

# Korea Forges Silk Road; Wall St. Assets Protest

by Kathy wolfe

Saying "I bring good news!" South Korean Presidential envoy Lim Dong-won returned from three days of meetings in Pyongyang, North Korea on April 6 with a five-point joint statement to restore inter-Korean relations. The "most significant outcome," said Seoul Unification Minister Jeong Sei-hyun, who met Lim at the demilitarized zone (DMZ), was the decision to complete the "Iron Silk Road" railway between the two Koreas, to connect all Korea to Europe via China and Russia.

The Koreans will resume building the Kyongui (West Coast) Line between Seoul and Shinuiju (which connects to the Trans-China Railway); build a bridge over the DMZ to re-link the South's Donghae (East Sea) railroad to North Korea's Kyongwon (East Coast) Line (which runs into Russia); and also construct a road between Munsan and Kaesong on the West Coast, Lim announced (see **Figure 1**). The rapid relinking of the rail lines was proposed by North Korean Chairman Kim Jong-il himself, Lim reported, at a five-hour private dinner. Lim, who negotiated South Korean President Kim Dae-jung's original June 2000 Inter-Korean summit in Pyongyang, also delivered a personal letter from Kim Dae-Jung to Kim Jong-il.

A fourth exchange of separated families will be held at Mount Kumgang in the North on April 28-30, the joint statement said. This is the major social concern of the Korean public. Other "cooperative enterprises between South and North" announced in the statement, include a high-level meeting of the Committee for Inter-Korean Economic Cooperation in Seoul from May 7-10; the construction of the Kaesong Industrial Complex in the North; joint action for flood control along the DMZ's Imjin River; reactivation of the Mount Kumgang tourism program; dispatch of a North Korean economic delegation to the South in May; and resumption of military talks. "Both sides agreed to cooperate with each other according to the principles of brotherly love, humanitarianism and mutual assistance," the statement concludes.

"The two sides also agreed to have their defense ministers quickly sign the 'military guarantee pact' " written earlier, Seoul Defense Ministry officials told *Yonhap News*, and are "making preparations to support the linkage of rail and roads." They also said that "because the two sides have working level experience on matters related to rail and road construction, it would not be difficult for military representatives to get together to discuss details of construction projects."

## Korea as Asian Hub

South Korean President Kim Dae-jung, who initiated the April 3-5 meetings, had said in early January that the Iron Silk Road would be ready for the May 31 opening of the World Cup soccer championship in Seoul. At the time, North Korea had begun work on its end of the railway, and thousands of Chinese and even North Koreans were to inaugurate the railway and travel to Seoul for the games. At an April 8 Cabinet meeting, President Kim said that the line could still be operating "within this year."

Seoul's Ministry of Planning and Budget also issued a report on Feb. 22, on measures to make Korea into an "Asian Hub" for all transportation between Europe, Asia, and the Pacific, in conjunction with the South-North rail link-up. Finance Minister and Deputy Prime Minister Jin Nyum said this would "revive the Silk Road by linking the country to China and Russia under a long-term plan for an international transportation and distribution hub." The report estimated that South Korea's share of rail container traffic in Northeast Asia will rise from the 15%, to 25%, when planned infrastructure upgrades are made. The measures include upgrading all rail lines to high speed rail, and building numerous new ports and airports. The government also plans to create three special economic zones in Yongjongdo, Songdo, and Kimpo outside of Seoul, with special tax breaks and other incentives for Asian-wide businesses, to create "a Northeast Asian center for transportation, distribution, and business." Pusan and Kwangyang are to be expanded into superports.

*EIR* Founding Editor Lyndon LaRouche told a Korean journalist recently that he supports this idea, as "Korea has a very special cultural role within Asia." Korea has a large Christian population; sharp internal regional cultural divisions between the three historically distinct clans of South Korea; and a large diaspora in Japan and China. This, however, LaRouche said, gives Korea an advantage as a communicator in the region. "Koreans have a very positive role to play, as a part of bringing together other nations, in Asia," he said. "It is very important as a factor, potentially, for creating the kind of cooperation between China, Russia, and so forth, that is necessary.

"I think that the paradoxical features of Korea are an advantage, not a disadvantage or a difficulty," LaRouche pointed out, speaking of Korea's internal regional culture paradoxes, and simultaneous tendencies for opening to the world and for xenophobia. "I think that the people of Korea live with those paradoxes, and that is one of the reasons why Korea can adapt, as it can, to other cultural influences. That is, the paradoxical quality is an advantage, not a disadvantage.

