# IAI
## Istituto Affari Internazionali

# Whither the inter-Korean Dialogue? Assessing Seoul's *Trustpolitik* and Its Future Prospects

by Antonio Fiori

## ABSTRACT

Since the beginning of her presidential campaign, in the autumn of 2012, the candidate Park Geun-hye emphasized the creation of a new "constructive" policy towards North Korea, aimed at improving relations on the peninsula and giving a fresh impetus to inter-Korean cooperation. The concept at the base of this policy was represented by "trust": for this reason, the neologism used to identify this strategy was *Trustpolitik*. The worsening relations between the two Koreas since the inception of the new South Korean administration in February 2013, and the inability of President Park to guide the process of rapprochement in a proactive way, immediately undermined the possibility of success for *Trustpolitik* and compromised subsequent developments. It is argued here that any strategy of trust building between two actors needs the promoter to play an active role, and this paper discusses how the lack of a broad, proactive strategy by Seoul has nullified the possibility for creating mutual trust between the North and the South.

*South Korea | South Korean foreign policy | North Korea*

keywords

# Whither the inter-Korean Dialogue? Assessing Seoul's *Trustpolitik* and Its Future Prospects

by Antonio Fiori*

## Introduction

On 9 March 2017, shortly after 11 am, the chief justice of the Constitutional Court, Lee Jung-mi, started reading the verdict that forced President Park Geun-hye from office. The president's actions had "seriously impaired the spirit of [...] democracy and the rule of law", the judge said, adding that Ms. Park's "actions betrayed the people's confidence. They are a grave violation of law, which cannot be tolerated".[1] This pronunciation not only put an abrupt and ignominious end to Park Geun-hye's experience as president, but also represented the epitaph of the unsuccessful *Trustpolitik* strategy that, in the hopes of Ms. Park, at the beginning of her mandate, was to represent a "constructive" turning point and a fresh impetus to the relations between Seoul and Pyongyang. In reality, the continued provocations by the North Korean (the Democratic People's Republic of Korea, DPRK) regime in recent months have led large parts of the South Korean (the Republic of Korea, ROK) policymaking elite and public opinion alike to wonder whether *Trustpolitik* has produced a positive outcome. The concept at the base of Park's policy was represented by "trust" – hence, the neologism used to identify this strategy was *Trustpolitik*: a concept largely used in the Korean context but seldom translated into a specific political approach, given the high level of animosity between the two Koreas.

Since the end of World War II and the division of the Korean Peninsula, the two states have entered a phase of tough confrontation. Its peak was reached with the outbreak of the Korean War (1950-3), a condition that is still technically unresolved on the peninsula since a peace treaty has never been ratified. After the armistice,

---

[1]  Justin McCurry, "Park Geun-hye: South Korean Court Removes President over Scandal", in *The Guardian*, 10 March 2017, https://gu.com/p/645j6/stw.

* Antonio Fiori is Associate Professor of International Relations of Asia at the University of Bologna, Forlì branch.

tension between Pyongyang and Seoul decreased, passing from open war to overt enmity, to competitive coexistence. Hostility, however, remained as the fundamental, inherent characteristic of the relationship between the two Korean states, which soon found themselves in a condition of strategic rivalry.[2] Hence, the need to put in place a process of mutual trust building – aimed at reducing tension and military confrontation, and toward a long-term process of national reconciliation and reunification – becomes a crucial point.

The first part of this paper examines the concept of "trust" in the international relations (IR) literature, proposing a framework against which to evaluate Park's *Trustpolitik* – the latter, discussed in the second part of this study. The final section tackles the question of Seoul's proactivity towards Pyongyang, asking whether – and to what extent – the South Korean leadership has been able to adopt an engagement policy with a pure sentiment of trust as its basis.

## 1. To trust or not to trust: that is the question

Given that trust is one of the so-called "social emotions" – that is, emotions that require the appreciation of the mental state of other people in contrast to basic emotions, like happiness or sadness, which only require the awareness of one's own somatic state – the role that it plays in the development of social relations is greatly relevant. Trust is always seen as an outcome of a relationship between two or more social actors, the creation of which depends on the nature of the relationship itself. From this perspective, the role of the actors in creating – or not creating – and in defining the relationship plays a crucial role in every process of trust building. Despite the vastness of the literature on trust in the social sciences, three common features emerge: risk, interdependence and positive expectations.[3]

Every relationship based on trust implies a risk. This risk directly arises from uncertainty about the actions that the other actor will undertake, as a reaction to our own behaviour. The insecurity that arises from uncertainty is a prerequisite for trust, which, in this sense, can be considered as an instrument to overcome diffidence and danger.[4] Similarly, if the interests of the two actors involved in the relationship coincide, then trust is no longer necessary. If both actors aspire to the same result, it is certain that both will act harmoniously towards that mutually

---

[2] Strategic rivalry can be defined as a relation in which the actors regard each other as competitive – roughly in the same capabilities league – and threatening – one of the two countries, or both, must have done physical harm to the other in the past, or project some probability of doing such harm in the present of future. These situations are highly unstable and can degenerate into overt enmity or even real conflicts. See Karen Rasler, William R. Thompson and Sumit Ganguly, *How Rivalries End*, Philadelphia, University of Pennsylvania Press, 2013.

[3] Christel Lane, "Theories and Issues in the Study of Trust", in Christel Lane and Reinhard Bachmann (eds.), *Trust Within and Between Organizations. Conceptual Issues and Empirical Applications*, New York, Oxford University Press, 2008, p. 1-30.

