

Canadian Centre
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REPORT FROM THE NORTH KOREA ROUNDTABLE

CCFPD

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North Korea Roundtable
January 22, 2001
Sidney, British Columbia

On January 22, 2001, the Canadian Centre for Foreign Policy Development organised a roundtable on the Democratic People's Republic of Korea (DPRK) at the University of Victoria Conference Centre in Sidney, British Columbia. The roundtable brought together security scholars, NGOs, Churches, academic specialists, students, business people, and government officials to share information and to contribute ideas to the development of Canada's foreign policy. Participants included Paul Evans (University of British Columbia), Tiger Lee (Canadian Food for the Hungry), Mary-Wynne Ashford (International Physicians for Prevention of Nuclear War), Michael Hwang (Korean Presbyterian Church), Charles Kim (Trans-Pac Fibre Inc.), David McLellan (Deputy Director, Korean and Oceania Division, DFAIT), and Bohdana Dutka (CIDA). Steven Lee (CCFPD) chaired the meeting. Marketa Geisler (CCFPD) was the Rapporteur.

This report is a summary of key themes discussed during the roundtable, they included:

1. The Economic, Social, and Political Conditions in the DPRK
2. The Role of Foreign NGOs: from Aid to Development?
3. Canada – DPRK Relations: Engagement without Illusion
 - 3.1. Diplomatic Relations
 - 3.2. Track II Initiatives
 - 3.3. Future Business Relationships
4. Concluding Remarks

The participants were broadly supportive of the recommendations made by the *Canadian Research Delegation to the DPRK*, led by Senator Lois Wilson, September 16 - 23, 2000 (outlined in a Box below). Some of these recommendations were emphasised and other ideas added:

- Canadian Track II initiatives should be diversified and involve a wide-range of sectors including health, forestry, agriculture, Parliament, and businesses.
- Canada should build on its existing Track II relationships in the future. The importance of Track II should not be diminished as diplomats begin their work.
- There is a growing need for bottom-up leadership and resources to maintain (and expand) Canadian Track II initiatives in the DPRK.

- It is better to be engaged, formally and informally, than leave the DPRK isolated. Doing nothing to relieve human suffering is not an option, especially for the humanitarian NGOs.
- Efforts should be made to move from aid delivery to more development-oriented assistance.
- The Canadian government could insist that aid it provides to the DPRK does not allow diversion of resources toward the development of weapons of mass destruction.
- Attention was raised to the grave humanitarian situation of refugees in the North of the DPRK and in Manchuria.
- Policy options to ensure North Korea's "soft landing" could be considered.

1. The Economic, Social, and Political Conditions in the DPRK

The report of the *Canadian Research Delegation to the DPRK* was outlined at the beginning of the discussion. Some of the delegates, present at the roundtable, said they were surprised with the level of access granted to them by the DPRK authorities during their visit. The difficulty for foreigners to develop personal relationships with North Koreans and the constant struggle for access to information were noted. The ability to venture beyond Pyongyang, allowed the delegates to assess economic and social conditions in rural areas. They have concluded that, compounded by the withdrawal of subsidies in the 1990's, a cold winter, poor crops, heat shortages, and an insufficient public distribution system have pushed the country to a crisis point and enhanced reliance on foreign aid.

A similar account was given by the representative of the International Physicians for Global Survival. Through the NGO's hospital visits, the daily hardships faced by North Koreans became

Key recommendations made by the *Canadian Research Delegation to the DPRK* were:

- Continue with humanitarian assistance in the short-term to address critical food shortages and explore ways of moving, in the medium term, from humanitarian assistance to a sustainable development framework.
- Encourage the establishment and expansion of the Canadian NGO presence inside the DPRK.
- Continue existing dialogue mechanisms with the DPRK and look to supplement them in the future with regular academic exchanges and training programmes.
- Promote bilateral exchanges of government officials for purposes of capacity building, sharing of experience, and broadening understanding.
- Encourage governmental discussion on non-proliferation, arms control and disarmament issues.
- Promote parliamentary exchanges
- Encourage business contact.
- Encourage people-to-people contacts.
- Establish formal diplomatic relations as soon as possible.*

* John Manley, Foreign Affairs Minister, announced that Canada established diplomatic relations with the DPRK on February 6, 2001.

evident. For instance, the lack of electricity precluded the installation of a neonatal unit at one hospital. In another, dire shortages of medical supplies were evidenced by the presence of a single IV bottle. It has also become apparent that North Korean doctors often do not have access to the latest medical expertise, leaving them about 8 years behind their Western counterparts. Many doctors are forced to turn to traditional Korean practices. A point was made that the ways in which North Koreans cope with hardship, including famine and lack of medicine are not obvious to an outside observer.

