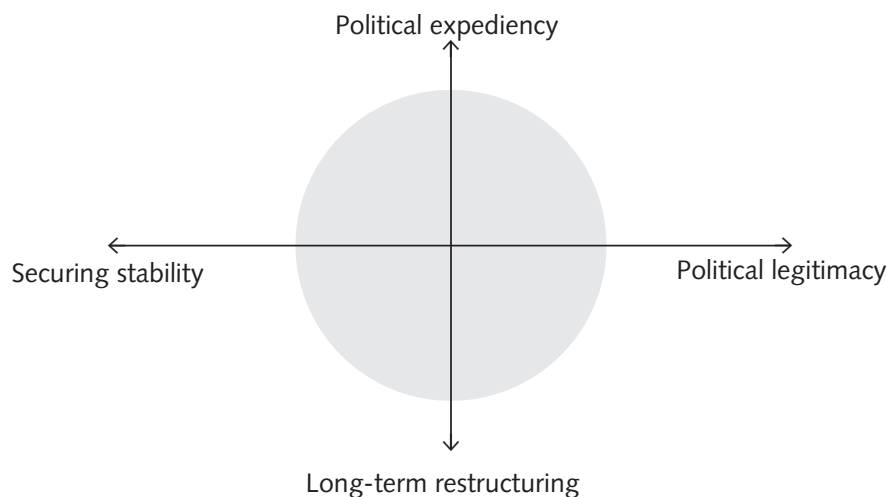
- The range of plausible scenarios for unification is wide. One cannot possibly trace in advance how every disparate detail of each scenario will affect long-term transition issues. However, one metric is very important to establish in advance—a metric for the political end of the regime. Regardless of whether unification comes quickly or slowly, explosively or implosively, the most disputed element of any scenario will be the point at which surrounding powers deem North Korea to have ended as a viable sovereign state. This is the critical threshold point for when external intervention might start to take place.
- It is highly likely that there will be disparate interpretations of this metric. South Koreans are more likely to define this in political terms—that is, once there are initial signs of political discontinuity and a precipitous erosion of the Kim family’s control. China, however, will define this metric very conservatively through legal definitions of sovereignty to preserve the DPRK buffer—that is, preserving sovereign borders until there is clear evidence of near-total anarchy inside of the country. Narrowing this gap is critical because it could define subsequent longer-term cooperation among external powers on transition imperatives.

### *Securing Stability versus Creating Legitimacy*

- Past cases of state collapse have taught us there are immediate tasks that need to be undertaken for the purposes of securing stability. These range from establishing law and order to providing humanitarian relief to fostering indigenous political leadership. The need to act quickly to secure stability, moreover, is enhanced by the overriding political imperative to show the subject population in relatively short order that life under the new situation is better than under the old one.
- But the universe of past cases has shown that the efficacy of such actions in fostering a longer-term transition is significantly undercut if they are not seen as politically legitimate by both the internal and external actors. Charging in with a grand plan from the outside may secure stability, but it may not be seen as necessarily legitimate by all.
- For the Korean case, finding the balance between stability and legitimacy therefore becomes key. First-movers into a collapse of the DPRK may be trying to act in the name of efficiency, but will they necessarily be seen as legitimate? South Korea undeniably sees itself as the only legitimate party with the authority to act. But China is likely to focus legitimacy on a UN process that is protracted.

- China is therefore likely to focus on a longer time line for intervention and would only see a UN process as legitimate. This fits with the Chinese proclivity to be good at investing in the status quo rather than reacting to rapid change. The United States and the ROK, conversely, are better at responding to crises and trying to shape the outcome.
- This finding builds upon last year’s findings on the trade-off between political expediency and long-term restructuring. In almost every past case of state building, those in charge face an immediate political need to provide benefits (e.g., food and clean water) instantaneously to the entire population to show a demonstrable improvement in the living situation (compared with the past regime). The problem, however, is that these efforts almost always come at the expense of investment in the longer-term restructuring of the environmental situation or health sanitation infrastructure. For example, political expediency requires that clean water be immediately brought in for the target population, but the expending of these resources comes at the expense of building a long-term water purification system in the country. This becomes a vicious circle as those in charge are forced to continue with these handouts to retain the loyalty of the people and to prevent mass migration. Given the trade-offs of political expediency versus longer-term restructuring, occupying forces must eventually determine where the tipping point will be—that is, at what point does one stop diverting scarce resources to handouts and focus them more on longer-term restructuring, which has lower short-term returns? The history of past cases has shown that there is a large gap between what experts would recommend and what actions are actually taken. Experts will recommend an objective point at which the switchover must be made, but in reality, this tipping point is almost entirely politically determined.
- The ideal plan must therefore constitute the sweet spot between these four imperatives (see figure 1).

**Figure 1: Securing Stability versus Creating Legitimacy**



# Lessons from State Building and Deposed Dictators

In Phase Two of the project, we continue to learn from experts who have studied Iraq and Afghanistan. This year, we added a discussion of how to deal with deposed dictators. Korea will undeniably face massive state-building challenges in the shadow of deposed dictators. The universe of other cases gives us some basic principles when thinking about domestic stabilization and maintaining order in the Korean case.

## *Find the Balance between Short-Term Expediency and Long-Term Reconstruction*

- Administrators face overwhelming political pressure to demonstrate immediately that life for the average citizen is better than it was under the dictator. This often means immediate hand-outs and humanitarian assistance at the expense of long-term restructuring and rehabilitation. As we discussed last year, finding the balance between the two is difficult.

## *Establishing Law and Order Is Job No. 1*

- Law and order is the prerequisite for everything. Without it, one faces corruption and terrorism. It is key to any aspect of reconstruction efforts—including food distribution, health rehabilitation, and the like. This is both a short-term expedient and a longer-term reconstruction priority.

## *Make Sure That Solutions Are “Groundproofed”*

- Accept that each case is *sui generis* and therefore one must understand the situation on the ground as best as one can.
- The natural inclination for an administering body is to centralize the occupation, rebuilding, and/or stabilization effort. In actuality, a degree of decentralization that incorporates locals and grassroots work better.
- For the United States, the common observation is that the UN is supposedly better at managing the balance between short-term political expediency and long-term reconstruction, but this is in part because the UN deals with relatively easy cases. The United States deals with hard cases (e.g., Iraq, Afghanistan). Korea will be a hard case.

## *Find Low-hanging Fruit*

- Early successes are critical. Early successes promote legitimacy. They build political momentum and win indigenous support. They help to keep morale high, however difficult the job may be or the number of setbacks encountered.

## *Get Rid of the Dictator, but Do Not Dismantle All of the Leadership*

- Postconflict political leaders must be legitimate in the eyes of the public. In Iraq, they were not. In Serbia, they were because those who ousted Milošević used the same narrative and same nationalism as Milošević.
- Ironically, this might mean getting rid of the Kim Jong-il family cult, but at the same time keeping elements of the old political narrative, possibly even Kim Il-sung as a familiar vessel through whom to enact reform and change.

- Consider potential unorthodox measures to co-opt elements of the old clique to accept the new system and give it indigenous legitimacy. This might include taking care of the “losers” so as to prevent resistance groups. In Mozambique, for example, Dhlakama lost the election, but the Dutch provided aid and salaries to the ruling party in its new role as the political opposition in order to avoid civil strife (the United States could not do this due to federal statutes, but other countries such as China or the ROK could).

### *Create and Disseminate Reliable Information*

- One of the most valuable commodities in a postconflict situation is information. Rumors fly. Will there be war crimes trials? Will there be food distributed, and where? There is lots of misinformation potentially subject to manipulation (e.g., military and political leaders may take up arms if they believe erroneously that war crimes trials against them are imminent).
- A key priority is to designate a perceived objective and legitimate source to relay information. A South Korean or U.S. information channel may not be trusted by North Koreans, but the same information channeled through the North Korean Red Cross might be.

### *Patience Is Hard, but Necessary*

- Despite near-irresistible political pressures to act quickly and demonstrate that things are better than before, a patient and more deliberate approach is well advised. This is doubly hard because resources and labor power are more likely to be available in the beginning of the postconflict phase than in later stages. Past cases of postconflict reconstruction show that military generals, aid workers, and politicians lament that the times when they had the greatest level of human and financial resources—the early days—were also the point when they knew the least about the country and its leaders. Many wished that during their second or third tour they had the resources that had been available in their first assignment, because they now felt they had acquired the local understanding to effectively utilize them.
- Counterintuitively, this means lowering public expectations early vis-à-vis what can be accomplished immediately, but not disappointing so much that spoilers emerge and the masses defect from the reconstruction effort.

### *Do Not Waste Money*

- This sounds simple, but it is easier said than done. Past cases show that the practice of reconstruction allocations being tied to fiscal years leads to substantial waste and counterproductive incentives to push money out the door before the structures necessary to enable the productive use of foreign aid had been rebuilt.

## Institutions

### *The Military*

One of the areas missed in Phase One’s discussion was the role of military institutions. In any political transition that might take place involving the two Koreas, the disposition of the DPRK military will be a critical variable in the success of the long-term transition. Moreover, because the military is also a decisive determinant of the state’s continuing capacity to govern in the face of collapsing political control, it could determine whether the transition happens violently or peace-



fully. What does the universe of other cases tell us about this issue? What do they tell us about the degree to which the military will fire on the people or stay in the barracks once order breaks down?

The military's prior identity affects its posttransition relevance:

- Past cases have shown that when the military has a separate identity from the regime's political mandarins, it is less likely to take military action against the people. However, the military's experiences in interacting with society are qualitatively different from those of internal security police. The latter group is much more likely to act against the people if ordered to do so. Neither the East German nor the Soviet militaries took action against their people. The Chinese People's Liberation Army (PLA) did in 1989 in Beijing's Tiananmen Square, but its leaders were explicit in their view that they would never again take such action.
- The primary lesson from other cases is that the relative cohesiveness of the military as an organized unit in a postcollapse, transition government is directly related to its place in society in the pretransition phase. Militaries that are independent of politics and are self-sustaining autonomous actors tend to remain intact after the government collapses. Those that are most closely associated with political entities tend to fare less well after political disintegration, and therefore might be more easily reformed. One expert recalled the contrast between the Soviet and East German militaries. The Soviet military was independent of politics and an autonomous actor at times (e.g., its actions in Afghanistan) compared with the East German military, which was dependent on the Party and could not function well as an organization without political direction.
- What does this say about the Korean People's Army (KPA)? The KPA is not an autonomous actor like that in the Soviet Union and not dependent on the party like that of East Germany. It is not likely to intervene against the people in a political transition. It is true that under Kim Jong-il, the military has become dependent on personal loyalty to the leader. But 40 to 50 percent of the KPA's troops are malnourished, and as economic conditions have compelled the KPA to fend for itself, it has become increasingly independent and self-sufficient through marketization. The KPA's role in society has also grown as soldiers have been conscripted to perform work projects, building dams, roads, and so on. These factors make it less likely that they would gun down mass citizen demonstrations prompted by a politically unstable environment.
- The KPA's role in a political transition would contrast with those of other specialized units. Special Forces numbering around 180,000, elements of the Pyongyang Defense Command, and Kim's bodyguard units are more likely to intervene against the people given their tight organization, closeness to the leadership, and lack of interaction with society.
- Total dismantlement of the KPA after unification has obvious dangers, as the precedent in Iraq showed. Planners must be wary of creating a large and unemployed mass of young men. Retention of some of the officer corps at reduced rank and/or salary might be an alternative. Retaining a portion of the enlisted men under a new South Korean command would also benefit the South, given its projected demographic shortfalls. Studies find that the ROK will experience a 200,000-person gap in its ability to meet its currently projected labor power needs for a future military.<sup>2</sup>

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2. Bruce W. Bennett, "ROK Army Requirements in 2020," RAND Corporation, p. 2, at <http://1.usa.gov/peu3yf>.



## *Nongovernmental Organizations*

- Phase One of the Korea Project reached the conclusion last year that NGOs play a very important role in long-term integration. They can help to expose North Korean citizens to civil society. They can act as a catalyst for change by reducing mutual distrust and negative stereotypes. They can play a role in resolving issues of contested identities on the peninsula as to who is authentically “Korean.” NGOs can also play a more practical role in helping North Koreans draft laws and develop a juridical system akin to what U.S. NGOs did for Chinese law, which is a critical prerequisite to moving out of the society’s cloistered isolation and interacting more broadly with the global community. The problem, we learned last year from our experts, is that NGOs generally do not have the capacity to scale up to a national level. Given past small-scale successes of NGOs in the DPRK and the potentially positive role they could play in the future, we sought this year to understand how NGOs could make the transition from emergency humanitarian assistance in a reunification context to systemic transformation of DPRK society in a postunification context.
- Small, long-term, tailored organizations are preferable to ones that are large scale and “big bang.” NGOs have been most effective in the DPRK when they are small-scale and long-term rather than large-scale and front-loaded with resources and the expectation that quantity is all that is necessary. This finding runs contrary to the inclination of policymakers, who might focus on inputting large NGOs because their staff members are the ones “who know what they are doing”—that is, who are perceived to have the capacity to deal with the complex transportation, telecommunications, and other infrastructure challenges to providing humanitarian and development relief on a national scale.

However, there are two problems with thinking that large is better:

- A large-scale effort cannot be simply exported into the DPRK based on an external template. It must be tailored to the situation on the ground and appeal in particular to things that we know North Koreans value. Such a tailored effort will gain much more traction and facilitate positive change. For example, instituting legal reforms or rebuilding the health system must make use of existing coping systems already operational within society. Removing all these preexisting practices and trying to wholly impose new ones will be less successful. One expert retold the case of a Belgian NGO that sought to help handicapped people in North Korea. Rather than come in with this agenda, the NGO instead approached the KPA with a program to help its heroic wounded soldiers. This was accepted and eventually allowed the NGO to expand its mandate within the country.
- Large NGOs with international boards, rules, and institutional bureaucracies generally fare more poorly in the North because they are less flexible and less adaptive to the inevitable challenges faced in dealing with the North. DPRK officials essentially force these NGOs to systematically violate every principle and rule that apply to their work in other countries, partly because Pyongyang fears the larger groups and seeks to cajole them into submission. Smaller NGOs by contrast are seen as less threatening and inherently operate with a smaller, more flexible bureaucracy that enables them to adapt to the fluid and opaque conditions in the North.
- “Clustering” smaller NGO efforts offers the best path for “scaling up” activities. Rather than lead with large, international NGOs to help the North, it might make more sense to focus a national effort on “clustering” a group of smaller NGOs to carry out work in the country. A

government (the ROK or the United States) could negotiate the terms of access on behalf of this “cluster” that would be favorable and enable the group to carry out its work effectively (more so, than if each of these small NGOs tried to negotiate its own terms with Pyongyang). These small NGOs as a group would enhance capacity building as well as provide more leverage in negotiating the terms of assistance with the powers-that-be in Pyongyang.