[4] Georg Simmel, *The Philosophy of Money*, London and Boston, Routledge and Kegan Paul, 1978.

desirable goal. When uncertainty disappears, the risk vanishes as well – and the actors no longer need a strategy to overcome it.

Second, for the realization of a relationship based on trust, a certain degree of interdependence must exist between the actors. The trustworthiness of our counterpart becomes relevant only if the realization of our objectives depends, to a certain extent, on the actions and on the cooperation of the other party.[5] Obviously, trust is not the only basis for a relationship. There are several other functional equivalents to trust for overcoming the risk-problem that lies in the unpredictable behaviour of the counterpart. The most common of these is power.[6] In an asymmetrical relationship, in which one actor can take advantage of a higher degree of relative power, the weaker side can be forced to act in accordance with the interests of the stronger party. In this way, the uncertainty surrounding the behaviour is overcome, and so is the risk that trust implies. Obviously, a situation of this kind is based on dependence and on a strong power asymmetry, and has nothing to do with trust. If we take into consideration the global system and the relations among states, the relevance of power as a functional equivalent to trust becomes evident. Interdependence, on the other hand, means that there is no significant asymmetry of power between the parties, and thus no one party can impose its will on the other. In this case, power cannot work as a functional equivalent of trust to overcome risk and uncertainty. The vital interests of both parties must be taken into account during the relationship, to reach a positive-sum game in which both parties achieve a favourable result.[7]

The third characteristic for a trust-based relationship deals with the expectations that each party holds regarding the behaviour of the other. Due to the impossibility of completely overcoming risk, both parties must believe that the other actor will not try to take advantage of this uncertainty. In every situation of this kind there is always the risk of exploitation, the risk of cheating, with one party pretending to act in a trustworthy way and then betraying the goodwill of the other for its own interest.[8]

All these three basic characteristics of trust, especially the last one, are closely related to the nature of the relationship between two actors. Trust is not an essential circumstance in relations between social actors, nor is it a necessary condition for the creation of cooperation, which can also emerge without trust.[9] However, if an

---

[5] Partha Dasgupta, "Trust as a Commodity", in Diego Gambetta (ed.), *Trust. Making and Breaking Cooperative Relations*, Oxford and Cambridge, Basil Blackwell, 1988, p. 49-72.

[6] Niklas Luhmann, *Trust and Power. Two Works*, Chichester, Wiley, 1979.

[7] Elinor Ostrom, "Toward a Behavioral Theory Linking Trust, Reciprocity and Reputation", in Elinor Ostrom and James Walker (eds.), *Trust and Reciprocity. Interdisciplinary Lessons from Experimental Research*, New York, Russel Sage Foundation, 2003, p. 23-83.

[8] Christel Lane, "Theories and Issues in the Study of Trust", cit., p. 11.

[9] For a complete analysis of the emergence of cooperation without mutual trust, see Robert Axelrod, *The Evolution of Cooperation*, New York, Basic Books, 1984, p. 73-105.

actor decides to overcome the *paradox of trust*,[10] by putting in place a process of trust building, it must adopt a proactive stance toward the creation of a system of repeated and sustainable interactions, in order to guide these interactions toward the creation of trust. After adopting a proactive posture, there are various strategies that an actor can put in place to build trust. The paradox of trust lies precisely in the fact that the more it is lacking, the more it would be necessary.

The necessity of a trust-building process emerges especially in contexts characterized by overt enmity or strategic rivalry between the parties, in which mistrust and suspicion prevail. The 70-year-old dispute on the Korean Peninsula can definitely be considered as part of this framework.

## 2. Park Geun-hye's *Trustpolitik*

*Mutual trust* has represented a recurrent catchphrase as a foundation for a new course in inter-Korean relations: it started to make its appearance in the early 1970s, and has resurfaced several times over the last four decades in the public, political narrative of South Korean governments. In 1972, mainly because of the changing conditions in the balance of power in East Asia – marked by the rapprochement between the People's Republic of China and the United States, and the unfolding of the "Nixon Doctrine" – the two Koreas signed the so-called North-South Joint Statement, in which they agreed on three principles – non-interference, peace and national unity – as a basis for the future process of reunification and the management of inter-Korean relations. The main goal was to enhance mutual understanding and reduce tensions and mistrust between the parties. In the early 1990s, by maintaining the same specific goal of introducing cooperation and trust between the two Koreas, the first elected South Korean president, Roh Tae-woo, introduced a policy named *Nordpolitik*. Finally, during the "progressive decade" (1997-2007), presidents Kim Dae-jung and Roh Moo-hyun made efforts to create a new pattern of relations between Seoul and Pyongyang based on mutual trust, cooperation and economic exchanges. The "Sunshine Policy", as the new approach was defined, was built around a paradigm of *constructive engagement*,[11] and had the explicit goal of enhancing mutual trust and reducing uncertainty and tension between the parties through constant dialogue and exchanges. The conciliatory experience brought about by the Sunshine Policy was definitively closed both by the election of Lee Myung-bak, a conservative president who singled out Pyongyang's denuclearization as the main requirement for any kind of

---

[10]  Trust becomes more important in the relations not based on trust, especially between enemies and rivals. In these cases, the focus is on the processes of trust-building, more than on the definition of trust, to overcome suspicion and create mutual trust between the parties.