The grave situation of refugees in the North of DPRK and in Manchuria was cautiously raised. Both the DPRK government and Chinese officials perceive these refugees as illegal migrants and treat them extremely harshly. Since the issue is politically sensitive, a call was made to address the situation quietly rather than through formal bi-lateral channels. Others disagreed, suggesting that immediate measures should be taken. One option would be to air-lift refugees out of the area and bring them to Canada, as was done in Bosnia.

Critical economic and social conditions did not seem to have caused regime instability. It would appear that the political leadership is in firm control and despite some new diplomatic initiatives, domestic "opening-up" is unlikely. Nevertheless, some participants pointed out that agricultural reform and economic restructuring are needed, if the regime was to survive in the longer-term.

The participants debated whether it was useful to pressure the DPRK government to loosen its grip on the population, either through Track II initiatives or formal diplomatic links. What should countries like Canada do to contribute to the so called "soft landing," if the regime was to collapse?

A plea was made not to make conditions even worse than they already are. We should avoid making people suffer by blindly attempting to tear down the regime, however oppressive it may be. It would be an "illusion" to think that the regime could collapse as a result of external pressure. Perhaps, long-term efforts could be aimed at mobilising democratic forces, but immediate political pressure will accomplish little. While some accepted that external pressure may be impotent and that change may not occur for a long time to come, others pointed out that "sometimes, the long-term is really short." How many inside and outside observers anticipated the collapse of the USSR?

Some said that even though the regime appears to be strong, an increased flow of information will be inevitable as the country opens-up externally. A moment may arise when the government's loss of control over information results in a sudden shift. At that moment it may be useful to have an emergency plan in place to cope with new conditions and needs (i.e., migration and refugee flows). One participant noted that, according to a DPRK official, it is premature to talk about a "soft landing" before even taking off.

2. The Role of Foreign NGOs: from Aid Delivery to Development?

The degree to which the DPRK relies on food imports and aid remains disputed. Nonetheless, concerns were raised that "systemic" aid allows the DPRK government to divert resources toward armaments and strengthens the military regime in the longer-term. At the minimum, the Canadian government should insist that resources are not diverted towards the development of weapons of mass destruction. The DPRK government's lack of accountability for managing foreign aid and growing donor fatigue were also raised.

The question whether the time is ripe to move from aid delivery to longer-term development projects was widely discussed. Is the DPRK government ready to allow foreign NGOs into the country for longer periods of time (three years or more)? Can the "Western" perceptions of development be squared with the prerogatives of a highly centralised economy and a totalitarian ideology? How can grass-roots, small-scale development projects take off when centralised mass-production is favoured and foreign NGOs are denied contact with the local people?

Some optimism was expressed about the incipient willingness of the DPRK government to let aid delivery grow into small-scale development programmes, with examples in agriculture and health. However, the DPRK government continues to be extremely suspicious about the involvement of foreign NGOs and often interprets their activities as neo-colonial. An informal exchange with an official from the Flood Damage Rehabilitation Committee would support this assertion. According to him foreign NGOs represent, first and foremost, the interests of the donor. Some resident NGOs, on the other hand, do have a strong government backing.

A suggestion was made that to be able to engage the non-government sector in North Korea more easily, we should distinguish between service/delivery and advocacy/development NGOs. The service delivery mode is likely to continue, at least in the short-term. Meanwhile, the advocacy/development NGOs should not be too oppositional and wait until confidence with the regime is secured. In short, NGOs should work with the existing institutions rather than try to subvert them. Others disagreed with this assessment and asked whether this, supposedly "do no harm" approach, does not actually inadvertently support the totalitarian regime. It is plausible that systemic foreign aid does sustain the system. Could it also be that foreign NGOs may legitimise the DPRK government by developing a "good" working relationship with its officials? While it is not in Canada's interest to support an oppressive regime, there was a general agreement, especially among the humanitarian NGOs, that it is better to be engaged and that doing nothing to relieve human suffering is not an option.