A model that might be useful in this regard was the 2008–2009 food assistance program for the DPRK. In this agreement, the U.S. government (specifically USAID) negotiated the access and monitoring terms on behalf of a consortium of United States–based NGOs (World Vision, Mercy Corps, Samaritan’s Purse, Global Resource Services, and Christian Friends of Korea) and on behalf of the World Food Program. The result was that these groups got better transparency and monitoring terms for providing food than they ever were able to get on their own. (If such a consortium were to be backed by the U.S. government, then the assistance in question would need to be classified as emergency humanitarian aid, given legal statutes that prevent the United States from providing long-term development assistance.)

## Governance

### *Transitional Justice*

With unification will come a plethora of highly charged cases regarding the legal accountability of past leaders of the regime. Last year, some experts called for strong and immediate justice to punish human rights violators and speed a process of reconciliation. Because there was such a debate over this issue last year, we continued to push this discussion further in Phase Two. What does the universe of cases regarding transitional justice tell us about how to deal with unification in a Korean context?

- Justice is not about punishment, but about reconstruction and reconciliation:  
The purpose of transitional justice is not to exact revenge but to facilitate a legitimate and stable political transition and to facilitate reconciliation. The universe of cases suggests that rather than being absolute and swift, transitional justice must first and foremost be perceived as legitimate. The legitimacy of the process promotes national reconciliation. One of the central lessons of past experiences is that accountability strategies pursued during a conflict or ongoing transition and before the creation of stable liberal institutions will do more harm than good. Past cases in Germany, Chile, Argentina, and Brazil show that the most successful accountability strategies have been pragmatic and deliberately managed to achieve the right balance between punishment, reconciliation, and information gathering.
- Justice must be administered through legitimate domestic institutions, not an outside body:  
The priority of accountability in North Korea would be to punish past wrongdoers, but not at the expense of legitimacy, political stability, and reconciliation. It is not just about revenge. In this regard, the pursuit of accountability, whether criminal or political, should be undertaken by reformed legal institutions indigenous to the North rather than prosecuted from the outside. Transitional justice should be negotiated between ruling and opposition factions rather than dictated from afar. Past cases indicate that instituting immediate accountability and political punishments in a posttransition North Korea in the absence of any legitimate domestic author-

ity could hurt a reconciliation process rather than help. Delayed justice—justice that awaits the development of a legitimate legal political authority—may make more sense.

- There need to be trials and truth commissions, but also amnesty:

Punitive criminal and/or war crimes trials are only one tool of transitional justice. Though it may seem anathema to many today, the use of truth commissions and amnesty as part of the transitional justice process may help to facilitate reconciliation and political transition. Both were used in Germany, Chile, Brazil, and Argentina with relative success.

Given the opacity of the North Korean regime, political amnesty might also be given to some key individuals in order to gain more information that is critical to the transition process. For example, granting blanket amnesties at lower levels while prosecuting higher-level managers and leaders may be helpful. Providing amnesty to nuclear scientists while prosecuting their Korean Workers' Party bosses may be useful in exchange for information about the location and status of weapons of mass destruction, and to ensure that those with technical know-how work with the new state rather than hawk their wares elsewhere. Similarly, granting amnesties to gulag guards while prosecuting the party leadership may be helpful in obtaining information about the camps. The point is that absolute, early, and uniform punishment of everyone will not achieve the same results in terms of information or political transition.

Truth commissions may be a useful tool for eliciting information and pursuing accountability instead of war crimes trials. The South African model was to use truth commissions rather than trials and then provide amnesty to some (though under the International Criminal Court, this may be harder to do today).

### *Manage the Process*

- Despite tremendous political pressure to punish people perceived to be guilty, a more deliberate and managed process for pursuing accountability may make more sense. Political leaders administering a posttransition North Korea must have the courage to delay justice as needed—until suitable arrangements have been negotiated, stable institutions are in place, and the legitimacy of the process can be ascertained. Delayed justice was used in Germany, Chile, Brazil, and Argentina with relative success.
- Delayed justice does not mean that justice is not served. The push for criminal accountability trials of past leaders can come later when things have stabilized. In Chile, for example, the trial of Augusto Pinochet came two decades after the start of the political transition, consolidation of democracy, and reform of the judicial system.

## Health

In Phase Two, we continued to build on our study of health reconstruction in posttransition North Korea. The lessons of last year still apply (see appendix IV), but the discussion added more granularity on some of the practical problems as well as a model for how to scale up outside support of health infrastructure.

There will be two possible tendencies to address health deficiencies in the North: (1) Throw out the existing dysfunctional system and replace it with a South Korean model; or (2) rebuild the

existing system to provide a minimal level of service to the population. Our experts found that neither of these makes sense.

### *Do Not Restore the Old System, but Do Not Throw It Out Entirely*

- Our experts believe the North Korean health care system last operated at full capacity in the 1980s. However, the answer to rehabilitation is not to try to restore the status quo. As the Soviet case demonstrated, the 1980s-type system in North Korea—with centralized distribution systems, a costly civil service, and high institutionalized fixed costs—would be tremendously cumbersome to restructure.
- But discarding this system and starting anew is not the answer either. Building rehabilitative capacity requires incorporating whatever existing practices, doctors, and coping mechanisms already exist on the ground. It ensures familiarity for patients, which contributes to the legitimacy of health care services.
- In the end, we do not know enough about the DPRK's health care system to say with authority in what direction it should evolve. In the interim, the priority is to rebuild rehabilitative capacity and treatment capacity that is feasible—in terms of resources and legal considerations—and that can move away from a centrally planned system to something that is more decentralized and community based.

### *Our Proposed Model: “Health Care Enterprise Zones”*

- Our experts, with years of combined experience with NGOs and health care services in North Korea, express their belief that the model that might work best would be to create “health care enterprise zones.”
- The most successful health care efforts have been carried out by smaller NGOs working on specific issues like tuberculosis (TB), but these efforts cannot realistically be scaled up to the national level given capacity problems and the DPRK's bureaucracy. The answer for scaling up may be to co-locate health care efforts in current and future economic enterprise zones established inside North Korea. These zones already have a legal infrastructure and overall capacity that has been approved by the government through secondary laws designed to promote innovation and international investment that do not apply to the rest of the country. This would provide a more user-friendly and flexible environment for health providers. For example, co-locating health clinics inside Kaesong or Najin-Sonbong could offer the DPRK exposure to decentralized health care, which will inevitably be the direction in which the system must evolve. In addition to creating familiarity, it would allow for public-private partnerships with companies operating in these zones that would provide health care to workers, and finance the building of new auxiliary health facilities and other new capacities, including patient databases.
- The international nature of these zones (at least in comparison with the rest of the DPRK) would also allow for possible multilateral cooperation involving not just South Korea but also Japan, China, and Russia.
- For the United States, health may be a good growth area for participation in a posttransition North Korea. Current laws prevent the United States from providing development assistance to the DPRK without a presidential executive order. However, health rehabilitation and treatment for diarrhea, typhoid, TB, and other diseases can be funded by USAID (even including infrastructure rehabilitation).

## The Economy

We asked experts to decipher what lessons from the transitional economies of Central and Eastern Europe that could help us understand the challenges of dealing with North Korea. There have been both “big-bang” approaches to transitional economies and also a more gradualist approach toward reform. Some countries, like East Germany and Poland, chose the big-bang approach to the transition; whereas others, like Hungary, implemented a gradualist approach. Which of these, if any, is the appropriate “model” for the DPRK’s economic rehabilitation?

### *Do Not Overdo Restructuring*

- With a rudimentary, cash-based economy like that of the DPRK, a gradualist approach might work best.
- The authorities need to prioritize economic reforms and avoid being too ambitious. There will be a temptation to restructure everything right away, but past cases have shown that it is fruitless to prioritize financial-sector and tax reform (to attract foreign investment), for example, at a time when one is also struggling to restore basic services and maintain law and order.

### *Avoid Restructuring That Creates Mass Unemployment*

- With transitional command economies, there is always the temptation to immediately restructure state-owned enterprises (SOEs) and to introduce market mechanisms to the economy. However, dismantling these large public employers too rapidly can lead to the chaotic functioning of the erstwhile SOEs and also lead to high unemployment. Often, the SOEs serve a stabilizing social function, even when they are economically inefficient (i.e., do not earn profits). Mass layoffs can lead to mass unemployment, which can feed incipient public dissatisfaction and even insurgencies. Instead, more carefully selecting a strategy for dismantling the SOEs can allow both the enterprises and their employees to more smoothly adjust to new economic and market realities.

### *Informal Markets Are a Key Transitional Element*

- The current growth of informal markets in the DPRK marks the transformation from a survival mechanism to a coping mechanism. For the average citizen, and even members of the military and of the Korean Workers’ Party, informal markets raise human security by allowing people to secure for themselves what is not provided by the government. The rise of informal markets is actually emblematic of the breakdown of existing institutions. In a transitional economy, these informal markets may represent the most direct way for citizens to provide for themselves. By looking at North Korea not as one economy but a number of geographic sectors (e.g., Pyongyang is an economy almost unto itself, almost divorced from the surrounding agricultural areas), institutional loosening can be better controlled and avoid the chaos that could come with immediate and wholesale marketization.

### *Rural or Urban Priorities*

- Because every aspect of the North Korean economy is in need of reform, the question of sequencing and where to focus efforts will be critical. In China, rural reform preceded urban reform, to great success. In Vietnam, urban reform preceded rural reform, also successfully. The North Korean economy faces its own set of problems; for instance, its agricultural productivity levels are lower than even those of Africa. Yet the DPRK could experience substantial improve-

ments in agricultural productivity with a minimum investment. For example, it is likely that the rural sector could experience a 50 percent productivity increase merely by improving the use of seeds and the selection of crops. In terms of per capita arable land, the DPRK ranks fifth worst in the world. In looking at all the countries that have moved from the developing to the industrial world (economies excluding those of the former Soviet Union)—such as Greece, Turkey, Japan, China, and India—a green revolution in agriculture set the stage for subsequent industrialization, and thus there are good reasons to believe that focusing on the agricultural sector first is a sound idea. Planners should consider, not so much the entire economy’s reform, but rather look for minimal measures that are not intrusive and can produce immediate improvements.

### *Property Rights and the Legal Basis for Marketization*

- Freedom to invest and make transactions will be key to moving beyond informal markets. Property rights are key for economic growth. As a sequencing strategy, preparation for large-scale marketization must follow, not precede, creation of property rights and a clear legal infrastructure for conducting business. Otherwise, the sale of the state-owned enterprises will only lead to corruption and exploitation, not genuine economically productive activities.

## People

One of the major findings in Phase One of the project was that the mass refugee flows commonly predicted by scholars in the case of a North Korean collapse were actually not very likely, according to our experts. In almost every historical case, the predicted large migration flows did not materialize. Our experts attributed this to an underestimation of two realities: (1) the degree to which people cling to their home, regardless of how dire the conditions; and (2) the relevance of personal experience in outward migration (i.e., only those who knew someone who had migrated successfully are likely to do the same). Phase Two of our project dug more deeply into this issue. Our experts this year agreed with last year’s conclusions, but they also had additional observations about this critical issue.

### *Focus Not on Outward Migration but on Internal Chaos*

- The most likely scenario to occur regarding the movement of people in a postconflict North Korea is not the vaunted “2 million” refugees flooding into China or across the Demilitarized Zone, but internally displaced persons (IDPs)—people who were forced to move under the old regime but who seek to move back to their homes. We overestimate refugees and build policies designed to prevent such movement, but we underestimate the extent of return migration and the internal flux that will come with unification.
- The authorities need to provide a minimal amount of food to prevent outward migration, but they also need to identify vulnerable IDP groups, and where they congregate, in order to determine what services are necessary to address this situation. Sudden changes in North Korea will put IDPs at risk as a vulnerable population.

### *Food: Do Not Disrupt Things That Work*

- The most immediate step that needs to be taken, once access into the North is available, is an in-depth study of how the North Korean people are feeding themselves (or not) at the time



of unification. One of our experts, a former USAID director, believes that there are informal systems of which the outside world is unaware and that these arrangements should not be disrupted as reforms are implemented. The central objective of food policy must be to equalize the two systems as rapidly as possible in such a way that the overwhelming majority of people in the North can eat and that the specter of hunger and famine ends.

- Any program must be “groundproofed”—that is, verify that it can work with what may be happening in actual localities. In past cases like Afghanistan, USAID staff members had to redo their entire program after interviewing locals and realizing that what USAID had thought were the priorities were not what the Afghans were worried about.
- An essential prerequisite for any functioning food security system is the existence of the rule of law. Without this, food distribution becomes corrupted and does not reach starving and hungry people.
- The new food security system that evolves in the North over time will necessarily involve private farmers’ markets. Policymakers should identify these, not disrupt them, and do everything they can to strengthen and develop them. Any policy initiatives should be tested against this standard.
- Do not dismantle the old Public Distribution System (PDS) immediately. The PDS will likely still feed the Korean Workers’ Party elites, the security forces, and military officers. Though there may be a political temptation to end this rationing system, the authorities must figure out how people dependent on the PDS in pretransition North Korea would cope without it. Ending it could create chaos, for example, if the military (with weapons) and other former elites then raid markets and the farming system to feed their families.

### *Wean People off Food Entitlements and Promote Incentives*

One of our experts relayed a story of how the DPRK’s defectors, when they first arrive at the South Korean government-run facility, are given a large bowl of white rice. This causes many to break down and cry tears of gratitude. However, within one week, these very same defectors grow accustomed to the daily menu and complain about the lack of variety. This is not unique to North Korea. In other cases, such as Somalia, people in camps complained about the lack of food variety shortly after initially expressing their gratitude for receiving assistance.

- One of the biggest challenges in food security will be to balance North Korean expectations of entitlement (i.e., food as a gift from the ROK government) with efforts to instill the concept of working for a living and integrating into capitalist society.
- Create a work-for-food program for able-bodied, food-insecure populations. This might be a needs-based system where workers receive food vouchers for labor in construction or other rehabilitation projects.
- For disabled people, elderly people without children, or abandoned or orphaned children, a different system would need to be set up. A school feeding program ought to be considered in all North Korean schools, which would provide one sizable nutritious and balanced meal a day for all children.
- Improving the public water supply to reduce the spread of disease is a critical component of food security. Thus projects need to be undertaken to supply chlorination, fix distribution sys-

tems, and build waste sewage plants (some of these projects could be part of the work-for-food program).

- Provide higher-yield seed varieties. More than 50 percent of the improved agricultural productivity during the past 30 years in developing countries has been attributable to improved seed varieties.

## The Next Phase

Given the regional implications of any type of North Korean collapse or unification of the Korean Peninsula, our third conference would take the existing research and invite commentators from Asia, America, Europe, and international organizations to register their reactions to the project. This third set of papers would attempt to put the lessons learned from the first two conferences in a more political and general context, exploring possible regional reactions to and interests in the unification of the peninsula. As such, this final conference would be a means of beginning an informal dialogue with regional partners about how best to coordinate, manage, and prepare for unification or collapse.