[11]  The constructive engagement approach is not based on a *quid pro quo* logic, like conditional engagement in which the incentives from one side are strictly related to a prior change in the behavior of the counterpart, rather its rationale lies in engaging the other party through a series of positive inducements and thus creating a situation of interdependence and a minimum level of mutual trust between the parties.

engagement, and by North Korea's aggressive stance, culminating in some major incidents that completely closed the doors to any form of dialogue.

Park Geun-hye's election, in 2012, nourished the hope that relations between the two Koreas could experience a positive renaissance. This time, in fact, the idea of trust was placed at the centre of the new policy, defined as *Trustpolitik*, which was introduced for the first time in the autumn of 2011 in an article entitled "A New Kind of Korea: Building Trust between Seoul and Pyongyang", published in *Foreign Affairs* magazine.[12] Ms. Park, at the time a leading candidate for the presidency, tried to lay out the theoretical and historical contexts of that unfamiliar principle, and how it would eventually be translated into actual policy should she become head of state.

According to Park's new policy, building trust – defined by the South Korean Foreign Minister as "an asset and public infrastructure for international cooperation" without which "sustainable and genuine peace is not achievable"[13] – was a necessity not only for healing inter-Korean rivalry but also to improve the conditions of the fragmented North East Asian security scenario. For this reason, beyond the Korean Peninsula, Ms. Park's *Trustpolitik* contemplated an initiative to foster security cooperation in North East Asia – which would take the form of the Northeast Asia Peace and Cooperation Initiative (NAPCI) – with the aim of solving what she called the "Asian Paradox", representing, in practice, a sort of disconnection "between growing economic interdependence on the one hand, and backward political, security cooperation on the other".[14] NAPCI, launched in May 2013 during Park's visit to Washington, D.C., aimed at transforming the existing structure of mistrust and confrontation into one of trust and cooperation, starting with building a consensus on softer, yet equally critical, issues such as climate change, environment, disaster relief and nuclear safety.[15] In this way, cooperation would gradually develop among regional players, contributing to solutions to more serious security issues such as territory and history disputes.[16] A process of this kind can be considered as a strategy for creating mutual trust through incremental learning, which could eventually evolve into an institution-based trust-building process.

---

[12] Park Geun-hye, "A New Kind of Korea", in *Foreign Affairs*, Vol. 90, No. 5 (September/October 2011), p. 13-18, https://www.foreignaffairs.com/articles/northeast-asia/2011-09-01/new-kind-korea

[13] Yun Byung-se, "Park Geun-hye's Trustpolitik: A New Framework for South Korea's Foreign Policy", in *Global Asia*, Vol. 8, No. 3 (Fall 2013), p. 8-13, https://www.globalasia.org/wp-content/uploads/2013/09/462.pdf.

[14] Park Geun-hye, *Address to the joint Session of the United States Congress*, Washington, 8 May 2013, http://www.korea.net/Government/Briefing-Room/Presidential-Speeches/view?articleId=111940.

[15] Sheen Seong-ho, "Dilemma of South Korea's Trust Diplomacy and Unification Policy", in *International Journal of Korean Unification Studies*, Vol. 23, No. 2 (2014), p. 97-122.

[16] Yun Byung-se, "Park Geun-hye's Trustpolitik: A New Framework for South Korea's Foreign Policy", cit., p. 12.

As highlighted in the pages of her *Foreign Affairs* article, one of Park Geun-hye's main goals during the electoral campaign was to differentiate her approach, with regards to the DPRK, from the policies adopted by previous ROK governments, both progressives and conservative. Neither the Sunshine Policy, which in practice only attenuated Pyongyang's provocative stance, nor Lee Myung-bak's isolationist posture, which reinvigorated North Korea's aggressiveness – as demonstrated by the two nuclear tests and three long-range missile tests carried out by Pyongyang since then – proved entirely successful. Park Geun-hye's dilemma as president of the Republic of Korea originated precisely from the fact that neither *constructive engagement* – without preconditions – nor pressure had achieved the expected goals: for this reason, she sought a "middle-way" approach. In this context, perceived provocations from the North – such as missile launches or nuclear tests – not only would not be tolerated but would also ignite a strong response from the South; however, according to the principle of *Trustpolitik*, confidence and cooperation would be the ultimate aim in the construction of the relationship between the two sides. Against this backdrop of incremental gains, several inter-Korean initiatives would be realized – among them the provision of humanitarian assistance to the North, the enhancement of economic cooperation between the two nations and the creation of new trade and investment opportunities. Park Geun-hye also proposed the employment of proactive measures to enhance mutual trust – in, for example, separating humanitarian issues from political ones. South Korea should also expand infrastructures in order to improve North Korea's electric power, transportation and communication networks; support Pyongyang's acceptance into international financial institutions; strengthen trilateral economic cooperation with the participation of Russia and China; support the internationalization of the Kaesong Industrial Complex (KIC); jointly develop North Korea's natural resources; and upgrade social and cultural exchanges.[17] The establishment of "South-North Exchange Cooperation Offices" in the two capital cities should be the cornerstone for the accomplishment of these measures and, as Park suggested, the culmination of this process could be the holding of an inter-Korean summit, the first since October 2007. Harsh reality, however, frustrated the good intentions of candidate Park.