3. Canada -- DPRK Relations: Engagement without Illusion

3.1. Diplomatic Relations

The Canadian government has adopted a more proactive engagement policy toward the DPRK, encouraged by the DPRK's greater openness, the Republic of Korea "Sunshine Policy," and most recently the success of the inter-Korea Summit. Late 1999 and early 2000 saw bilateral visits of increasing seniority and formality, which prepared the ground for a meeting between former Foreign Affairs Minister, Lloyd Axworthy, and DPRK Foreign Minister, Paek, on July 26, 2000. This was the first Ministerial-level meeting between Canada and the DPRK. Following the meeting Minister Axworthy announced Canada's recognition of the DPRK. (On February 6, 2001, the current Foreign Affairs Minister, John Manley, announced that Canada has established diplomatic relations with the DPRK.)¹

Participants asked whether it was in Canada's national interest to have diplomatic relations with the DPRK. How will Canada benefit from a closer relationship with the regime? What will the DPRK government expect from Canada?

There is a growing international and domestic awareness that the DPRK's isolation hampers, rather than helps, the search for solutions to such concerns as food shortages, the missile program, and proliferation. Greater Canadian engagement with the DPRK would serve Canadian and global interests. For instance, Canada could use the formal channels of diplomatic communication to express views on pertinent issues (including missile development and human rights) and to draw the DPRK into greater involvement with the outside world. Implementing the Vienna Convention will likely impact the ability of the DPRK government to exclusively control information and (foreign) access to the public.

¹ From a brief *Security on the Korean Peninsula*, prepared by David McLellan (Korea and Oceania Division, DFAIT), Canada's current engagement with the DPRK builds on the significant Canada-DPRK contact which took place throughout the 1990s, including DPRK participation in Track II cooperative security dialogue starting in 1990, attendance by Canadian Parliamentarians at the Inter-parliamentary Union meeting in Pyongyang in 1991, Canadian contributions of \$5 million to the Korean Peninsula Energy Development Organization since 1994, Canadian humanitarian aid donations since 1997 exceeding \$30 million through the World Food Program and Canadian NGOs, and liaison visits of increasing frequency to the DPRK by government officials from Beijing. Meanwhile, Canadian trade with the DPRK is negligible. Canadian imports from the DPRK have fluctuated between \$3 million and \$8 million annually. The major items are woven apparel; books, newspapers and manuscripts; paper and machinery. Canadian exports have ranged between \$100,000 and \$700,000 and are principally pharmaceutical products; wood pulp and wood; mineral fuel and oil.

A point was made that the criticism of the Canadian approach as being too "soft," too altruistic, too expensive, and generally contrary to the national interest is unfounded. It is logical to interpret the approach as *real-politic* since one of its goals is to prevent the creation of "fortress America" – a development to which Canada strongly objects. Normalising relations with North Korea and the country's opening-up may well become a key reason for banishing, or at least discrediting, the need for the U.S. to build National Missile Defence (NMD).

An informal discussion with DPRK officials suggested that they do not have a clear sense of what to expect from the Canadian government and that they have little understanding of Canada. Nevertheless, the officials indicated that Canadian aid is most welcome and seemed willing to undertake development projects in the future. Some participants pointed out that the DPRK government is not so much interested in development as in food aid and material inputs for their state-run (mega) projects.

A possible element in the future of Canada -- DPRK relations may be immigration, since there is a large North Korean community in Canada. A question was raised whether Citizenship and Immigration Canada will deal with immigrants and refugees from the DPRK in the same way as before. A indication was given that the answer is most likely positive.

Concerns were raised about a possible change in approach toward the DPRK by the new Bush administration. Has the U.S. become more reluctant to engage with the DPRK government and could this have a bearing on Canada's aims? A suggestion was made that there is no indication of the U.S. government's opposition to

Other Countries and the DPRK*

United States of America. Former U.S. Secretary of State Albright met with Kim Jong Il in Pyongyang from October 23-24 in an effort to move relations toward a more normal footing. The U.S. insists that the DPRK address U.S. concerns about missile development and proliferation prior to placing the establishment of diplomatic relations on the table. Missile talks in Kuala Lumpur November 1-3 covered the full range of missile issues under consideration, including the DPRK's export and indigenous programs, but significant issues remain to be resolved.