## APPENDIX A PARTICIPANT COMMENTS ON PHASE TWO

“I’ve enjoyed reading the papers out of the previous session, and I find it’s valuable work genuinely without parallel on unification.”—*A U.S. government official*

“Keep me posted on your project. It’s important.”—*A senior U.S. State Department official*

“This is an important project that can substantially aid policy on an issue that is very sensitive for governments to talk about openly.”—*A senior U.S. Defense Department official*

“This year’s meeting was extremely enlightening, and I learned more than the previous year. You have clearly built on the findings of the first year and moved well beyond it.”—*A participant in both the first- and second-year meetings*

“I thought your presentation today was great; wow. Even if I think collapse is not coming soon, someone has to focus on this, and the lessons fit with my priorities and prejudices. Would you mind if I blogged on it? Can you send me the link?”—*A North Korean expert*

“Your work is important, and nobody else is doing this. We’d love to have you come talk to a group we have here about your project and the lessons you’ve learned so far.”—*An official of a major multilateral financial institution*

“I want to say thank you, in a big way, for thinking to include me in the workshop. I hugely enjoyed it—more than most, and unexpectedly so (despite looking very much forward I was still very impressed by how much I learned and how much I liked the crowd). Congratulations on . . . this series of workshops.”—*A participant*

“Thanks for the invitation to join the discussion at USC. I found it very rich and stimulating.”—*A participant*

“I think it goes without saying that the Korea Project this past weekend was absolutely fascinating!”—*A member of the audience*



## APPENDIX B CONFERENCE AGENDA FOR PHASE TWO

Friday, August 5, 2011

- 9:00–9:15**      **Opening Comments—David Kang and Victor Cha**
- 9:30–10:45**      **Session 1—Scenarios for Unification**  
Scott Snyder, "Scenarios for Unification"  
Discussants: David Kang, Victor Cha
- 11:00–12:15**      **Session 2—Institutions**  
Dale Herspring, "The Collapse of the East German and Russian Militaries as a Model for the Koreas—The Case of the Military"  
John DeLury, "The Role of NGOs in the Korean Unification Process"  
Discussants: John Park, Don Clark
- 12:15**              **Lunch**
- 1:30–2:45**      **Session 3—Governance**  
Leslie Vinjamuri, "Lessons from Transitional Justice"  
Sharon Perry, "Health Infrastructure Challenges in the DPRK"  
Discussants: Ilkwon Kim, Don Clark
- 3:15–4:30**      **Session 4—The Economy**  
Byung-Yeon Kim, "Lessons from the Transition Experience in Former Socialist Countries"  
Regina Abrami, "Economic Reform in Closed Political Systems—The Case of Vietnam and China"  
Discussants: John Park, Balbina Hwang
- 6:00**              **Reception and dinner in the Los Angeles Room, Wilshire Grand Hotel**

## Saturday, August 6, 2011

- 9:30–10:45**      **Session 5—People**
- Sandra Fahy, "Migration and Refugees—Lessons Learned, Significant Trends from Other Cases, and Their Relevance to Korea"
- Andrew Natsios, "Developing a New Food Security System for the Korean Peninsula during an Integration of the Two Systems"
- Discussants: Dorothy Stuehmke, Suk-Young Kim
- 
- 11:00–12:15**      **Session 6—Lessons from U.S. Postconflict Planning**
- Sean Kane, "Potential Lessons from the Iraq Experience for North Korea"
- Christopher Hill, "Dispatching a Dictator—The Case of Slobodan Milošević"
- Discussants: Sue Terry, Scott Snyder
- 
- 12:15–1:30**      **Session 7—Working Lunch and Next Steps**
- 6:00**                **Informal Dinner for Remaining Participants**



## APPENDIX C PARTICIPANT BIOGRAPHIES

**Regina Abrami** is a senior fellow at Harvard Business School and faculty chair of the Immersion Experience Program, a field-based learning opportunity allowing MBA students to extend leading ideas in management theory to real world situations. She is also on the Executive Committee of Harvard University's Fairbank Center for Chinese Studies and a faculty associate of the Weatherhead Center for International Affairs. Her primary area of expertise is comparative political economy. Her recent Harvard Business School honors include selection as a Hellman Faculty Fellow and the Robert F. Greenhill Award. She speaks Vietnamese and Mandarin Chinese, and is a frequent commentator on the challenges of managing in a global context, especially with regard to China's impact and the relation between political development and business strategy within Vietnam and China. She received her PhD in political science from the University of California, Berkeley.

**Victor Cha** returned to Georgetown University in the fall of 2007 after being on public service leave from the university since 2004 to serve as a director for Asian affairs on the National Security Council in the White House. He joined CSIS in 2009 as a senior adviser and the inaugural holder of the Korea Chair. At the National Security Council, he was responsible for Japan, North Korea, South Korea, Australia, New Zealand, and the Pacific island nations. He also served as the U.S. deputy head of delegation for the Six-Party Talks. He is a recipient of numerous academic awards, including the Fulbright Scholarship (twice) and MacArthur Foundation fellowships. He also spent two years as a John M. Olin National Security Fellow at Harvard University and as a postdoctoral fellow at Stanford University's Center for International Security and Cooperation. In 1998, he was the Edward Teller National Security Fellow at the Hoover Institution at Stanford. In 2008, he was the William J. Perry Fellow, also at Stanford. He has served as a consultant on East Asian security issues for different branches of the U.S. government. He received two outstanding service commendations during his tenure at the White House. His books include *Alignment Despite Antagonism: US-Japan-Korea Security* (Stanford University Press, 1999); *Nuclear North Korea* (Columbia University Press, 2003), with David Kang; and *Beyond the Final Score: Politics of Sport in Asia* (Columbia University Press, 2009). His forthcoming book is *Powerplay: Origins of the American Alliance System in Asia* (Princeton University Press). He is the coeditor of the new Contemporary Asia Series at Columbia University Press. He serves on the editorial boards of several scholarly journals and recently joined the Board of Advisors for the Center for a New American Security.

**Donald N. Clark** has been teaching courses on China, Japan, Korea, and U.S. diplomatic history in Trinity College's History Department since 1978. He is also the director of Trinity's International Studies Department. He was born in South America and educated in international schools in Colombia, Japan, and Korea. He attended Whitworth College, Washington State University, and the University of Washington before receiving his MA and PhD from Harvard University. His scholarly interest is focused on the Korean Peninsula, where he has spent much of his life, begin-

ning with his childhood as the son of Presbyterian missionaries. His experience in South Korea includes service as a Peace Corps volunteer, Social Science Research Council Fellow, and three-time Fulbright Scholar in addition to frequent participation in short-term projects and conferences. His experience in North Korea includes work with the NGO Christian Friends of Korea, supporting tuberculosis control projects in the area between Pyongyang and the border with the South. In addition to Korea-related teaching and scholarship, he is active with the University of Virginia's Semester at Sea program, having taught on MV *Explorer* several times as well as traveling on the ship as a frequent voyager.

**John Delury** is an assistant professor of East Asian studies at Yonsei University's Graduate School of International Studies. He is also the associate director of the Asia Society's Center on U.S.–China Relations, director of the China Boom Project, and director of the North Korea Inside Out Task Force. He is a term member on the Council on Foreign Relations and a Leadership Council member of the National Committee on American Foreign Policy. He has written for *Far Eastern Economic Review*, *Policy Review*, *Project Syndicate*, and the *Journal of Asian Studies*. He has taught Chinese history and politics at Columbia, Brown, and Peking universities. He received his BA, MA, and PhD in Chinese history from Yale University.

**Sandra Fahy** is a Sejong Society Postdoctoral Fellow at the Korean Studies Institute of the University of Southern California. As an anthropologist, her research focuses on interviewing North Korean refugees. She has collected oral testimonies from North Koreans currently living in Seoul and Tokyo to provide access to otherwise unavailable information on the famine, which adds new insights to the limited body of literature on famine and North Korea. She received her PhD from the University of London. From 1999 to 2000, she was a lecturer in the Department of Humanities at York University. From 2001 to 2004, she served as a lecturer on Holocaust studies in the Department of Humanities at Seoul National University. She is currently completing a book about her research with North Korean refugees.

**Dale Herspring** is a university distinguished professor in the Political Science Department at Kansas State University. He teaches European politics, Russian politics, and comparative civil–military relations. He has published numerous books, most recently *Rumsfeld's Wars: The Arrogance of Power* (2008); *The Kremlin and the High Command: Presidential Impact on the Russian Military from Gorbachev to Putin* (2006); *The Pentagon and Presidential Authority, Civil–Military Relations from Franklin Roosevelt to George W. Bush* (2005); and *Putin's Russia: Past Imperfect, Future Uncertain* (2004). He previously served as a Foreign Service officer at the U.S. Department of State. He received his BA from Stanford University, his MA from Georgetown University, and his PhD from the University of Southern California.

**Christopher R. Hill** served as the U.S. ambassador to Iraq from April 2009 until August 2010. He joined the University of Denver's Josef Korbel School of International Studies in 2010. He is a career member of the Foreign Service whose prior assignment was assistant secretary of state for East Asian and Pacific affairs. He also served as U.S. ambassador to the Republic of Korea. On February 14, 2005, he was named head of the U.S. delegation to the Six-Party Talks on the North Korean nuclear issue. Previously, he served as U.S. ambassador to Poland (2000–2004), ambassador to the Republic of Macedonia (1996–1999), and special envoy to Kosovo (1998–1999). He also served as special assistant to the president and senior director for Southeast European affairs in the National Security Council. Earlier in his Foreign Service career, he served in Belgrade, War-

saw, Seoul, and Tirana, and on the Department of State's Policy Planning Staff and in its Operation Center. He also served as the department's senior country officer for Poland and received its Distinguished Service Award for his contributions as a member of the U.S. negotiating team for the Bosnia peace settlement. He also was a recipient of the Robert S. Frasure Award for Peace Negotiations for his work on the Kosovo crisis. Before joining the Foreign Service, he served as a Peace Corps volunteer in Cameroon. He graduated from Bowdoin College with a BA in economics and received a master's degree from the Naval War College. He speaks Polish, Serbo-Croatian, and Macedonian.

**Balbina Hwang** is currently a visiting professor at the National Defense University and Georgetown University, where she teaches courses on Northeast Asian security, East Asian politics, and Asian political economy. From 2007 to January 2009, she served as senior special adviser to Christopher Hill, the assistant secretary of state for East Asian and Pacific affairs. Before joining the State Department, she was a senior policy analyst for Northeast Asia in the Asian Studies Center of the Heritage Foundation and a lecturer at Georgetown University. She is a native of Korea, and in 1998–1999 was a Fulbright Scholar to South Korea, where she conducted field research of her doctoral dissertation. She has received several writing awards, including ones from the International Studies Association and the National Capital Area Political Science Association. She received a PhD in government from Georgetown University, an MIA from Columbia University, an MBA from the University of Virginia, and a BA in philosophy and government from Smith College.

**Sean Kane** is a program officer for Iraq at the U.S. Institute of Peace. From 2009 to 2010, he served as a Middle East desk officer in the United Nations Department of Political Affairs, covering issues related to the Middle East peace process and supporting the UN secretary-general's participation in the Middle East Quartet. He worked as a political affairs officer with the UN Assistance Mission for Iraq in Baghdad, Erbil, Mosul, and Kirkuk from 2006 to 2009. He was previously an associate lecturer and researcher at the University of the Witwatersrand in South Africa and a senior research analyst at the U.S.-based strategy consulting firm Dove Associates. He has written on the subjects of natural resource negotiations and Iraqi politics. He received a BA from Bowdoin College and a MA in public affairs from Princeton University's Woodrow Wilson School. He also studied at the London School of Economics and Political Science.

**David C. Kang** is a professor at the University of Southern California, with appointments in both the School of International Relations and the Marshall School of Business. He is also the director of USC's Korean Studies Institute. His latest book is *East Asia before the West: Five Centuries of Trade and Tribute* (Columbia University Press, 2010). He is also author of *China Rising: Peace, Power, and Order in East Asia* (Columbia University Press, 2007); *Crony Capitalism: Corruption and Development in South Korea and the Philippines* (Cambridge University Press, 2002); and *Nuclear North Korea: A Debate on Engagement Strategies* (coauthored with Victor Cha) (Columbia University Press, 2003). He has published numerous scholarly articles in journals such as *International Organization and International Security*, as well as opinion pieces in the *New York Times*, the *Financial Times*, the *Washington Post*, the *Los Angeles Times*, and numerous Korean and Chinese newspapers. He is also a regular consultant for both multinational corporations and U.S. government agencies. He was previously professor of government and adjunct professor at the Tuck School of Business of Dartmouth College. He has been a visiting professor at Stanford University, Yale University, Seoul National University, Korea University, and the University of Geneva. He received a BA with honors from Stanford University and a PhD from Berkeley.

**Byeon-yeon Kim** is a professor in the Department of Economics at Seoul National University. His research interests include transition economics. He received both a BA and MA in economics from Seoul National University, and a PhD in economics from Oxford University. He was awarded the T. S. Ashton Prize in 2003 by the Economic History Society, and he received the Chungnam Award in 2006 from the Korean Economic Association. He has published several journal articles on economics in North Korea, including “The Possibility of Economic Reform in North Korea,” “Assessing the Economic Performance of North Korea,” and “The Participation of North Korean Households in the Informal Economy.”

**Il-kwon Kim** has been a visiting fellow in the CSIS Office of the Korea Chair since September 2010. He most recently served as director of the Program Evaluation Division of the Republic of Korea’s National Assembly’s Budget Office and as director of the National Assembly’s Inter-Parliamentary Organization Division. Since the early 1990s, he has held numerous positions in the government of the Republic of Korea. He is the recipient of several awards and honors for his academic achievements and government service. He received an MALD in international relations from the Fletcher School at Tufts University, an MA in national security policy from Korea National Defense University, and a BA from Seoul National University.

**Suk-young Kim** is an associate professor at the University of California, Santa Barbara. Her research interests cover a wide range of academic disciplines, such as East Asian performance, gender and nationalism, Korean cultural studies, Russian literature, and Slavic folklore. Her research has been acknowledged by the International Federation for Theatre Research New Scholar’s Prize, the American Society for Theater Research Fellowship, the Library of Congress Kluge Fellowship, and an Academy of Korean Studies research grant. She is the author of two books: *Illusive Utopia* (University of Michigan Press, 2010); and *Long Road Home* (Columbia University Press, 2009). She received bachelor’s and master’s degrees from Korea University, a PhD in interdisciplinary theater and drama from Northwestern University, and a PhD in Slavic languages and literature from the University of Illinois at Chicago.

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## APPENDIX D SUMMARY OF THE PHASE ONE CONFERENCE REPORT

### Discussion and Initial Takeaways

The discussion was spirited and insightful. The two principal investigators provided written guidelines to the paper presenters and found the papers were uniformly thoughtful, well researched, and insightful. This phase of the project alone has produced a unique compilation of short research briefs, which we have not seen in the Korean studies literature.