In December 2012, only a week ahead of presidential elections in the ROK, Pyongyang successfully put into orbit a Kwangmyongsong-2 satellite, mounted on a Unha-3 rocket. Subsequently, in February 2013, two weeks before Park Geun-hye officially took office, the DPRK conducted its third underground nuclear test. These two events dramatically undermined the possibility of reviving inter-Korean dialogue – as remarked on in Park Geun-hye's inaugural presidential address. However, calling on the North to use its energies in a more constructive way instead of on nuclear and missile development, the new South Korean President invoked the necessity to "move forward step by step to build trust between the South and the North on the basis of credible deterrence".[18] President Park's words

---

[17] Sheen Seong-ho, "Dilemma of South Korea's Trust Diplomacy and Unification Policy", cit., p. 107.

[18] Park Geun-hye, *The Full text of the 18th Presidential Inauguration Speech*, 25 February 2013,

occasioned a harsh response from Pyongyang: between March and April 2013, in fact, the North abrogated all agreements on non-aggression between the two states, including the 1992 Joint Declaration on the Denuclearization of the Peninsula,[19] and suspended operations in the KIC, the only surviving vestige of the Sunshine Policy, by withdrawing all its employees. The complex was reopened only after several months of negotiations, in September 2013, with the signing of the new formula of "progressive normalization", which some considered proof that the new policy was achieving some positive results.[20]

While citing small, conciliatory measures between the two sides on the peninsula – such as reopening the KIC and organizing preliminary talks on holding a new round of family reunions in August and September 2013 – as steps towards establishing inter-Korean trust, the whole process of building trust between the two nations remained, for the new South Korean administration, dependent on a real commitment to denuclearization by the North. Tensions also remained high due to the annual joint South Korea-United States military exercises in February 2014, seen by Pyongyang as a rehearsal for an invasion of the North. The following month, North Korea tested two Nodong (Rodong in DPRK's spelling) mid-range missiles and, soon after, exchanged artillery fire with the South across the Yellow Sea. The clash followed a warning from Pyongyang that it might test a "new form" of nuclear weapon, possibly referring to a miniaturized warhead placed on a ballistic missile.[21] Rounds of artillery shell near the Northern Limit Line (NLL) and missile launching continued in the following months, possibly in an attempt by the new North Korean leader, Kim Jong Un, to consolidate his power against growing popular discontent over the country's worsening economic conditions. In that moment, Pyongyang's use of military threats conspired to jeopardize Park Geun-hye's *Trustpolitik* strategy, seriously undermining its practicability and recommended proactive stance.

During 2014, President Park gave two very important speeches about inter-Korean policy. The first one, on the occasion of her first New Year's press conference, on 6 January, talked about a possible unification of the peninsula. Building the foundations for an "era of unification", she declared, was one of the two major tasks of the administration in 2014, and in so doing the key state tasks of "laying a foundation for peaceful unification" should be implemented with specific

http://www.korea.net/Government/Briefing-Room/Presidential-Speeches/view?articleId=105853.

[19] Under the Joint Declaration, South and North Korea agree not to test, manufacture, produce, receive, possess, store, deploy, or use nuclear weapons; to use nuclear energy solely for peaceful purposes; and not to possess facilities for nuclear reprocessing and uranium enrichment. See: Joint Declaration of South and North Korea on the Denuclearization of the Korean Peninsula, 20 January 1992, http://www.nti.org/49TAR.

[20] Cho Jong-ik, "2 Years on: Park Geun Hye's North Korea Approach", in *Daily NK*, 27 February 2015, http://www.dailynk.com/english/read.php?catald=nk00400&num=12928.

[21] Choe Sang-hun, "North Korea Vows to Use 'New Form' of Nuclear Test", in *The New York Times*, 30 March 2014, https://nyti.ms/2m4irGn.

policies.[22] At the same press conference, when asked by a reporter about further clarification, President Park affirmed "unification is like hitting a jackpot (*daebak*)",[23] a Korean term meaning huge success or breakthrough. Nonetheless, "jackpot" also had a negative valence, reminding people of gambling, as the Blue House (the presidential mansion) spokesman, Min Kyong-uk, asserted.[24] Therefore, soon afterward, the idiom was modified and the more temperate expression "bonanza" became the preferred official translation. In order to make a symbolic gesture toward the North, President Park proposed holding reunions of families separated by the division of the peninsula at the end of the Korean War, which began to take place in February 2014 at the Mount Kumgang resort. Pyongyang's reaction to the South Korean "jackpot" statement, however, was not positive, since it was interpreted as the umpteenth attempt at eliciting a sudden regime change in North Korea.[25]

On 28 March 2014, President Park was invited by Dresden University of Technology to receive an honorary doctoral degree. There, in a city significantly located in the former East Germany (German Democratic Republic, DDR), she gave a speech entitled "An Initiative for Peaceful Unification on the Korean Peninsula".[26] In her talk, Park Geun-hye pointed to four "barriers" that should be dismantled in order to open up a new future on the Korean Peninsula: military confrontation, mutual distrust, social and cultural differences between Seoul and Pyongyang, and the rupture of diplomatic relations between North Korea and the international community that kept the communist regime isolated.[27] These barriers, according to Park, could be dismantled by enhancing cooperation and exchanges between the two Koreas in order to recover mutual benefits and homogeneity. Against this backdrop, she advanced three propositions for a peaceful reunification: (i) resolution of humanitarian issues for the people of North Korea; (ii) infrastructure building for the co-prosperity of the Korean people; and (iii) recovery of homogeneity between North and South Korean people.