"We're all one human race," he said, "We should have essentially the same goals, the same kind of goals. But we have different cultural backgrounds, different language backgrounds, different cultural histories. And therefore the interesting thing is: How do you become universal in this

FIGURE 1

## North-South Korea Rail Connections



John Sigerson / EIRNS 2001

planet with different cultures? Therefore, a culture which recognizes within itself, the experience of that paradox, has a certain advantage in dealing with the world at large. Korea is, with this Western and Oriental background, so-called—its relationship to China; its experience with Japan; the experience with other countries in the region—the very paradoxical character of the modern history of Korea, is a potential advantage for Korea, in its ability to understand how to deal with the impingement of different cultural strains on its [foreign] relations.”

### Will Washington Be Rational?

Just after President Kim reported that the Silk Road was about to be completed last January, however, U.S. President George Bush’s Jan. 29 “axis of evil” speech shattered relations with Pyongyang, by targeting North Korea as a key “state supporting terrorism.”

April’s talks have made more difficult any reasonable claim that Pyongyang is about to “attack the West.” The question, however, is whether the Bush Administration will act rationally in East Asia, when it is acting so irrationally in the rest of the world. Unfortunately, there is every potential for the “Clash of Civilizations” crowd in Washington to hunt up excuses for more hostility. Korean diplomats on both sides of the DMZ must be aware of this, and accelerate their normalization efforts.

Special envoy Lim said on April 6 that North Korea also agreed to South Korean President Kim’s request to invite U.S. special envoy Jack Pritchard to North Korea. Pritchard is visiting Seoul on April 11-12 to discuss his trip North. Pritchard and other senior officials from Japan, South Korea, and

the United States met in Tokyo on April 9 for the Trilateral Coordination and Oversight Group (TCOG) on North Korea policy, and welcomed Lim’s report on Pyongyang. They “re-confirmed the importance of engaging North Korea in the international community through dialogue,” according to a joint press statement.

Donald Gregg, George H.W. Bush’s former U.S. Ambassador to South Korea, also visited Pyongyang on April 6-9—according to *Yonhap News*, a rescheduling of earlier plans for four former U.S. envoys to visit Pyongyang, postponed after Sept. 11. Gregg, head of the New York Korea Society, in public maintains a “pro-Sunshine policy” profile with respect to North-South reconciliation efforts. In fact, however, he is a manipulator who has said privately many times that he opposes the unification of Korea, because “we don’t need another Japan” to threaten U.S. hegemony in Asia. What his hands and feet do may be far more important than what his mouth says. Gregg said in Seoul on April 9 that there would be a “real story” should Pritchard actually make it to Pyongyang.

### The Empire Strikes Back

The “good news” from the inter-Korean talks has also, however, produced the predictable negative response from Wall Street assets in Korea and Japan. Seoul opposition party leader Lee Hoi-chang on April 4 denounced President Kim Dae-jung’s government as “leftist,” and called the front-runner in President Kim’s party for the November South Korean Presidential election, a “leftist radical.” Government policies which he said are “leftist,” included its “too generous approach to North Korea, forceful consolidation of the *chaebol* industrial conglomerates, state control of banks, and the policy of separation of pharmacies from clinics.”

Meanwhile in Japan, right-wing opposition Liberal Party leader Ichiro Ozawa on April 6 actually threatened China with nuclear confrontation, a none too subtle response to the peace “breaking out” in Korea. With no apparent provocation, he announced in a lecture that it would be simple for Japan to produce nuclear warheads and surpass China’s military power, warning that “China is applying itself to expansion of military power,” *Kyodo News* reported. “If [China] gets too inflated, Japanese people will get hysterical. It would be so easy for us to produce nuclear warheads—we have plutonium at nuclear power plants in Japan, enough to make several thousand such warheads,” Ozawa stated.

Ozawa said he made the same remarks during a recent encounter with the Chinese intelligence agency, saying: “I told that person that if we get serious, we will never be beaten in terms of military power. What would [China] do then?” he said. He said he wants to “encourage a society where Japan and China can coexist” peacefully, and that his statements were meant to strengthen ties between the two nations. “However, it is inevitable the remarks will invite sharp reactions from China and cause significant ripples in international society,” *Kyodo* notes.