Over the two-day conference, discussion centered on a number of issues:

- What are the assumptions about regime, state, or political system collapse? What are the conditions that lead to peaceful, gradual, internal collapse, war? Although the two principal investigators had hoped to move discussion beyond these initial issues, it became clear that how unification or collapse occurred would have a major impact on the issues of transition that would occur after.
- What is the role of outside patrons (i.e., China) in a regime on the brink of collapse? China will be enormously important in any Korean transition, and discussants were divided on whether outside patrons would intervene, or would not.
- What types of planning are possible? Much discussion about the efficacy of such a project.
- What have we learned from other cases of migration after regime collapse? Would a large portion of the North Korean population attempt to move to either China or South Korea? Or would they attempt to remain in North Korea? What factors might affect their decision about whether or not to migrate?
- What have we learned about reconstituting failed health and energy systems?
- What have we learned about conflict resolution and transitional justice in national reconciliations?
- How much attention and interaction with North Korean people themselves is desirable? Can we make plans in the abstract that have any bearing on the reality on the ground in North Korea? Or are these attempts unlikely to be useful when the actual time of unification occurs?
- What have we learned from other cases about education reform and reform of state-owned enterprises? Do the lessons from other post-Soviet states offer any insights into how to manage institutional change?
- What have we learned from past and current cases of state building and nation building? Is it better to destroy and remove all existing institutions and begin anew, as the United States attempted in Iraq, or does this create such chaos that the costs outweigh the benefits?

### *Initial Takeaways from Phase One*

The principal investigators believe that the project in its first phase unearthed a wealth of interesting data and cases applicable to Korean unification. Again, the purpose in this initial phase was to think about what lessons could be induced from functional experts and the cases they have studied and encountered over time that might be useful for Korean experts and practitioners as they think about the North Korea case. In the initial phase, many of these lessons are drawn from past mistakes that have been made in other cases which could be avoided in Korean unification. These types of lessons are in many ways more useful for policymakers than proactive directives. The latter is almost impossible to prescribe in advance of unification because the specific contingency and conditions that emerge will have much influence on the types of initiatives that are taken. Proactive directives in such a crisis situation almost never can be provided in advance and without context. However, cautionary lessons are extremely useful for thinking about unification. The benefit of past experience allows future policymakers to understand what sort of pitfalls to avoid when the rush of the crisis comes upon them. These are some of the important initial lessons learned from Phase One of the Korea Project.

### *Political Expediency versus Long-Term Restructuring*

- Korea unification will create tremendous pressures for the ROK government to provide immediate benefits to the North Korean people to show kindness, acquire political loyalty, and to prevent migration. What have other cases shown us about this?
- In almost every past case of state building, those in charge face an immediate political need to provide benefits (e.g., food, clean water) instantaneously to the entire population in order to show a demonstrable improvement in the living situation (compared with the past regime). The problem, though, is that these efforts almost always come at the expense of investment in longer-term restructuring of the environmental situation or health sanitation infrastructure. For example, political expediency requires that clean water be immediately brought in for the target population, but the expending of these resources comes at the expense of building a long-term water purification system in the country. This becomes a vicious circle as those in charge are forced to continue with these handouts in order to retain the loyalty of the people and to prevent mass migration. There are also secondary unintended consequences from following the political expediency strategy. In Iraq, for example, U.S./UN forces worked to provide consumer appliances to all parts of Iraq especially those provinces that had been neglected by Saddam Hussein. But they did this without improving the overall capacity of the power grids in the country. The result was a surge in power demand which blew out portions of the power grid in Baghdad, resulting in blackouts that created disorder and protests against coalition forces in the capital. This undercut the original political intention of the handouts.

### *Defining the Tipping Point*

- Given the trade-offs of political expediency versus longer-term restructuring, occupying forces must eventually determine where the tipping point will be—that is, at what point do you stop diverting scarce resources to handouts and focus them more on longer-term restructuring which has lower short-term returns? The history of past cases has shown there is a large gap between what experts would recommend and what actions are actually taken. Experts will recommend an objective point at which the switchover must be made, but in reality, this tip-

ping point is almost entirely politically determined. And it usually comes when the handouts strategy has led to some unintended negative consequence (e.g., the one described above). It is only at that point do occupying forces then change strategy.

- The key lesson for the Korean case therefore is to try to determine as early as possible in the process how and when to make the transition from handouts to the North Korean people (to keep them from migrating) to deeper investment in long-term restructuring.

### *Capacity Building for Social Security*

- Unification will put tremendous burdens on the ROK social security system. How does one deal with these burdens and how does one map out how to handle intra-Korean movements so as to avoid overburdening certain provinces?
- Past cases of social security have shown that precrisis capacity building is critical to deal with anticipated burdens on the system. It is difficult for governments alone to do this. It requires the help of the private sector. But the private sector is in need of financial incentives in order to begin stockpiling in warehouses or on docks health vaccines, cold medicines, sanitary supplies, and so on. One remedy for this has been tax credits provided by the governments to the companies for undertaking these preparations.
- Past cases (including the United States) have shown that large-scale public works projects are almost a requirement to deal both with unemployment and social security problems. There are dangers associated with large-scale projects alone, unless these are accompanied by job training and complemented by microcredit financing.
- Intraterritory travel is a politically sensitive issue but critical for social security. One solution that might be applicable to the Korean case was the visa system used by Hong Kong and China after reversion. This limited travel to 150 per day. The system may not be an exact fit for Korea, but it is a useful empirical referent.

### *Transitional Justice*

- Transitional justice is a politically explosive issue in a unification context. Although some may not see it as the main priority in attempting national reconciliation, others see it as critical from a human rights accountability angle.
- Past cases have shown that it is very difficult to perform transitional justice amidst a fluid political environment. Inevitably, some outside intervention and participation under the auspices of the International Court or the UN is necessary (e.g., Cambodia).
- Past cases of transitional justice have also shown the spillover effects of these trials that could complicate foreign policies with other nations. For example, testimonies by defendants can often implicate other countries who might have been complicit with past practices of the regime. This would almost certainly be a major consideration in the case of North Korean defendants who might testify about actions they took in concert with China and with Chinese acquiescence on their territory. This could significantly impact ROK–China relations. This would also make a UN tribunal in the Korean case very difficult to obtain given the likelihood of Chinese opposition.

### *Refugees/Migration*

- One of the biggest drivers of change in a unification scenario are projected patterns of mass migration of northerners into South Korea. What do past cases tell us about these patterns?
- The current pattern of migration by North Koreans out of the country is largely women and children. As past cases of migration show, this portends a higher level of human trafficking.
- Previous cases show, however, that the model of a current defector from North Korea is no accurate indicator of future migration patterns. The requirements for migration today will be different from migration under unification. If anything, past cases have shown that we may be overestimating the levels of refugee flows in unification. Cases in Africa, Iraq, and other places show that planners prepared for massive migration that never happened. People ended up clinging to their home existence despite inordinate hardships. One of the most important predictors of migration movement is the individual history of the family. If the family has a relative that has successfully moved to a better existence, then there is a greater likelihood that the family will do the same once political controls are lifted.

### *Education Reform*

- Education will be one of the largest long-term investments in reconstituting a united Korean Peninsula. There are some successful models of education reconstruction and reform, and we had one of the leaders of Syracuse University's cooperative endeavors with Kim Chaek University in North Korea in our education team.
- Past cases show that sustained and meaningful education exchanges prior to unification would be helpful. In cases of heavily sanctioned states like North Korea, U.S. export control regulations are a major impediment to providing the schools with necessary equipment to allow for exchanges.
- One of the most successful cases of education exchange has been in South Korea itself with the Fulbright Scholar program, which brought a generation of ROK leaders to the United States for post graduate study. After unification, expansion of the program to the North would be useful.
- One of the interesting impediments in past cases of vocational training in postcommunist societies is lack of student initiative. Many students had been conditioned to thinking that there was no need for effort because education would be followed by the state's provision of employment. Thus there are some start-up costs to education reform beyond the physical.

### *The Energy Sector*

- Rehabilitation of energy will be a key priority in unification. What have we learned from other cases and some substantial studies already in existence on North Korea?
- At the macro level, planners will contend with the classic trade-off described above in terms of short-term political handouts and relief versus longer-term infrastructure investment. One very useful method of closing this gap in the North Korean case is simple winterization projects. These are cheap relative to other large-scale projects. They can increase energy efficiency by 40 to 60 percent in homes, and they satisfy both short-term and long-term requirements.
- In the longer term, the main energy solution for North Korea will not come from within the country but will come from regional energy networks involving Russia, South Korea, China, and Japan. The primary economic benefit to the North will not come from their coal mines

but from rents that will be paid to them as a transit way for energy/gas grids that will connect Korea and Russia.

### *The Environment*

- What do we know about the environment picture in North Korea and what will be the priorities and pathways for environmental cleanup with unification?
- Past cases have shown that we probably underestimate the pollution and degradation situation in North Korea. Communist systems generally pollute badly. Ideology focuses on the human which allows for nature to be exploited for social benefit. Communist systems also create production metrics which allow for massive exploitation of the environment to meet those metrics. At the end of the Cold War, Poland's rivers were 95 percent unsuitable for municipal use. In Central and Eastern European countries, an average of 40 percent of wastewater was untreated.
- Past cases have shown that in North Korea, there will be an actual decline in pollution levels prior to collapse because the downturn in the economic situation reduces all production levels. But once the initial efforts start to rebuild the economy using the current infrastructure commence, there will be massive increases in pollution.
- Past cases have also shown that the most useful value added fixes for the environment are sewage plants. Thus the Pyongyang and Nampo sewage plants would be a priority.
- Past cases have also shown toxic waste sites near municipal areas are also a high priority but they are very expensive to clean up. This is also likely to be a high priority in the Korean case.

### *Health*

- What would be the priorities in reconstituting North Korea's health system? What have been the historical precedents? Where would North Korea's health situation rank in the global health movement?
- Past cases of broken state-run health systems in Africa and Asia have shown that key priorities in reconstitution are the targeted revitalization of hospitals and clinics; the strategic upgrading of skilled health professionals; a detailed survey of existing health assets; and costing exercises with concrete targets for training. In terms of information systems, creating a national data and supply chain system will be critical as well.
- More than energy or security, health is an important soft power tool in winning hearts and minds in transitioning societies—with priorities on children, pregnant and lactating mothers, the elderly, and orphans.
- Health reconstitution is also a critical driver of migration patterns.
- Like energy, moving from an emergency situation to longer-term sustainability is a political challenge, especially because health is perceived to be a critical determinant of migration patterns.
- In this regard, creating ownership at the community level is important. Past cases have shown that any external intervention in a health system is more successful if it operates on the assumption that there is already a functioning health and coping system on the ground. It is important to learn what that system is and to make adjustments that will help people but also

respects the preexisting indigenous system. Whatever new system that comes into being must use North Korean doctors, nurses, and midwives to be successful.

- The global health movement saw a decade of increased funding, mostly in infectious disease prevention in Africa and South Asia. We are now in a period of a plateau where funding from public and private sectors has slowed. The movement is primed, in other words, for its next big cause, which will then determine the next phase of growth.

### *State Building / Domestic Stabilization*

- What will be the priorities in establishing political order in North Korea? What are the mistakes of the past that we can learn from? What are the potential political fissures that might emerge?
- Past cases show that it is critical to map a country's internal conflicts as best as one can in the precollapse state to gain a sense of actors' motivations, incentives, and capabilities.
- As controversial as it might seem, past cases also show that stabilization requires consensuality. Planners need to include stakeholders and some elements of the preexisting enforcement agencies.
- Past cases show that centralized training programs at the federal level are hard to maintain. Provincial reconstruction teams have proved to be a useful innovation. They are civilian in nature and create training and ownership of the stabilization endeavor at the local level.
- Negotiating debt relief for the country has proven to be an important task as well for stabilization of the new political authorities.
- Past cases show that a jobs program is critical. But there are potential political externalities. Jobs programs tend to benefit densely populated areas, but those that are not densely populated do not benefit and may even become alienated and radicalized. Any jobs program must be conscious of compensating potentially excluded areas.
- Past cases show that sequencing of actions is a big part of successful stabilization. This not only pertains to the tipping point for longer-term restructuring but also to when the appropriate time is to do transitional justice. These decisions cannot be made by external planners alone and must include input from North Koreans themselves.

## Summary of Phase One Takeaways

North Korea, as one of the participants noted, was/is a grand plan that failed. As we think about unification, we must be careful not to produce another grand plan that will also fail. The principal investigators drew from these discussions that there are inherent tensions between a big plan and what works on the ground. Any plan or conceptualization of unification efforts must be adaptable and malleable as it learns from the situation on the ground. This will require wise political decisions by the planners, and in some cases, courageous ones.

With Korean unification, there will be a plethora of immediate needs in health, the environment, energy, and education. Planners will have to balance the addressing of these immediate needs with investment in longer-term restructuring which is beneficial to all of Korea (not just the North). Sequencing of tasks will also be critical as well as use of, and respect for, practices on the



ground on the North that work. Some practices may not be the best ones, by rational terms, but if they work for the North and do no harm, then planners must adapt to these subtleties.

Dealing with a collapsed North Korean regime will be easier if it does not collapse. That is, it is critical that policies are undertaken today to address some of the problems the conference foresaw in the future—from public health, the marketization of the economy, academic exchanges, and environmental degradation. The cost could be prohibitively high, as is well known. But dealing with that today can help to ameliorate the problems. Without preparations now, the costs and problems associated with collapse in North Korea may be so high that the South Korean people will grow resentful and perhaps even vicious toward their Northern neighbors. International cooperation will be critically important, yet this topic is very sensitive. Some parallel “six-party talks” could be important for setting up ways to communicate. And finally, preparing for things not to do is important as well: we know any plan will be changed, we know there will be problems. So how to avoid the most obvious problems? How to adjust on the fly?

## Substantive Adjustments for the Second Conference

As successful as this first conference was, it became clear to the two principal investigators that there were a number of ways in which the subsequent second and third conferences could be improved. Substantively, there is clearly a need for additional papers that research new areas:

1. An introductory paper by the principal investigators to cover assumptions, scenarios, and issues with collapse.
2. International law: What is the legal precedent for treaty succession in collapsed states?
3. Transitional justice in other parts of the world: What were the political consequences of transitional justice in other cases?
4. Education reform: What were the pathways for education reform in Eastern Europe?
5. Demography: Are there useful studies demographic studies of the North Korean population?
6. Psychological elements: What are the psychological elements of unification?
7. Economic reform in Vietnam: What are the obstacles and successes in Vietnam’s economic reform?
8. Cost of unification: What are the latest studies on the cost of unification in Korea and other cases? How have these costs been financed in past cases?
9. NGOs: What has been the role of NGOs in state reconstruction?
10. Civil–military transition and retraining: What are the historical precedents for successful reintegration of a former military into society?
11. Conflict resolution: How have states prioritized transitional justice in other cases of conflict resolution?





## APPENDIX E PHASE TWO RAPPOREUR CONFERENCE NOTES

### Session 1: Scenarios for Unification

#### *Main Themes/Questions*

- Sequencing and scenarios: What is the interconnectedness among the scenarios? What is the difference (if any) between immediate and long-term planning? Are we indeed, working off of the same shared set of assumptions?
- The first-actor advantage/disadvantage: Who moves first?
- Legitimacy versus stabilization; crisis versus stability.

#### *Discussion*

*David K:* Let's jump beyond the collapse and the reunification, and jump to the inevitable aspects that we will have to face. During last year's conference, we saw that the manner in how reunification occurs will greatly affect the issues that will have to be faced in the reconstruction process.