---

[22] South Korean Ministry of Unification, *2014 White Paper on Korean Unification*, February 2013, p. 5 and 37, http://eng.unikorea.go.kr/download.do?filename=40085_201407311000072610.pdf.

[23] Park Young-ho, "South and North Korea's Views on the Unification of the Korean Peninsula and Inter-Korean Relations", in *The Journal of Strategic Studies*, No. 61 (February 2014), p. 303-323, https://www.brookings.edu/wp-content/uploads/2014/04/Park-Young-Ho-paper.pdf.

[24] Chang Jae-soon, "Park's Office Chooses 'Bonanza' for Korean Word 'Daebak'", in *Yonhap News Agency*, 20 February 2014, http://english.yonhapnews.co.kr/news/2014/02/20/79/0200000000AEN 20140220008300315F.html.

[25] Choi Hyun-jun, "N. Korea Criticizes Pres. Park's Comment about Unification Being the 'Jackpot'", in *The Hankyoreh*, 21 January 2014, http://www.hani.co.kr/arti/english_edition/e_ northkorea/620709.html.

[26] Park Geun-hye, *An Initiative for Peaceful Unification on the Korean Peninsula*, Dresden, 28 March 2014, http://www.korea.net/Government/Briefing-Room/Presidential-Speeches/ view?articleId=118517.

[27] Lee Gee-dong, "The Dresden Unification Initiatives and the Inter-Korean Relations", in *Journal of Peace and Unification*, Vol. 4, No. 1 (Spring 2014), p. 141-146.

In addition, she re-proposed to North Korea the construction of an international peace park in the demilitarized zone (DMZ); however, this proposal was quashed by Pyongyang, which declared that it was not possible to give any thought to its implementation while the situation between the two countries – officially still at war – remained unaltered. Later that year, in her address to commemorate national liberation on 15 August, President Park also suggested opening channels for meeting and communication between people of both Koreas, based on environmental cooperation, the livelihood of the people and cultural reciprocation. North Korea was upset by Park Geun-hye's words, and immediately released a declaration from the National Defence Commission (NDC), defining the groundwork for reunification through economic exchanges and humanitarian aid as the "daydream of a psychopath".[28] Once again – referring to President Park's declaration, according to which the German model could be taken as an example for a virtuous unification of the peninsula – North Korea replied that this was a paradigm of the "West *absorbing* the East", and disparaged the proposal – billed as the "Dresden Declaration" – as a "nonsense, full of hypocrisy and deception".[29] The DPRK spokesman urged Seoul to abide by earlier agreements, stressing that all these previous documents gave priority to addressing the issue of easing military confrontation.

Despite Pyongyang's agitated response, South Korea's preparatory steps aimed at easing a reunification process were not frozen and became more pronounced with the launch of a Unification Preparatory Committee in July 2014. This committee, headed by the President herself and composed of vice-chairmen representing each government office and private consultants, should aim to "help bolster people's interest in the reunification, as it will explore ways to realize the much envisioned reunification".[30] At the same time, however, Park not only reaffirmed that her country's national defence had to represent a top priority but also that any kind of provocation coming from the North could not be accepted and had to be counterbalanced.

A further attempt at dialogue, without any significant political result, was carried out in October 2014 under the impulse of North Korea, when a high-level delegation from Pyongyang arrived in South Korea for the closing ceremony of the Asian Games, organized in Inchon. On that occasion, two of the highest-ranked North Korean officials, Hwang Pyong So and Choe Ryong Hae, met with South Korean Unification Minister Ryoo Kihl-jae and the chief of the National Security Council, Kim Kwan-jin. Owing to the conciliatory and friendly attitude, the meeting ended with the commitment to hold a new round of inter-governmental talks – however,

---

[28] Korean Central News Agency (KCNA), "NDC Spokesman Blasts Park Geun Hye's 'Dresden Declaration'", in *Korean News*, 12 April 2014, http://www.kcna.co.jp/item/2014/201404/news12/20140412- 01ee.html; AFP, "Pyongyang Slams South Korean President's Reunification Speech'", in *South China Morning Post*, 12 April 2014, http://bit.ly/2nG4WuY.

[29] Ibid.

[30] Choi Hyun-soo, "Unification Preparatory Committee Due Today", in *The Korea Times*, 14 July 2014, http://www.koreatimes.co.kr/www/news/nation/2014/07/116_160995.html.

these achieved no specific or concrete result.[31]

The enthusiasm that had characterized the period from August 2013 to July 2014 started to decrease from that autumn. After the launch of the new committee, President Park began to neglect the "North Korean problem" and to put aside her efforts towards *Trustpolitik*. The creation of a new presidential board that had to pursue new, concrete policies toward reunification shifted the focus of the ROK Government toward unification itself, more than on the process needed to achieve it. The difference between "unification as a process" – previously pursued by South Korean administrations, with positive response from Pyongyang – and "unification as the inevitable outcome" began to hinder the possibilities of dialogue between the two Koreas.

In the summer of 2015, tension started to rise again: on 4 August, two South Korean soldiers were maimed after stepping on landmines allegedly planted near one of the South's military guard posts by North Korean soldiers who had sneaked across the border; Seoul's immediate reaction materialized in the resumption of loudspeaker propaganda broadcasts across the border for the first time in 11 years. Such broadcasts, which often bitterly criticized the North's government, had been suspended in 2004 as part of efforts at reconciliation. North Korea followed up with an ultimatum that gave the South 48 hours to dismantle its loudspeakers, but the South's defence ministry dismissed the threat and said that the broadcasts would continue. On 20 August, the North fired a single artillery round over the border, followed minutes later by several more in the direction of one of the South's loudspeaker units; the shells fell short of the South's side of the DMZ, and the South Korean military retaliated by firing multiple shells. The confrontation ended with the North expressing regret over the wounding of the South Korean soldiers and Seoul agreeing to refrain from propaganda broadcasts.