Japan. On October 30-31, 2000, the Japanese and the DPRK governments held their eleventh round of normalization talks in Beijing. Although cordial, the talks failed to narrow important differences between the two countries. Key points of contention include Pyongyang's demand for an apology and compensation for Japan's colonial rule of the Korean Peninsula earlier this century, and compensation for seized cultural assets. The Japanese government, meanwhile, wants the DPRK to take action on alleged abductions of Japanese nationals by North Korean agents, and continues to have concerns regarding the DPRK's missile program.

The **United Kingdom** and the **Netherlands** recently announced the establishment of diplomatic relations with the DPRK. **Italy** established, and **Australia** restored, diplomatic relations with the DPRK during 2000. More than 120 countries have relations with the DPRK.

*From a brief *Security on the Korean Peninsula* prepared by David McLellan (Korea and Oceania Division, DFAIT)

the steps Canada undertook to formalise its relations with North Korea. Observers are quietly optimistic that the level of U.S. aid and interest in the region will be maintained.

3.2. Track II Initiatives

The Canadian Track II approach should be diverse and involve a wide-range of sectors including: health, forestry, agriculture, the Parliament, and business. Good coordination will be needed to avoid duplication of initiatives and ensure their consistency. Both Track II and formal initiatives should build on existing relationships with the DPRK.

The importance of Track II should not be diminished as diplomats begin their work and "shadow diplomacy" loses its *raison d'être*. Instead, Track II should be perceived as a new arena for conducting international relations.² For instance, academic relations and exchanges may be the ground for discussing politically sensitive issues such as missile development or regional stability. It would be useful to carefully consider where Track II should go from here. Who should be involved on the Canadian side? Whom should we engage in the DPRK? Which issues need to be aired? How should the connection be made so it does not appear threatening to the DPRK government?

The non-government sector should be aware that although DFAIT subtly encourages Track II, the federal government will most likely limit resources to such activities in the future. With the new Foreign Affairs Minister, the priorities of DFAIT may also shift. Therefore, there is a need for a bottom-up leadership and resources to maintain and expand Canadian Track II initiatives.

3.3. Future Business Relationships

As diplomatic relations normalise, business links between the two countries may also develop. Business representatives suggested that before this happens, the DPRK government will have to initiate major reforms, including the creation of a banking sector and the construction of a basic transportation infrastructure. A fair regulatory system will also have to be created. While some were extremely doubtful of such changes occurring any time soon, others pointed out that a real shift did occur at the political level, with the success of the inter-Korea Summit. Signs of a thaw are apparent and anticipating increased economic engagement may not be as far-fetched as some may think.

A point was made that North Korea has some real economic potential, especially in mining and the steel industry. However, at present, visa and other restrictions prevent Canadians

² For a discussion of New Diplomacy, you may see CCFPD Policy Report, No. 1011.6, *Report From the Conference on New Diplomacy: the United Nations, Like-minded Countries and Non-governmental Organisations* (September 28-29, 1999, Millcroft Inn).

from doing business with North Korean companies. Addressing these barriers (i.e., loosening export controls and opening-up access to foreign investment) may earn the DPRK government enough hard currency to be able to feed people.

Some enthusiasts brought up the "causal link" between free markets and democratic development. Others doubted the willingness of the DPRK government to allow anything remotely similar to a free economy. Instead, any economic change would be tightly managed by the state, with profits and other benefits going into state coffers rather than "trickling down" to impoverished wage-earners.

4. Concluding Remarks

In conclusion, coordination and information sharing among those engaged with the DPRK was encouraged. The involvement of the North Korean Canadian community was welcome and a call was made to stay in touch. Throughout the day, government officials expressed their willingness to listen to outside views and recommendations, as they begin to work out the details of the new Canada -- DPRK relationship.

The representative of the Canadian International Development Agency (CIDA) called on NGOs to submit projects. While logistics of how to create adequate conditions for Canadian NGOs working in the DPRK still have to be worked out, new diplomatic relations will create room for more development-type initiatives.

The Chair closed the discussion by thanking the participants for their valuable contributions to Canada's foreign policy development. He encouraged participants to submit project proposals to the CCFPD John Holmes Fund.³

³ For guidelines and an application form click on:
<http://www.cfp-pec.gc.ca/ProjectFund/proj-e.htm>

See also CCFPD Policy Report, No. 5004.1. *North Korea Roundtable* (May 1998, Winnipeg)

North Korea Roundtable

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