*Victor C:* If any of the scenarios the author introduces in his paper emerge, regardless of the scenario and circumstances of reunification, the required tasks for reunification will still be the same and only differ in degree and intensity. But I think that we are tasked with the same issues. I think that the one thing that could tell us the most on how the reunification scenario would unfold depends on the first mover question. The Chinese have been concerned that the U.S. might move first, but at the same time, the U.S. has been concerned that the Chinese would move first. The real variable is the South Korean reaction. China's primary concern was not that the U.S. would rush north, but rather what the ROK's reaction would be. Can the U.S. control South Korea's action? China and the U.S. are mutually deterred from moving first. The pace, timing, and substantive outcome will greatly be determined by the actions of the country that moves first. The lack of transparency between the ROK and the U.S. on one hand and the U.S. and China on the other is at the heart of this strategic mistrust. It is important in converting reunification from a zero-sum to a positive-sum game.

*David K:* It will be interesting to end up with different scenarios under which we could see reunification and extend it to a plausible universe of options to see how it might end up. It's not just *how* it will happen. What will the country look like?

*Participant:* No one knows how to observe North Korea through this brick wall. One incident to take away a lesson from is last November's attack when the DPRK shelled Yeonpyeong Island. During that time there was a furious ROK–United States dialogue over South Korea's limits to re-

spond to that incident. Although that was a military crisis, it was put under restraint. We could use that incident to learn and answer the previous question of whether or not the U.S. could control the ROK.

*Participant:* I'm wondering if these four scenarios can all occur at the same time. Is there an interconnectedness of four scenarios? Could one scenario occur after the other sequentially?

*Participant:* I agree that there are two scenarios. There are no differences in economic policies across the various scenarios. The only difference is in implementation and pace.

*Victor C:* Whether you have sudden implosion or explosion, there will be a whole category of immediate contingency and military and humanitarian decisions that must be made as well as longer-term policy decisions. The point this paper is to look at a "consistent" set of long-term issues that we will need to deal with regardless of the manner of reunification/collapse.

*Participant:* The advantage to the first mover is control, but the disadvantage is a question of legitimacy. Do you think that matters about South Korea, in particular? Does it matter in the long run? Is legitimacy redefined based on who moves first? It matters a lot on how you deliver human rights or justice. It's not just how the transition takes place because the issues will be there no matter what. Who is ruling determines the politics of how justice or humanitarian rights are delivered.

*Participant:* I think that point on legitimacy is crucial. It was apparent to me while working on the Vietnam and China paper that actors possessing legitimacy is very important. There is implicit path dependency, but this implies sequencing. By definition, you can't just skip around. There is a possibility that scenarios could happen all at once, but they also could jump back and forth, so I think we should incorporate these possibilities as well.

*Participant:* The scenario often ignored is the scenario in which the DPRK continues to exist. Is this a shared possibility? Does this require or entail a totally different set of assumptions, and is it a viable option?

*David K:* On the issue of recognition, who decides to recognize the formal legitimate actor within the DPRK first? Isn't the dominant scenario that Kim Jong-eun cannot possibly rule and there will be fighting and the regime implodes? What happens to the military?

*Participant:* The problems West Germany went through, despite the peaceful nature of East-West German reunification, should serve as a lesson from which we can uncover the hidden mechanics. We should bring someone from Germany next year who can speak on this. There are also military and societal lessons to be learned from the collapse of the Soviet Union as well because they lost half of their country.

*Participant:* Looking at Libya, advocates of R2P (responsibility to protect) coalesced around the view that this would be the perfect opportunity to apply this concept, but then they mutated to something different. If we adopt this view, we can very quickly shift from something like R2P, which has a sense of purpose and unity, to a division and a paralysis on the international stage. China views the DPRK as part of the UN system with legitimacy and sovereignty. It may view the DPRK as "brain dead," but with some organs alive. There is also a necessity to define what it means for a regime to "end."

*Participant:* I want to point out that there is a political context and I agree that technical challenges are not necessarily the hardest part. The hardest part is to manage the politics surrounding the actual events as they unfold. Another aspect is the interactions between the U.S. and China and between the two Koreas. Are client-state models applicable to either side? We need to look at issues of “contested legitimacy,” and issues of sovereignty transition. Maybe we can use the phrase “regime transformation,” because this implies no judgment of change *in* regime or change *of* regime.

*Participant:* Gradualism has been underway for some years in North Korea. In absence of a decision regarding the future legitimacy and sustainability, we run risks of creating a humanitarian disaster. Humanitarian intervention has become a way of reshaping history in that part of the world, but that is not a viable scenario for reconstruction of the peninsula. The basis of a humanitarian intervention will not lead to a systematic approach to reunification.

*Participant:* In Iraq, the failure to maintain military order took four years to overcome and required many human, military, and financial resources for recovery. It is important to note that some early decisions can constrain possibilities in the future. If some of the initial decisions at the beginning go wrong, then that sharply affects the decisions that come up later, constraining the range of options that can be made. There should be caution against making a sharp dichotomy between the two.

*Participant:* The case of Cambodia may be relevant. In terms of external alliances, who would have imagined that China and the U.S. would be working together in Cambodia and keep Pol Pot in power? In terms of external alliances, what would it take for China to partner up with Seoul and would it actually happen? I'd love to hear comments on China-Sudan issue with regards to legitimacy of the sovereign state and its response to global pressure on Sudan. The big focus has to be on who the external actors are, who will be second and third movers, and whether the moves will be taken because of an imminent collapse or a smooth transition. My gut reaction is that China would rather see a North Korea at the border rather than Korea at the border.

*Participant:* We often perceive humanitarian aid as an “appendage,” or something that’s an annoyance for diplomats or military officials, but in fact they’re all related to each other. If there is a rapid destabilizing set of events and chaos, unlike what happened in most of the Soviet Union, North Korea is going to have a food problem. Its food security system is extremely fragile. A large number of North Koreans are physically smaller than South Koreans, which shows that this has been a chronic problem. Food shortages cause people to take unexpected actions for the sake of survival, and the DPRK will have food security problems that the Soviet Union did not face.

In 1991 and 1992, when I sent in a team of people into the Soviet Union, they came back and reported that the food security system in the Soviet Union was very inefficient, but it worked. That is not the case in North Korea. Any disruption of the system is going to cause a serious problem in the country. The second problem is the set of decisions they will make to protect themselves and prevent the collapse of the food system. Currently, the rules of the game for how people eat are relatively stable but fragile. The slightest change can cause people to panic.

Two factors on whether the food system implodes will be the speed of price increases and the steepness of price increases, which will lead to the following consequences: One, there will be a dramatic increase in violent crime. There is a lot of literature out on how people act during

famines. They steal food to survive, and there is a dramatic collapse of law and order. Two, there will be mass migration. People will move to seek jobs and food. In the early stages, only teenage boys and men move to urban areas. In latter stages, entire villages may relocate, leading to chaos particularly in the countryside, as people move on a mass scale just to survive. A large number of people, up to 50 percent, die during a mass population movement, like in the case of North Korea.

Depending on the scenario, the typical trend is that the more rapid the political change, the more rapid the chaos in the mass population due to food security. During the Sahelian famine in the 1970s, there were 14 governments in Africa affected severely. There were 12 coup d'états during the 14 years. Typically, the stronger the security services are, the more likely they will keep control unless military infighting occurs.

*Victor C:* In the midst of chaos, how much does legitimacy become an issue? Are we talking about legitimacy in the eyes of North Koreans or international legitimacy? With regards to the latter, it's clear that South Koreans feel that they are the only legitimate actors. It is difficult for anyone to tell the South Koreans that they are not legitimate actors even if they move first in defiance of the US or China.

*Participant:* China sees legitimacy through the UN. How does the international community respond in terms of their own view of whether South Korea acted prematurely? If there's a clear case, the later a first response comes from South Korea, the more legitimate it could be. The position and timing of an intervention becomes critical to make one's intentions clear.

*Participant:* In the Chinese framework, the issue of timing on an intervention is critical, as making the first move may create the opposite circumstance of the intended effect if the timing is not correct.

*David K:* To intervene briefly, one of the things we found when we asked for a paper on transitional justice, we expected a paper on how well you set up a rule of law, property rights, etcetera. The paper was written by a South Korean lawyer and it was all about how to find and punish your enemies. This is why there are so many moving external parts in this project—South Korea's reactions, China's reactions, etcetera. China wraps itself around Western, Westphalian institutions, like the UN. It's interesting that now we want them to forget about it because we want to intervene. We have to take that more into account.

*Participant:* The DPRK has to remain in the North Korean people's psyche. That's where South Korean's legitimacy will be questioned. Food can become a tool that can encourage people to be more loyal to particular ideologies regardless of whether they subscribe to those ideas. It's like the hand that rocks the cradle. Loyalty is shown contingent on food supplies. However, it's not as if we're dropping the gates to a prison cell in North Korea, and everyone is just going to want to come out. Some are very loyal to North Korea and there will be those who wish for reunification to hope that it resembles what is in the North. I think legitimacy will be questioned inside North Korea and South Korea.

*Participant:* The DPRK psyche is interesting. There is decent knowledge in North Korea about the unhappiness of North Korea defectors in the South. Going back to Victor's question, a plausible scenario is that the ROK moves first and quickly under good intentions, while the North Korean regime is perceived to be at the brink of death or collapse, but with its loyal military still intact. If

South Korea moves in to provide food, there could be conflict and resistance and in China's eyes, it is definitely considered aggression. That is a partial collapse scenario and even if South Korea moves with good intentions, there are lots of problems.

*Participant:* There is a mechanical reason why the armistice does not permit crossing of the border by either country. Whether or not it is implemented well is a different story, but it does exist. So if South Korea or the U.S. mobilizes their troops, they will be in violation of the armistice.

*Participant:* I liked the scenarios because it forces you to play out the possible alliances with different players. Half of this is like the motto: failing to plan is planning to fail. What if we turned the discussion to a situation where China and Russia are protecting the North Korean regime under principle of law of the Westphalian system?

*Victor C:* South Korea and China will never really meet in the middle to agree on a metric of a collapsed state. There's also a domestic constitution for South Korea. Once there is any semblance of a lack of order in North Korea, under the South Korea Constitution, all North Koreans become South Korean citizens.

*David K:* Looking at the international legal perspective may be worthwhile. How does China view the DPRK? China views North Korea as a legitimate country. Legal paper, international law, and the meaning of sovereignty are all issues that will need to be defined.

*Participant:* Unless there is a DPRK military attack on the Korean Peninsula, or a mass exodus to the ROK, the ROK will most likely not move first alone, especially if it will have to move without U.S. support. There is an exaggeration by many that the ROK will want to move first. Because of the chronic food shortage problem, mass exodus is a possibility, but it is a smaller possibility than before. Military attack is more likely.

*Participant:* One proposal is to not talk about Korea at all. A case selection of different countries would be crucial, and to have the Chinese, Koreans, Americans, and members of the UN Security Council look at some of the cases with similar concepts (i.e., R2P) will be one way to move beyond looking at the situation with our built-in assumptions. People have such strong biases and assumptions so it makes looking at unification difficult, so we could do a study of unification by proxy.

*Participant:* Another thing to discuss is resources. Which actors have the resources to respond? What kind of resources? The difference between the United States and China is that China has a lot of money and because it's not democratic, it can pull \$2.5 million for a casino without any transparency or accountability. How can they act with these resources? The U.S. is capable of reacting to and handling crises, but not stability. This is the reverse for China—China is unable to respond to crises, bringing up law and sovereignty, but is able to maintain stability. China did not take away aid to Vietnam until Vietnam invaded Cambodia. Identifying which state(s) is better suited to approach crisis/stability is also important.

*Participant:* I initially intended to put together a table to illustrate my scenarios. But then as the discussion unfolded, I realized the table would have had to be very complex to cover the entire spectrum. I want to state several points. First, there is a potential risk in conflict between domestic and international legitimacy. This needs to be resolved and hopefully further evaluated from our

discussions. Second, actions designed to affect legitimacy versus stabilization need to be evaluated—whether there is a conflict between them and whether enhancing stability will come at the cost of legitimacy. Third, another theme is the internal dynamics between the ROK and the U.S. in regards to the varying scenarios, which may influence how the international community may respond. Lastly, if you spell out everything, this might influence preferences in ways that can heighten prospects for an actor to take a particular path to achieve a particular objective.

*Participant:* The ROK will seek to intervene regardless of whether it gains the consent of the U.S., because doing so will prevent China from gaining an upper hand by moving first, an intention the Chinese have signified in the past by suggesting the Korean Peninsula is ancient Chinese land. China has been preparing for the annexation of North Korea, and has suggested that Koguryo is their own kingdom, and that the entire Korean culture is Chinese, and has attempted to take over the Koguryo Kingdom in the past when the three kingdoms of South Korea were separate. If South Korea does not act, then China will, and it will be increasingly difficult to reverse the effects. There is also talk that they have also been acting as caretaker of Kim Jong-il's youngest son and therefore legitimizing themselves to the DPRK for a future custodial role of North Korea.

## Session 2: Institutions

### *Main Themes/Questions*

- The transition from humanitarian aid to reconstruction and developmental assistance.
- Trust building and the lack of overall trust.
- Evaluating the activities of NGOs: NGOs' viability and practicality, and the distinction between local and international NGOs.

### *Discussion*

*Participant:* There were a few themes that stuck out to me for this paper. The first was the constant civilian control of the military. The second was that the military was reactive. When we discuss the Korean People's Army as an institution, we need to make a distinction between the field military and political military. The political military is more powerful but smaller and it conducts its activities mostly through state trading companies. There's also a KPA that is pre-Kim Jong-il and post-Kim Jong-il. Kim Jong-il really runs his country through the National Defense Commission so we hear more about the elevation of the military after he consolidated his power. When we look at the Russian military, I was struck by the professional autonomy of the Russian military in implementation. The party makes the decision, but the military takes it over. In the East German case, the military couldn't do anything without the Russian military or the East German party elites. In the case of the KPA, it is solely an extension of Kim Jong-il. This individualization of the military makes it dedicated to protecting Kim Jong-il and his inner circle, or the "royal court economy."

There's an interesting notion of the military not seeing themselves as going against the people. It is usually the police that go after the people. There's a well-known case of one KPA unit who held an uprising after seeing the ravages and suffering of the people during the time of the Great Famine, but they were brutally crushed. This is anecdotal, but there is one instance of the military defending the people. Another contrast is the uniqueness of the KPA. We observe that 40 to 50 percent of soldiers are malnourished, which did not occur in the Russian or German case. Second,



there is a greater conscript of soldiers as free economic labor for the government. Third, about 95 percent of the KPA is being marketized. And if marketization is expanding within the KPA, some of the implications in creating new institutional behavior may include legacy issues. What extent will that phenomenon occur in North Korea?

Lastly, we should add state security forces to the discussion about protecting the people versus protecting the regime. The state security forces are purely for the protection of the regime, and the KPA are for external threats and forces. How will these roles will be established or diminished after the collapse?