The year 2016 witnessed an assertive push from North Korea: beyond the fourth (in January) and the fifth (in September) nuclear tests, Pyongyang has repeatedly launched missiles, seriously undermining stability in the Asia-Pacific region. The international community has firmly condemned these aggressive actions, and new rounds of sanctions have been imposed by the United Nations Security Council and by single nations. At that point, however, *Trustpolitik* had already shown all its weaknesses and could be confined to the history books.

---

[31] Katharine H.S. Moon, "North Korea's Incheon Landing," in *Project Syndicate*, 9 October 2014, http://www.project-syndicate.org/commentary/north-korea-s-peace-offensive-at-the-asian-games-by-katharine-h-s-moon-2014-10.

## 3. Seoul proactivity: "Waiting for Godot"

The relevance of a proactive management of relations in the process of trust building between hostile actors is pivotal. The three strategies of trust building place a strong emphasis on the necessity of one actor taking the leading role in the process in order to guide it toward the desired results. All the three main features of trust in the social sciences – risk, interdependence and positive expectations – need the influence of a proactive stance by one or both actors. In order to reduce the risk that directly originates from the uncertainty of the counterpart's response to our own behaviour, we need to implement an actual strategy to achieve the goal; similarly, if our objective is to induce positive expectations in the other actor, we must show our positive attitude through actions. From this perspective, trust building should not be considered as a "wait-and-see" policy – as it has been in the last few years with *Trustpolitik* – in which one actor declares its goodwill and then waits for a first move from the other side.

The proactive attitude, despite a certain degree of uncertainty in specific aspects of the relations between North and South Korea, was already present in Park Geun-hye's electoral programme. The expansion of infrastructures to improve North Korea's electric power, transportation and communication networks; the support for North Korea's socialization into international financial institutions; the strengthening of trilateral economic cooperation with the participation of Russia and China; the support for the internationalization of the KIC; as well as the proposal to jointly develop North Korea's natural resources and upgrade its social and cultural exchange are all examples of this attitude. However, since the very beginning of the Park presidency, it had already become clear that the practical implementation of these projects would be more complicated than their mere announcement. The negative posture of Pyongyang after its third nuclear test and the reaction of the international community certainly played a role in the worsening of the situation; after these events, the Park Government was not able to take the initiative and lead the subsequent development of inter-Korean relations in the sense of building mutual trust. The common characteristic of almost all the inter-Korean meetings held in the last three years is that they have been put in place to solve contingent specific issues, caused by a first move from Pyongyang.

The pattern that has characterized almost every inter-Korean contact since Park Geun-hye took office shows a lack of strategic proactivity from the South Korean side. The detailed planning of *Trustpolitik*, as explained during the electoral campaign, seemed to disappear under Pyongyang's "solicitations". Indeed, the real driver for inter-Korean relations in recent years – for better or for worse – has been Kim Jong Un's regime. Since February 2013, when the third underground nuclear test took place, the initiative has remained in North Koreans' hands, while South Korea limited itself to mere reaction. From that moment onward, the same old framework of highs and lows, crisis and rapprochement has remained constant. The timing of the crisis seemed perfectly designed, and had the effect of forcing Seoul to adapt its behaviour to that of Pyongyang, rather than proposing new

solutions after the long stalemate that characterized the last years of Lee Myung-bak's presidency. This situation has been favourable for North Korea, which in this way could "buy" valuable time on issues of fundamental importance. First of all, as happened after the failure of the Six Party Talks (SPT), Pyongyang's nuclear programme benefited from the deadlock and – despite the sanctions, which have proven to be largely ineffective – it continued almost undisturbed. In addition, the young Kim Jong Un, involved in a difficult internal "struggle" for the consolidation of his power after the succession, could take advantage of inter-Korean relations for political purposes. He showed himself not only as a strong and solid military guide – as in the case of the nuclear and satellite tests, or when North Korea responded to the South Korean-US joint military drills by firing missile and artillery shells – but also as a forward-looking political leader when he opened the door to cooperation and dialogue, as it happened with the 2014 New Year's Speech, the two rounds of family reunions and sending senior official envoys to Seoul.

The lack of "strategic proactivity" from South Korea has thus undermined the opportunity to create mutual trust on the peninsula. The declaration of intent was not enough to induce a change in the North Korean leadership. Its failure was, however, highly predictable. The process of trust building, in fact, is not a strategic priority for Pyongyang, whose primary interest clearly remains the survival of the regime. The strengthening of its military deterrent fulfils this task. On the one hand, it strengthens the defence of the country against external threats, while, on the other hand, it gives the regime major negotiating leverage should a new window of opportunity create the conditions for a fresh round of negotiations with Seoul and/or other regional actors. Furthermore, a periodic increase in tension on the peninsula serves to hold the attention of regional actors, and the international community as a whole, toward the Korean issue, giving North Korea more chances to obtain aid and assistance from third parties through international negotiations. Finally, if the South does not put forward proactive and structured proposals, the North avoids being placed in politically uncomfortable situations and acts accordingly; if the "ball is never in Pyongyang's court", the regime can avoid taking the political responsibility of reacting to South Korean inputs.

Seoul, on the contrary, has a strong incentive for lowering tensions on the peninsula; this is precisely one of the reasons why Park Geun-hye decided to bet on the trust-building process during her electoral campaign. The ROK is a fully developed, rich country, and the costs of an open conflict on the peninsula would be even more burdensome for it than for the North – not to mention the fact that the Seoul Capital Area, with its 25 million people, is located just a few kilometres from the border, where Pyongyang has positioned thousands of artillery units. Moreover, a rise in tension on the peninsula always has negative economic and financial effects in the South. Finally, inter-Korean relations are, in general, important for South Koreans when they vote for a new President. The collapse of Lee Myung-bak's popularity was also influenced by his negative management of relations with Pyongyang, which increased tension on the peninsula. It was for exactly this reason that Park decided to propose a new course of relations based on

trust, instead of on closure and intransigence.[32]

Hence, trust can be considered a "strategic asset" more for South than for North Korea; moreover; to actively pursue it the government in Seoul is expected to put in place a strategic and consistent policy. *Trustpolitik*, as described during the electoral campaign, could have been considered a good effort in this direction; however, as the evidence shows, it has proved far more fragile than expected, and highly vulnerable to pressures coming from Pyongyang. The positive results that it did achieve were not managed in the sense of being incorporated into an overall, strategic plan for the long term. Two rounds of family reunions took place, a strongly desired result for Seoul, but these did not lead to any further development aimed at making such meetings a regular occurrence. These inter-Korean meetings did not lead to tangible results and, above all, they did not originate any process of "institutionalization of the dialogue", which is necessary for addressing issues that might bring a general improvement in the relationship between North and South.

## Conclusion

In inter-Korean relations, there are always two actors who originate a series of interactions, and, consequently, the behaviour of both parties always contributes to the outcomes of those interactions. As was clearly shown in the first months of Park's presidential mandate, the actions of the counterpart have a great weight on the final results, and also on the political possibilities open to each part. Nevertheless, given a certain degree of interdependence between the two Koreas, the action of the South Korean Government has done little to tame the risk that arises from uncertainty, or for the positive expectations that are necessary for the creation of trust.

The focus on unification as a goal, more than as a long-term process, undermined the possibilities for cooperation and dialogue on the peninsula. Starting from the *daebak* narrative of unification, moving to the Dresden speech – with all its geographical and historical implications – and finally to the creation of the Unification Preparatory Committee, the overall discourse that was sent to the other side of the 38th parallel was that of an inevitable "absorption" of the North into the South, after the likewise inevitable fall of the regime in Pyongyang. This scenario has always been seen as a positive outcome by a part of the conservative South Korean political side; however, it cannot be considered as an indication of a trust-oriented policy from Seoul, and it inevitably leads to a closure by Pyongyang of any contact and to a necessary increase of military tension on the peninsula. This has been amply demonstrated by the recent development of inter-Korean relations.

---

[32] Kang Tae-ho, "Park Geun-hye's North Korea Policy", in *The Hankyoreh*, 8 January 2013, http://english.hani.co.kr/arti/english_edition/e_northkorea/568744.html.

The time of *Trustpolitik*, along with the political career of its creator, has expired. he 19th South Korean presidential election is scheduled to be held on 9 May 2017 and candidates have started to surface. Judging from the polls, Moon Jae-in, the head of the main opposition party who lost to Park Geun-hye in the 2012 election, seems to enjoy the highest approval rating in the country.[33] Moon, chief of staff to late president Roh Moo-hyun (2003-8) whom he accompanied to Pyongyang for the second historical inter-Korean meeting in 2007, seems not to have lost his faith in the conciliatory approach envisioned in the Sunshine Policy. In line with this vision, Moon has declared that the final word on the deployment of the Terminal High Altitude Area Defence (THAAD) system in South Korea should be left to the next ROK government, whereas Washington has already taken the deal for granted. In addition, the progressive presidential candidate has highlighted the need to reopen the KIC and has assured that, if elected, the first country he will visit is North Korea.[34] Nonetheless, the task of the next South Korean president will be very difficult. The hope is that he or she will bear in mind the flaws of *Trustpolitik* and will opt for a more pronounced engagement policy with a pure sentiment of trust as its basis, which can convince Seoul of the necessity to be a proactive player. The gauntlet has been thrown down.

*Updated 29 March 2017*

---

[33] Choi Ha-young, "Moon Jae-in's Approval Rating Hits New High", in *The Korea Times*, 27 February 2017, http://www.koreatimes.co.kr/www/nation/2017/02/356_224754.html.

[34] James Pearson, "Moon Rising? South Korea Presidential Hopeful Quietly Takes Stage", in *Reuters*, 22 December 2016, http://reut.rs/2hwvQ50.