One potential study could be on the comparative differences between East Germany's and the DPRK's military forces. During the transition from East Germany to a unified Germany, there was a selection of which members would be drafted into the unified German military. In the Russian case, there was a different military altogether. How would the notion of "de-Baathification" in the DPRK be carried out? Is it better to decommission everyone and reconstitute them as economic reconstruction brigades? What comes after that? Finally, when looking at the implications of the Arab Spring / Jasmine Revolutions, the Egyptian military's role was to act as defender of the people. In a comparative analysis of what came afterwards, how would the Egyptian military compare to the KPA and the state trading companies?

*Participant:* Would Koreans go for "one country / two systems?" Do Koreans really want or foresee reunification? Elites who are comfortable with the current system don't want change and younger generations don't want to pay for reunification, and the military's reason for existence is national defense. So does anybody really want it?

Are NGOs doing the work of propping up the regime and extending the suffering of the people or are they catalysts for change? NGOs in the DPRK have been working under the assumption of humanitarian emergency aid, but this emergency has been ongoing since 1995. NGOs do leave behind more than consumables, but I am interested in finding ways that NGOs can bring real changes or at least stay invested in change. The North Korean system may not be able to manage change without creating dangers. Can we do something to make longer-lasting change?

There could be more cooperation in humanitarian efforts between the U.S. and the Chinese and between the South Koreans and the Chinese. Given state-level tensions, NGOs are great agencies of change. How can nonstate actors take more of a role?

The South and North Koreans have to negotiate for real reunification. I'm a historian on Korea and I know that there are two different tales regarding the identity of the true Korean in the DPRK and the ROK. Which country is the truer Korea? North Koreans have a narrative within their country that they are the ones who influenced Korea. In the past, the Koguryo Kingdom was the one that took over land in Manchuria and therefore North Koreans are the ones who know how to get it back. South Koreans would look at it this and say this is ridiculous. They would tell a completely different story. Therefore, how do we define the Korean people? Who are the national heroes? Is Park Chung-hee a man who fostered the great economic development of South Korea, or is he a Japanese collaborator? The same questions apply to Kim Il-sung. Is he a World War II savior or is he a ferocious dictator? Who made modern Korea? This needs to be resolved. There are so many issues to work out before each country can actually think about reunification. What can NGOs do about this? When is an emergency no longer an emergency? The transition from humanitarian aid to developmental assistance needs to be discussed.



Last, the future of NGOs lies with the South Koreans. They have the best means to hear and react to the North Koreans.

*Participant:* I think NGOs have the unique opportunity to show North Koreans what the outside world is like. I found it interesting that North Koreans don't understand what an NGO is. To them, all agents are an agent of the government, so the concept of an agent who is not a government entity is foreign, so they always suspect that there is some sort of ulterior motive. The biggest obstacle to NGOs right now is the ability to maintain a sustained presence in the DPRK, as the DPRK is very limiting and controlling of what a particular NGO can do. There's a lot to be learned from the EU organizations. Also, "framing" the NGO's activities in a manner that is appealing to the North Korean government is important. In one particular region, a Belgian NGO started out by helping handicapped soldiers in the DPRK and began their mission that way. After a few years, they started to expand and reach more of the population. In this way, the reason and motive for entering the country will affect how the DPRK government and citizens receive them. If an NGO frames its mission wisely to appeal to the North Korean government, an opportunity to expand programs will appear and allow freedom for the NGO to maneuver and fulfill its duties. NGOs hold the key to laying a lot of the groundwork. I think the U.S. and South Korean NGOs need to make more of an effort with North Korea. We can take baby steps now, and expand later in order to stay there for a long time.

*Victor C:* With the limited capacity of work NGOs currently have now in restructuring or rebuilding parts of North Korea, NGOs are doing very good work now. But scaling projects up to the national level would be an immense effort and extremely difficult. The example of the Belgian NGO is one way to expand by reframing their agenda to fit North Korean special interests, but will that method apply to all? Also, in the example of the West German and East German military, a percentage of the enlisted people were kept and retrained under the German system, but the officers were decommissioned. Is that a successful example?

*David K:* It's difficult to talk about a country without any of its representatives here. The agency of the North Koreans and what they want is going to be an enormously important part of the discussion. What became clear in our last year's discussions was the importance of private actors, like the NGOs. How can we expand the activities of these NGOs?

*Participant:* When we look at the broader Arab Spring, we observe that once protests reach a critical mass, the next influential step is in the hands of the military. In Egypt and Tunisia, the military was a separate corporate identity from the regime and had a separate set of economic and trading activities that they wanted to preserve. These factors caused the military to refuse to fire at its citizens during the peak of protests. However, in cases like Bahrain, Libya, or Syria, where there is no distinction between the military and the state and the military has no identity separate from the regime, protests look more like civil war. In the case of North Korea, it's important to note that the army is very much tied to the North Korean regime and the "royal court economy" while it simultaneously has economic interests to protect.

*Participant:* There is a common thread between the DPRK and the ROK. One thing the Korean people have in common is not knowing whom to trust. NGOs have played an important role in trust building. There is a tendency for Koreans to look for trustworthy personalities when building outside relationships; there's almost a codependency because the government has a personality-

driven government structure that attempts to relate with personalities within the NGOs. NGOs role face important limitations because the DPRK manages its NGO relationships extremely well. The communication between NGOs and their ability to coordinate and maximize their effectiveness is very difficult.

The lack of residency is extremely important in the DPRK. In cases like Afghanistan or Myanmar, private NGOs can act as an important ballast through times of emergency. One example is called the Country Coordinating Mechanisms. Each has to have a panel group of the NGOs' patients, government officials, financiers, and clinicians. The DPRK barely meets those standards every time they apply. In addition, we see in the DPRK how the World Food Program, WHO, UN, or other NGOs are all unable to work together when it is optimal that they do. Before, there used to be 25 to 30 NGOs in North Korea, but now there is only a handful. Somehow, we need to convince the DPRK regime that it is in their interest to allow residency and coordination among these groups, and then we can push to a shift toward developmental assistance.

*Participant:* I have a question regarding the management of NGO relationships in the DPRK. During the period from 2005 to 2009, when the NGOs were constantly being kept in and then kicked out, was there any discrimination among the NGOs? Were they all in? Was there discrimination between countries or between faith-based and secular NGOs? Also, we seem to be talking about humanitarian aid NGOs but not human rights NGOs. As the situation becomes more politicized, what do we think will happen with the human rights NGOs?

*Participant:* Can NGOs be more effective if they are acting locally? Some NGOs may find that expanding to a national scale is less effective if they could target very specific areas or groups.

*Participant:* First, the UN and the Red Cross are not NGOs. They are international organizations. All NGOs are not the same. It is necessary to distinguish between community-based groups that are unique to societies and international NGOs with offices in multiple countries, with highly developed internal doctrines, specialized roles, and international dynamics. If we are talking about the large scale of NGOs, then they are not really functioning on a national level. In the case of World Vision in North Korea, we saw that the DPRK government tells you whom to hire. If that is the case, then the NGO is not actually an NGO—it is an extension of the state. NGOs thought they were working a real program in the DPRK, but they weren't.

There is a set of concepts called the Bellagio Principles, according to which NGOs adhere to as a guideline on how to run a relief program. In the DPRK, we were violating every one of the principles on a consistent basis. Based on that observation, we should have withdrawn from the country. Sometimes when there is a crisis, you can break some of the rules, but if you are breaking all of them constantly in a systematic way, then you are no longer an NGO.

Second, is this good or bad? The NGOs did introduce to the regime that there are international norms that exist outside of North Korea and that's very useful. North Koreans were completely unaware of the international aid system. The notion that you should feed everyone regardless of social class was so alien to them. Now, more and more North Koreans are going along with this concept. There are a lot of good things happening that is slowly bringing down the regime control, but we are making terrible compromises in North Korea to bring these changes.

*Participant:* Also, large-scale NGOs will not be able to function within the DPRK. The capacity and infrastructure is just not there. Roads are so bad in some villages, and therefore access is

another issue. Railcars travel 15 miles an hour to reach the distant provinces during the summer, and during the winters, it is nearly impossible. We are not allowed to set up our own landlines, and foreigners are not allowed to use the landline system meant for the North Koreans. And so obtaining personnel also becomes an issue because personnel cannot use the Internet or their phones and can barely move outside the hotel.

*Participant:* I was involved in three joint ventures with North Koreans as a South Korean businessman, working in magnesite mining, a water bottling project and solar paneling in the mid-1990s. I realized throughout my visits that the magnesite in North Korea is of very high quality and make up over 6 billion metric tons just on the surface. We tried to extract it but faced major issues. Just getting to the mining site and transporting it to Heungnam Port was an issue, but upon arrival, we would find out that the ship could only hold 10,000 metric tons. When I brought this up as an issue, they responded by asking me to invest in infrastructure for the port. Sending money was also an issue, and so they asked me to set up a banking system to use. Even basic necessities were a problem: getting water bottles or food, shipping product out, etcetera. In my opinion, regional economic zones like Kaesong Industrial Park are the best way to do it. Working with an individual organization is just too difficult.

*Participant:* I am not sure if scaling up the NGOs is the right focal point because it would be so difficult. Coordination among different NGOs is a critical issue. In particular, it is important to link the South Korean NGOs and civil society to U.S. and international NGO efforts. However, NGOs in South Korea are not very active, probably because of political reasons, but it's the kind of thing we should be planning for. South Korean NGOs in North Korea are now very limited in presence. Chinese actors have come in and have filled that role, and often it hasn't been in the form of an NGO. To make the transition from humanitarian aid to development, the primary obstacle is that the U.S. and ROK governments do not provide resources, not that there is difficulty in working with DPRK officials or a lack of coordination.

*Participant:* Development programs funded by the U.S. government are illegal under federal law. You need a presidential executive order or a change in statute which will be very difficult to get.

*Participant:* We can take lessons from Iraq in that there is a need for NGOs to coordinate their activities with the military. NGOs usually want nothing to do with the military, and the military want nothing to do with NGOs, but in Iraq, we somewhat worked it out despite there being some stupidity.

The Federal Republic of Germany in 1955 had a commission and interviewed former officers who underwent the change from the East German military to the unified German military. There were lots of issues to resolve in merging the militaries in Germany following East and West German reunification as well. There are differences in psyche and mentality that Korea will inevitably face. When the two militaries were merged, the East Germans were given reduced ranks and took pay cuts, as their pay and position were inflated in the East German military system. In addition to being limited in options, East German noncommissioned officers were foreign to the concept of initiative, and often sat around unless they were given orders. These kinds of differences will also need to be addressed.

## Session 3: Governance

### *Main Themes/Questions*

- Transitional justice.
- Managing “change.”
- Utilizing enterprise zones (targeting change) as pockets of innovation: health care, and so on.

### *Discussion*

*Participant:* In the case of negotiating transitions, we need to be cautious about our reluctance to enforcement from outside, given the Juche ideology among the DPRK’s citizens. Local input must be incorporated into prosecution. Timing of transitional justice is crucial. Premature prosecution before rehabilitation efforts will be untenable. Delaying justice initiatives until living standards stabilized may be more preferable.

Because doing nothing while delaying the trials will not be an option, a truth commission may be advisable as a supplementary measure. Truth commissions can contribute to transitional justice and promote reconciliation. With the ROK’s own history serving as a lesson (1988, 1997, etc.), they can also serve as an effective negotiation tool (recommendations for subsequent trials, reduced sentences for telling truth, etc.). This can be more favorable to spoiler groups than trials as well as be more useful in gathering precise records of the DPRK’s wrongdoings for future trials. Within the ROK, who established the National Human Rights Commission of Korea (May 2011) in preparation for post-reunification?

For the cases such as Germany, Chile, and Argentina, what did the truncated justice look like? How were the decisions reached? What was the momentum in these three countries?

*Participant:* This paper is written about health care infrastructure challenges in the DPRK. It is a Leninist state and the Leninist system of party supervision at every level controls the resources given and used. Delivery has many components (supervision, education, etc.), of which the state system cannot provide: there is a shortage in everything.

Health care involves a lot of components, such as education to ensure the patients take their medicine. The TB rates have risen more than four times. There are several consequences of the TB epidemic: shrinking life expectancy, malnutrition, and rising incidence of MDR TB (drug-resistant TB), which is fatal and expensive. We may need to pick specific targets near special economic zones (Najin-Songbong, etc.). The TB epidemic is growing 10 percent per year and it is developing in other parts of the world as well. This is another incident of “managing change.” It’s a systemic problem. What do NGOs do with a system that so underperforms and is so underresourced?

*Victor C:* Can you tell us more on what you think about truth commissions being a way of managing spoilers and leading to a path to legitimacy? It’s clear that it won’t work unless it is perceived as legitimate. Truth commissions have been used in a number of cases, though I would debate a bit on how successful they were. The last point about these “enterprise zones” mentioned in this essay is interesting because it seems like I see people are advocating similar things around this notion.

*Participant:* I’d like to ask about the impact of the International Criminal Court on transitional justice. What about the efficacy of some kind of blanket amnesty for lower-level officials? How do you determine what is the appropriate level to pursue that approach without undermining jus-

tice? Recently, in South Korea, there have been court decisions on heritage rights regarding North Koreans. How about thinking of transitional justice as a North Korean-only thing, whereby North Korean citizens take measures of their own against the DPRK authorities? I also wanted to hear some comments about staging in transitional justice. How much public health infrastructure work can be done in advance of any major change without running the risk of helping build the capacity of this government? It's basically a standard moral hazard question.

*Participant:* From the Iraq case, de-Baathification was seen as de-Sunnification. Reconciliation efforts were seen by Iran as re-Baathification. Different interests from regional players made the process polarizing and political, and delayed the process of transitional justice. Second, we don't have to see transitional justice as separate from reconstruction. Having sweeping decisions upfront on transitional justice took certain reconstruction efforts off the table because there was a complete vetting at a certain level. What are your thoughts on the Sunset Provisions and your thoughts on how to wrap it up? In Iraq, it's been left open-ended, and so de-Baathification began being used as criteria for elections and used as a political tool to disqualify participation of certain groups.

*Participant:* The International Criminal Court should be addressing guilt at an individual level. It will be so difficult for North Korea, because there are repercussions of "guilt by association." A lot of preparatory work needs done.

*Participant:* The conclusion of Adam Smith's book *After Genocide* is that none of the institutions have worked. USAID can fund rehabilitation under the notwithstanding clause for epidemics of any disease and can do health care work within the existing federal law without a presidential directive. Health care is even less of a moral hazard than food aid. Although one can make the argument that food aid can extend the reign of a regime, I don't believe that health care appears to do so. We should be investing more in health, especially at the pandemic level, especially given that health compromises the next generation of children, which South Korea will have to deal with in the future anyway.

*Participant:* It seems that South Koreans will have a difficult time accepting a gradual transitional justice, but will it generate some vindictiveness? Enterprise zones can be viewed as "pockets of innovation." By taking a zonal perspective, we can cite Cuba and health care. Cuba is a very innovative place for biotech, a fact that few people know, and they have quite a number of patents. Well-trained doctors from Cuba are exported to its sister country, Venezuela, and serve for a two-year term. Venezuela receives these doctors because in addition to the medical help, the government understands that these doctors are not a threat to their security, and Cuba benefits from the bilateral relationship. There is also the example of China and its special economic zones, and Vietnam and its garment sectors. They have secondary labor laws affecting just that sector and don't allow their own people to trade with each other in the economic zone. We can look at China and its private-public partnerships. Reebok is the biggest provider of health care to workers in Xinjiang (that occurs in pockets of areas), a force of the business community that is important in innovation. All of these countries, including North Korea, also export workers as well.

*Participant:* How much consideration do you give to the DPRK's concept of justice? What is the ROK's legitimacy as arbiter and how will they establish it, especially given that the DPRK views the ROK as having never faced its own history of having collaborated with Japan? The DPRK believe the ROK to be collaborating with the U.S. now. That's how the North Koreans view sanctions.



*Participant:* The promise is that we have to determine what the goals are. These are some of the major goals: deterrence, prevention, democracy building, and law building via material transfer of resources and symbolic gestures, creating historical records, reconciling perpetrators with victims and different parts of society, restoring relationships, and surprisingly rarely, establishing guilt and innocence. The biggest split is between retribution and restoration.

The truncated justice is from the old models because we have yet to see what will happen in the recent cases. The global context for those cases that have truncated accountability—two prominent cases being Argentina and Chile—operated with the norms surrounding amnesty being largely positive. It was a positive way of reintegrating people and moving forward. The initial truncated justice came out of politically negotiated transitions. The return came from pressure from civil society—locally, internationally, and, usually, from networks. In terms of North Korea, the context is completely different. In North Korea, the country where it is well known that significant human rights violations are occurring, the international world will be anticipating, watching, and thereby possibly affecting the judicial processes for North Korean leaders.

Truth commissions were present in El Salvador, Guatemala, Liberia, and Kenya, and the idea that a truth commission is an easy solution is highly suspect. The old model was that commission was underpinned by a previous amnesty such as in South Africa, but now this is not applicable. We cannot legally offer amnesty for certain crimes. Thus, conditions have now altered quite significantly.

On the level of amnesty, in the Mozambique case, there was reintegration at the lower levels. Now the process of demobilization, disarmament, and reintegration is politicized and used to shape discourse on genocide. Unlike the ROK–DPRK case, Germans have been dealing with their past for the last 45 years, through international trials, local trials, education in schools, and the like. There can be a different calculation given the possibility that the DPRK can accuse the ROK of recrimination.

*Participant:* The DPRK is on a continuum of postcommunist recovery since the end of the Cold War in Europe. We must look at Asia for some very creative health care reform models. The situation is unique because one cannot absorb each other's health care system, and there would be a huge fixed cost liability. We can see Asia as a staging ground for significant change for the health care model and we may find that Asia will come up with a solution that we have never seen before due to this unique circumstance.

My idea on focusing on enterprise zones is that since the Industrial Revolution, TB management has been a prerequisite to economic assimilation. Alaska is a case in point. TB is currently more than three times higher in the DPRK than anywhere else in the world. Public health systems tend to lag behind other economic miracles. The idea of enterprise zones is to work closely with what's going on in health care reform in East Asia today. There is an opportunity to work on the borders of Northeast Asia with cooperative health care programs that will enable the DPRK to observe how private-sector participation can be successful in restructuring projects. We also focus on workers' health and other production goals. In Kaesong, the North Korean TB clinic is right next to the South Korean one, and the South Korean one has state-of-the-art equipment and technology, while the North Korean one has nothing. These kinds of conditions can be easily fixed.

*Participant:* I wanted to add that I think it's important to have Sunset Clause mechanisms, but not one for transitional justice. The biggest issue in Iraq is one of sectarianism. Secondly, it's a question of who is responsible—the international, regional, or local community. The reformed government

has to be beyond these politics. For example, local justice has been done badly in Cambodia. The level and the Sunset Clause are secondary issues compared to legitimacy and a government dedicated to promoting such legitimacy.

## Session 4: The Economy

### *Main Themes/Questions*

- Informal markets and spillover effects.
- Change versus reforms.
- How unique is the ROK as a variable in comparative analysis vis-à-vis other cases?
- Leadership and the impact of individuals.
- The variable of Mongolia as an actor/model.

### *Discussion*

*David K:* There are a few common themes so far: zones within regional areas, public health, marketization, legal processes, business interests with spill-on effects, and so on. One interesting theme is that there are two different models implicitly in our heads regarding reunification. One model is that North Korea will exist in some form as the DPRK. There's also the total collapse model, which tells us what to do when everything falls apart. I will point out that we need to keep in mind what implicit model was used, or if both were used. If we have a fairly high probability that something like the DPRK will exist, most of our discussions on how to improve life in North Korea should involve dealing with the regime. Right now in our discussions, we're not talking about that even as we're presented with so many future possibilities.

*Participant:* The author looks at lessons from transition experiences in former socialist countries, like the big bang versus the gradualism issue and the importance of institutions as a determinant of transition performance. For the DPRK, an important observation is that economic stabilization can be a precondition for sustainable growth. We must look at informal markets, the legacy issues, and the outgrowth of the breakdown of institutions. There are two tiers—the general economy, where we see rent-seeking activities, and the second is the royal court economy, which features the elites. How did they start? How do they operate now, especially when factoring in Chinese influence in minerals and energy? There are resources like coal that are being mined in North Korea, but being exported to China instead of being given to its citizens. Informal markets are a way of transformation from a *survival* mechanism to a *coping* mechanism for the average citizen, military, and party members. Informal markets raise human security because those involved can buy their way out of trouble, which represents a “growing organism” within the DPRK. So, what are the legacies of informal markets and their unintended consequences?

The challenges ahead for the DPRK's economy include “de-Baathification.” For the DPRK, if the major players are related to the regime, how does North Korea “de-Baathify”? How will China view such reforms? Will they continue to have energy security and deposits? What are the priorities? This also leads to parallel economics. In one sense, there will be the DPRK's economy to be dealt with. In another, there will be legacies of the informal markets. If the priority is placed on the stability of the political situation, then the economy issue may be deferred.



Last, how do you view institutions? Institutions will be critical for growth. We also have to look again at legitimacy. In Germany, some political and economic institutions didn't work out because of a lack of legitimacy.

*Participant:* Many people state that the Chinese and Vietnamese economic models can be applied to the DPRK, but I disagree. North Korea is different from them and from the other Central and Eastern European examples because the initial settings in which these reforms were made are different. In those examples, North Korea will be starting from scratch. So to take another route, is reform possible? Preferably, is a reform that will not lead to political collapse possible?

The Chinese, South Koreans, and Americans say that the Chinese model fits the DPRK, but all for different reasons. The Chinese say so because they're trying to reassure North Koreans that they can reform their economy and remain who they are. The U.S. is suggesting that model because we think that it may reform gradually and lead to political liberalization. A key assumption that is often made is that economic liberalization will lead to political liberalization, but I am personally skeptical.

We should first understand the triggers for reform. Changes in economic policy are different from reforms. Very often, we call change in North Korea "reform." It's not very likely that the North Korean leaders who implemented the currency reform understood that they were reforming their economies. When the Chinese and Vietnamese began economic experiments, did they expect eventual cataclysmic changes? What are behind the changes? What is the regime trying to achieve?

Both China and Vietnam faced crises, but different challenges. China faced the challenge of letting go of the old economic system whereas for Vietnam, it was trying to gain control of the system. Which is the case for North Korea? Is it both?

Who are the actors? Who are the ones initiating the changes and being affected by the changes? If we look at the permissive domestic environment, for China, it was a bottoms-up movement and began with the rural poor and the uneducated. For Vietnam, it included government bureaucrats. What roles did the military play in China and Vietnam? For the DPRK, there is a bifurcation of elites and rural. Pyongyang itself is almost its own economy, but in the rural areas, we see people who are neglected by the public system and have to survive on their own. Pyongyang is run so differently and separately from the rural areas, and there are may be two separate economies functioning inside the DPRK for infrastructural reform. In these kinds of circumstances, any kind of shift may create economic crises. How well can the government compensate, mitigate or isolate the effects of that particular crisis?

It also matters which sectors reform first. Agriculture reform would be key for both. When looking at the South Korean model, part of its success was its agricultural reform. We also need to know how these sectors would respond. For example, in Vietnam, there were very few labor protests because laborers figured out how to compensate themselves outside of the system.

The external environment of North Korea is also critical. In North Korea, we have a unique intervening barrier: South Korea. South Korea is the most powerful external factor and an intervening variable in the international environment. This did not exist in the case of China and Vietnam. I think the Chinese and Vietnamese model is not the right model for North Korea; I think the South Korean model is the best model.

*David K:* What are the sectors? Is price liberalization feasible? Who are the veto players? Are new interest groups emerging? It would be interesting to try and answer these questions.

*Victor C:* Price liberalization is seen as a manifestation of a weak government. That's when they lifted price controls. Only after getting food stocks from international agencies would the government then reinstitute prices.

*Participant:* In the Vietnamese experience, it's been said that the U.S. needed to remain flexible on human rights issues. I'd like to hear a comment on human rights and economic assistance. Second, I wonder if I could hear about whether the overnight capitalism model could work in Asia or not.

*Participant:* In terms of countries with arable land per capita, the DPRK ranks as the fifth worst in the world. Excluding the former Soviet Union, Singapore, and Hong Kong—all countries that moved from a third to a first world country preceded rapid industrialization with dramatic rises in agricultural productivity. In Greece, Turkey, South Korea, Japan, China, India, and so on, the green revolution is what led to industrialization. Thus, the notion of focusing first on agricultural sector is a good idea, especially with the food security problem. All major reforms in Asia were directly related to individual leaders. There is no Deng Xiaoping figure in the DPRK. We should not underestimate the importance of leadership. If you liberalize prices but not production, you have a disaster in your hands. You have to do both or you'll increase prices without seeing a corresponding increase in productivity.

*Participant:* We should consider the perceived legitimacy of the system and psyche. For Iraq, it was the number of hours of electricity per day. What is the psyche of North Koreans?

*Participant:* We should keep in mind that even during the chaos of 1974 and 1975, Deng Xiaoping was high up in government, yet China watchers knew little of him at the time. A Deng may indeed exist in the DPRK. Even with a successful agricultural reform in the DPRK, this does not really affect the worst problem, which is poverty in the urban population. Thus, we should start with urban reform instead of adopting the China model. We need to also think about how to link the issue of how to get a more successful market transition back to the issue of reunification.

*Participant:* If we look at the legacy of Nordpolitik, the Northern Policy, China cut off their cooperation with North Korea in exchange for South Korea's help. To South Korea, that is ancient history. For North Korea, that was yesterday and is still called the "great betrayal." The Chinese have to rebuild that relationship with the North Koreans. There is a corruption of the party in China and a corruption of the family dynasty in North Korea. It will be interesting to see whether the DPRK will overcome either a shrinking or expanding of the pie, especially with different people vying for competition.

*Victor C:* What's the danger of North Korean codifying behavior such as contracting with the collectives to meet quotas but giving incentives beyond that to become policy?

*Participant:* There will have to be institutional reforms, which means stronger institutions which makes integration even more difficult with the South Koreans.

*David K:* North Korea will never be able to make enough food. It's a structural problem. The only long-term solution is to get out of the food crisis is for North Koreans to open up their economy. This highlights the number of difficulties when we think of economic reforms. I think the analogy fits that North Koreans are kind of a dysfunctional family who believe themselves to be the more legitimate family. All other countries in the Asia region have managed to catch up to the West, but the one place that has not is North Korea. It's the last green field opportunity.

*Victor C:* I see a lot of similarities between Vietnam and North Korea.

*Participant:* China views the DPRK almost as a private equity firm. China's approach is to carve out what is good and forget the rest. For example, Mongolia represents the boom for natural resources. Only one in five has been surveyed, so the DPRK could follow the path of Mongolia. However, North Korea needs reforms.

*Participant:* North Korea could have substantial improvement in productivity, but the regime is refusing to do so just for stupid ideological reasons. Agricultural productivity levels in the DPRK are even lower than those of Africa. There could be substantial improvements in agriculture at minimum investment. There could be a reverse movement of people. A total of 50 percent of the increase in productivity for developing countries lies in seed technology. There are minimal measures that are not intrusive that could increase productivity.

*Participant:* First, all military in China were forced to sell off all military enterprises so the ownership and control were separated. In Vietnam, that hasn't occurred. The core point in comparing China and Vietnam is whether price liberalization corrodes control. In Vietnam, it was a means to regain control and exposed dictator to new tools by allowing them to use price mechanism as opposed to administrative mechanisms. It's important to note that Vietnam did urban reforms before agricultural reforms. We must look at policies in the run-up of the official announcement of reforms. There was a surge in economic production right before actual economic reforms. The Vietnamese government never took away household / garden plots which showed to have made an enormous difference, while the Chinese government did take them away. Political institutional reform creates more systems of accountability. For example, the party secretary was voted out of power in Vietnam under a consensus-based political system.

*Participant:* There has to be three key policies: stabilization, privatization, and liberalization. There has to be a distinction made between market economization (system transformation) and marketization or informalization (survival mechanism). I think the system and control has weakened substantially because of the informalization. Change has to come from the leadership, which is why I believe that political transformation precedes economic change. There is no political transformation in North Korea now, so there is no future for the North Korean economy. The transition of the system, the integration of the Korean economies and industries, and overall development are all important sectors. The freedom to invest, to make transactions, and to have property rights are key ingredients for economic growth.

## Session 5: People

### *Main Themes/Questions*

- Managing “expectations.”
- Return migration: How to utilize and build up skill sets of refugees in preparation for reunification (e.g., integrating into the ROK's education system).
- The “psyche” of North Koreans (e.g., the psyche of food).
- The value of comparative analysis—vis-à-vis Vietnam, Haiti, the Middle East, the Soviet Union, and Germany.

- Segmentation: different classes within the groups of defectors/refugees—a “clash of cultures” within a DPRK refugee group.
- Targeting specific projects/regions: municipal sewage, water systems, and so on.
- The current system of distribution in the DPRK must be understood and must not be interrupted in a situation of chaos.

### *Discussion*

*Participant:* Internally displaced persons exist in the DPRK. Following a sudden change, this number will increase and become even more vulnerable with the failure of the DPRK government to protect the people’s rights. Return migration numbers will also increase from defectors in China, those failed to assimilate into ROK society, and so on.

Some of the recommendations include strengthening the skill set of refugees in the ROK as well as in preparation for return migration once conditions in North improve. However, there is a lack of skilled DPRK defectors and many burn out quickly. With that said, the ROK government is definitely learning, that is, direction of Hana centers, providing monetary incentives to companies to hire DPRK refugees, private alternative schools in bridging gap and preparing for high school equivalency exam.

The DPRK defectors will be an asset to bring back to the DPRK. There have been roughly 30 organizations set up so these defectors have opportunities for networking, academic forums and reunification issues. North Koreans do know how to come together and put communities together. We may want to start with how defectors can be better integrated into the South Korean education system and the skill sets needed to succeed in those jobs already held by South Koreans. Through the lens of an immigration issue, the DPRK defectors do not have opportunities of access comparable to South Korea’s (study alongside ROK counterparts, etc.). There is also a noted importance of remittances. A total of 49 percent of refugees send money back home, stay connected to their country of origin, and keep the windows open for other North Koreans to see the better life outside. The potential downside of remittances is that refugees sending money back to the DPRK may be doing so at the expense of helping their kids get ahead in the ROK. Could this be counterproductive?