## References

Robert Axelrod, *The Evolution of Cooperation*, New York, Basic Books, 1984

Chang Jae-soon, "Park's Office Chooses 'Bonanza' for Korean Word 'Daebak'", in *Yonhap News Agency*, 20 February 2014, http://english.yonhapnews.co.kr/news/2014/02/20/79/0200000000AEN20140220008300315F.html

Cho Jong-ik, "2 Years on: Park Geun Hye's North Korea Approach", in *Daily NK*, 27 February 2015, http://www.dailynk.com/english/read.php?catald=nk00400&-num=12928

Choe Sang-hun, "North Korea Vows to Use 'New Form' of Nuclear Test", in *The New York Times*, 30 March 2014, https://nyti.ms/2m4irGn

Choi Ha-young, "Moon Jae-in's Approval Rating Hits New High", in *The Korea Times*, 27 February 2017, http://www.koreatimes.co.kr/www/nation/2017/02/356_224754.html

Choi Hyun-jun, "N. Korea Criticizes Pres. Park's Comment about Unification Being the 'Jackpot'", in *The Hankyoreh*, 21 January 2014, http://www.hani.co.kr/arti/english_edition/e_northkorea/620709.html

Choi Hyun-soo, "Unification Preparatory Committee Due Today", in The Korea Times, 14 July 2014, http://www.koreatimes.co.kr/www/news/nation/2014/07/116_160995.html

Partha Dasgupta, "Trust as a Commodity", in Diego Gambetta (ed.), *Trust. Making and Breaking Cooperative Relations*, Oxford and Cambridge, Basil Blackwell, 1988, p. 49-72

Joint Declaration of South and North Korea on the Denuclearization of the Korean Peninsula, 20 January 1992, http://www.nti.org/49TAR

Kang Tae-ho, "Park Geun-hye's North Korea Policy", in *The Hankyoreh*, 8 January 2013, http://english.hani.co.kr/arti/english_edition/e_northkorea/568744.html

Korean Central News Agency (KCNA), "NDC Spokesman Blasts Park Geun Hye's 'Dresden Declaration'", in *Korean News*, 12 April 2014, http://www.kcna.co.jp/item/2014/201404/news12/20140412- 01ee.html

Christel Lane, "Theories and Issues in the Study of Trust", in Christel Lane and Reinhard Bachmann (eds.), *Trust Within and Between Organizations. Conceptual Issues and Empirical Applications*, New York, Oxford University Press, 2008, p. 1-30

Lee Gee-dong, "The Dresden Unification Initiatives and the Inter-Korean Relations", in *Journal of Peace and Unification*, Vol. 4, No. 1 (Spring 2014), p. 141-146

Jack S. Levy, "Learning and Foreign Policy: Sweeping a Conceptual Minefield", in *International Organization*, Vol. 48, No. 2 (April 1994), p. 279-312

Niklas Luhmann, *Trust and Power. Two Works*, Chichester, Wiley, 1979

Justin McCurry, "Park Geun-hye: South Korean Court Removes President over Scandal", in *The Guardian*, 10 March 2017, https://gu.com/p/645j6/stw

Katharine H.S. Moon, "North Korea's Incheon Landing," in *Project Syndicate*, 9 October 2014, http://www.project-syndicate.org/commentary/north-korea-s-peace-offensive-at-the-asian-games-by-katharine-h-s-moon-2014-10

Elinor Ostrom, "Toward a Behavioral Theory Linking Trust, Reciprocity and Reputation", in Elinor Ostrom and James Walker (eds.), *Trust and Reciprocity. Interdisciplinary Lessons from Experimental Research*, New York, Russel Sage Foundation, 2003, p. 23-83

Park Geun-hye, *Address to the joint Session of the United States Congress*, Washington, 8 May 2013, http://www.korea.net/Government/Briefing-Room/Presidential-Speeches/view?articleId=111940

Park Geun-hye, *The Full text of the 18th Presidential Inauguration Speech*, 25 February 2013, http://www.korea.net/Government/Briefing-Room/Presidential-Speeches/view?articleId=105853

Park Geun-hye, *An Initiative for Peaceful Unification on the Korean Peninsula*, Dresden, 28 March 2014, http://www.korea.net/Government/Briefing-Room/Presidential-Speeches/view?articleId=118517

Park Geun-hye, "A New Kind of Korea", in *Foreign Affairs*, Vol. 90, No. 5 (September/October 2011), p. 13-18, https://www.foreignaffairs.com/articles/northeast-asia/2011-09-01/new-kind-korea

Park Young-ho, "South and North Korea's Views on the Unification of the Korean Peninsula and Inter-Korean Relations", in *The Journal of Strategic Studies*, No. 61 (February 2014), p. 303-323, https://www.brookings.edu/wp-content/uploads/2014/04/Park-Young-Ho-paper.pdf

James Pearson, "Moon Rising? South Korea Presidential Hopeful Quietly Takes Stage", in *Reuters*, 22 December 2016, http://reut.rs/2hwvQ50

Karen Rasler, William R. Thompson and Sumit Ganguly, *How Rivalries End*, Philadelphia, University of Pennsylvania Press, 2013

Sheen Seong-ho, "Dilemma of South Korea's Trust Diplomacy and Unification Policy", in *International Journal of Korean Unification Studies*, Vol. 23, No. 2 (2014), p. 97-122

Georg Simmel, *The Philosophy of Money*, London and Boston, Routledge and Kegan Paul, 1978

South Korean Ministry of Unification, *2014 White Paper on Korean Unification*, February 2013, http://eng.unikorea.go.kr/download.do?filename=40085_201407311000072610.pdf

Yun Byung-se, "Park Geun-hye's Trustpolitik: A New Framework for South Korea's Foreign Policy", in *Global Asia*, Vol. 8, No. 3 (Fall 2013), p. 8-13, https://www.globalasia.org/wp-content/uploads/2013/09/462.pdf

# Latest IAI WORKING PAPERS