*Participant:* There are four elements of food security—access, availability (volume), utilization (consumption sustaining health), and distribution (fair allocation). Going back to which actor moves first, whoever moves first should bring food with them. The way it is distributed will also be important in future implications. The method of access to food by the underprivileged should be discussed. Through a remittance economy, what happens to this source once we encourage refugees to return to the DPRK?

In thinking about unification and food systems in the DPRK there should be a monthly price-monitoring system to control inflation of food prices and programs to improve seed variety, and the quality of the water supply.

The labor needed for public water supply and other projects will have the added benefit of creating jobs. If these jobs are compensated in the form of food vouchers it would create a cyclical process. There is a classification of different classes in the DPRK. The “able-bodied” (or those who can earn wages, like laborers) can receive food vouchers as payment to be used at farmers’ markets. The “less able-bodied” (the elderly, children, or handicapped persons) will follow the central system.

In issuing food vouchers in place of wages, what kind of currency are we talking about in this transitional period? From a farmer's perspective at the market, will they be willing to receive vouchers? Can these be exchanged for valuable commodities? The voucher system is a temporary mechanism until the currency stabilizes. Then how can we prevent food from accruing exchange value? Also, the rule of law and monitoring system needs to be resilient. Who will be the agency?

The "psyche" of food in the DPRK has created a long-lasting impact in people's minds. The labor of making food is not alienated in the DPRK. The gift-economy mentality (food cannot be earned or exchanged) must be addressed by the first actor responding by *not* replicating a gift economy. It is important to prevent people from thinking "we will be feeding you now." Everyone must realize that food can be earned and entitled, rather than being passively "fed."

*Participant:* In considering the immigrants and their "expectations," North Koreans expect the South Korean state to provide for more things, which is an unrealistic expectation. We must look at "managing expectations." There is a potential backlash to inundating North Koreans with expectations of South Korea.

*Participant:* In the case of Vietnam, political refugees returning to Vietnam from camps in Hong Kong, Thailand, Philippines, and so on were discriminated against and experienced a "how dare they leave?" mentality. There was definitely stigma. For North Koreans, would the ROK ever ask the DPRK to take back refugees on condition of aid, etcetera.? Could there be a quid pro quo to prevent refugee influx?

*Participant:* In terms of the "two-state solution," has there been a comparative analysis with the German case in migration patterns? Will there be more or less movement?

*Participant:* Within the defector community, there are different generations. Those that defected during the Kim Dae-jung administration, the Roh Moo-hyun government, and the Lee Myung-bak regime. Most of the defectors fled during the KDJ administration. These were the "fringes" of DPRK society during the country's famine. The majority during the RMH fled for political reasons, like having family in jeopardy due to political crime. As for the LMB generation, these were those that gained money through informal markets. Thus, there is segmentation in terms of skill sets. The entrepreneurial group during the LMB has been sending remittances back, but also investing in small businesses predominantly in Hamkyung Province. Among 21,000 refugees spanning all three generations, there are less than 100 from the elite class. When we undertake long-term planning, we must consider that defectors from non-elite classes returning to the DPRK will create a clash of cultures in the new order postunification.

On remittances, what is the remittance flow from the North Hamkyung Province to other parts of the DPRK? Also, there is a growing trend in the monetization of everything. First, what will happen to the human traffickers later on? How can we work with them to figure out means to keep people in North Korea? Second, there are couriers who manage remittance flows. That's going to be the nascent monetary transfer via defectors all over the world. We must understand this flow to build the foundation for what will become a crude financial system for long-term planning.

Eighteen months ago, it would have taken a few days for money to be transferred to North Korea. The defector in Seoul accesses a bank account in Seoul and completes a wire transfer, at which point, the courier withdraws from the bank and personally buys goods and bribes. Then, a North Korean courier brings the money directly to the home in the DPRK. Now this process only takes



15 minutes because of Chinese mobiles. The courier is prepositioned. Courier B is analogous to a mobile automated teller machine. Courier A contacts B, and this is basically the business operation of A and B. Previously, the commission for each courier on the Chinese side and the North Korean side would deduct from 20 to 25 percent, a total of 50 percent. Now this rate is 15 percent on each side so a 30 percent total, which may be a function of increasing competition.

*Participant:* On the assumption of mass migration, it is worthy to note that more and more people are fleeing North Korea directly because of relatives outside and the remittances they send in. This means that there is a growing network. North Korea's mass migration might happen before unification and will be a different from the German case.

*Participant:* Perhaps we should look at food security and migration more locally in the DPRK. If possible, we should see the more local initiative. We should see patterns in different parts of the country and the regional variations. Health cooperation could become part of a broader regional approach when we discuss DPRK laborers in Mongolia and the enterprise zones.

*Participant:* In the end, the North Koreans are materially-motivated. The ability to alter their entitlement (legal ability to alter access to resources without facing punishment) is key along with the freedom of movement within the DPRK. I've found in my research that virtually all refugees want to return to North Korea. Maybe we need to concentrate on bringing North Korea literally up instead of focusing so much on reunification. A concept that was not mentioned is the powerful idea of 체면, or "saving face." North Korea would rather lose face to China than to South Korea.

*Participant:* If we consider the "Indian famine code," if any state experiences famine due to crop failure, the people can take a temporary public works job, receive food vouchers and receive "poor people's food" (no rice, but corn). Corn is self-selecting because corn is poor people's food, while rice is what the higher classes eat. The irrigation system and railroads were in fact built by voluntary labor system based on food insecurity. This system has worked for the past 130 years.

Municipal sewage and water system for the DPRK should be selected for work first because these two will reduce communicable disease. Utilization is the third element of the food security problem. A healthy body is key for nutrition, or there's no point in feeding people. If we apply this Indian system to North Korea, it will focus on the poorest people, make the system self-selecting because it's very hard work and the laborers will only receive corn, and thus minimize the number of people wanting this, making it temporary. The point is to maintain food security.

For the public works project, much of the population resides in coastal areas, thereby creating heavy concentration on those two coasts. We can rebuild all the small ports along the coasts and improve distribution of food by improving road systems and focus on a sea/commercial based system of food delivery. In chaotic situations, it's important not to disrupt the system in place. The oppressors will frequently become the oppressed. The most at risk could be former party officials because the North Korean population might want revenge. It is crucial not to disrupt the system too much or everyone will be up in arms. Lastly, I've talked to the president of Mongolia twice and he has told me that in the situation of a collapse of the North Korean system, he would take in refugees.

## Session 6: Lessons from U.S. Postconflict Planning

### *Main Themes/Questions*

- Consideration of the “perception” of ordinary citizen on the efficacy of a new government.
- Creating a “trusted source” for information and correcting rumors.
- The balance between local and national level (targeting projects).

### *Discussion*

*Participant:* The lesson from Iraq is that resources and will must be commensurate to the task. The ROK may avoid mistake mainly because Iraq was a war of choice, but unification with the North will be a necessary task when the North is imploding. Will the ROK have planning and resources ready when the North collapses? Given the current level of devastation and isolation in the DPRK, if immediate benefits are extended, the ROK may be able to avoid complete chaos in law and order.

It seems that a key point made from last year’s conference was that any kind of handout strategy has its own unintended consequences. In Iraq, the focus on long-run policy transformation came at the cost of meeting immediate needs. Greater early prioritization should have been on securing initial stability and demonstrating tangible improvements in daily lives for ordinary citizens rather than pursuing this complete transformation. Iraq is a clear example that attempting to transform too much too soon at the expense of stabilization could backfire. Sequencing matters. We must get prioritization right. As was mistakenly done in the Iraq case, a demobilization of KPA should not be hastily conducted.

After basic security was assured, the Iraqi public judged efficacy of their new government based on the delivery of basic services (electricity and employment), which is perhaps not as relevant for the DPRK because they already live with such limited resources. If the ROK can restore basic services while feeding the people, it may come out better than the prior regime. Managing expectations is also important. The Iraqi experience suggests that the long-term consolidation of any new political system rests on the public perception of its ability to meet basic needs. The de-Baathification process was less tied to any legal due process, and instead, was used as a political tool to disqualify political rivals. In the DPRK, we will need to avoid an outcome in which people feel like an indiscriminate victim.

Could de-capitation of Kim ease the transition? What if South Koreans kept the old guards and eased them out? We will need to strike a balance between justice and reconciliation. Another lesson from the Iraqi case is that the international community should not be rushed to fail. We should tie benchmarks to what is realistically possible.

*Participant:* The Serbian case is tangentially related to the DPRK. The parallel is related to the use of nationalism. However, in the Kim Jong-il case, there was more of a capitalization of incorporation into the already existing national myth.

The importance of patronage network calls for an understanding of the dynamics related to what factors allowed the DPRK to maintain the level of stability that it currently has. We do not know enough about Kim Jong-il’s lieutenants. Did the Balkan experts know more about the Balkan lieutenants?



If we take Serbia as an early success story, people began to think about smart sanctions. It is becoming clearer that the DPRK is so much less internationally exposed compared to Serbia that a manipulation of smart sanctions as a vehicle to stimulate change is much more difficult.

There are parallels between the qualifications and characteristics of dictators in maintaining their role, such as ability to control and ruthlessness. Milošević was able to overcome a continuous domain of losses. Kim Jong-il also faced similar circumstances without it having become a threat. There also may be parallels between the concept of “spite” in Serbian and the Korean “han.” This leads to a question on how to address grievances within North Korea.

How do we measure Kim Jong-il’s legitimacy within the DPRK? How do we draw out direct lessons for a post-collapse situation?

*Victor C:* The opposition to Milošević was able to oppose him successfully by wrapping themselves in the historical narrative. For Serbia, there was an element of “fatigue” in ideology, fatigue in resisting the world.

*Participant:* In the future decisionmaking process for North Korea, there needs to be a group of people who don’t necessarily agree, instead of having one person make all of the decisions.

*Participant:* What was the role of NATO in the Serbian case? In Iraq, everything was U.S. led. In the case of the DPRK, will it be just the neighboring countries who lead? Will it be a coalition?

*Participant:* There is a notion of the “losers.” One of the reasons that Mozambique is cited as such a successful case of transition was that very quietly, the Dutch funded Renamo, Dhlakama’s opposition party, so they didn’t lose everything even though they had lost. Peace occurred because someone took care of the “losers” in the financial sense.

One of the things that Saddam did was that he emptied the prisons and created chaos. Milošević did the same thing. This could happen in North Korea. After securing the nuclear weapons, we’d have to secure the prisons.

One important aspect is rumors and information. In the case of Cambodia, after the defeat of Pol Pot and the intervention of UN, there was a UN radio station set up that provided information on elections without propaganda. In Afghanistan, there was radio broadcasting from Dubai into Afghanistan that was estimated to be about 30,000 distributions of free-wave radio. In the case of the DPRK, it should not be the UN because North Korea will see it as a front for the Allies. Maybe the Red Cross could do the job. We must correct rumors so people can make personal decisions on whether to move or not move. We cannot allow it to be captured by elites in either the ROK or the DPRK, and this type of organization can be powerful in providing a trusted source for information on making decisions.

*Participant:* Having talked about the legitimacy of Kim Jong-il we should also ask, “What about the legitimacy of Kim Il-sung?” The North Koreans may view things as having gone awry once Kim Jong-il came to power but still think that things were ok with Kim Il-sung. Similar to how China reformed but still Mao is an important influence, Kim Il-sung likely occupies some of that same space. In thinking about the case of Iraq, presumably the ROK is the U.S. in terms of the parallel. What about South Korea’s plans? What about pre-invasions process in Iraq and the reliance on those defectors for information about what it was like on the ground? Are there any applicable lessons for South Korea? What about the role of *chaebols* and the nature of the ROK’s economic model?

*Victor C:* There is a tension between immediate political needs and longer-term reconstruction imperatives. We have lots of cases where they are out of joint, are there any cases wherein both struck balance? Also, in the 2008 program, how were local places in North Korea messaged to let them know that the aid workers were arriving to distribute food?

*Participant:* In Poland, the issue of lustration came up many times. They delayed and looked more carefully at allegiance for the members of the Communist Party. Poland's lustration issue was less politicized in the late 1990s and more about reconstructing identity. The intelligence agencies were left out because the issue was seen to be too sensitive. Finally, on Iraq, the accountability was nominally internal, but seen as an American thing.

*Participant:* The Japan and German models are not applicable to North Korea. It may be useful to look at the bread and butter of political structure—what the electoral systems look like, what the constitution and administration looks like, etcetera. If it becomes a two-state system, how would the DPRK consider the various models? Is it better structure if North Korea has a different set of administration arrangements?

Among the defectors, there was an insider/outsider cleavage in Iraq—the people who stayed versus the people who left. There was a resentment toward those that left. Those that went into exile in neighboring countries were seen as pursuing the agenda of those countries as opposed to the Iraqi national agenda.

Planning was so ideological in Iraq, and there wasn't a good sense of what Iraqis themselves would prioritize. The immediate and long term do not have to be in contradiction to each other.

*Participant:* The State Department and USAID are completely overwhelmed by the Pentagon. The best thing to do is put people in charge who have a lot of prior experience, can stay in their lanes, and can make their decisions while on the ground. Each situation is different. We need to see what is going on in society and build on the successes. We have to have early successes to build long-term planning. A central planning model is not a good idea. It is best to try different things at local level with a lot of discretion.

## Session 7: Working Lunch and Next Steps

- There was a lack of incorporating the legal perspective. We should know what is feasible versus what is *desirable*. For instance, the dichotomy—one arguing for the expansion of South Korea's law unto North Korean territory based on historical circumstances, and the other, viewing the relationship as that of two separate state entities, and therefore, arguing for international law—was not discussed.
- “Framing” seemed to be an important concept (i.e., framing the objectives and activities of the NGOs so as to make it attractive to the North Koreans). How can we borrow the framing literature to the case of reunification?
- On the subject, many issues were not drawn back (but rather self-contained) to the supposed theme of the conference: “reunification”—that is, what is the specific link and dynamic between enterprise zones and reunification? Related to this, the spill-over effects of one issue on another in relation to reunification was not teased out, due to the lack of general inter-connectedness.

How does session 1 relate to session 2? What was the relationship between each session within the conference?

- There is definitely a “perception” issue and a fuzzy area governing which assumptions each state is working from when thinking about certain scenarios. For South Koreans, the fact that the phrase “sudden change” (급변사태) is typically used to describe the scenarios concerning the DPRK should tell us something. What phrase does China use? What about the Japanese? In conjunction, where was Japan in the conference?
- In keeping with the issue of external actors/regional players, can we think of any “neutral” third actors that were not mentioned during the conference? For instance, the Red Cross was cited as a potential neutral third party. Can we enlist the help from any other actors?
- There is a slight disconnect in that while the ROK has been a long-term provider of bilateral aid to the DPRK, the country has only recently become an international donor (the Organization for Economic Cooperation and Development’s Development Assistance Committee). Is there a dialogue between the two literatures? Could we apply the best lessons already existing in the field to better direct aid / assistance to the DPRK? Or is there a fundamental break in the nature of the DPRK to other recipients?



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