Few people would doubt that the continuing rise of China is the single most influential factor in the evolving geostrategic position of Korea. Over the last 35 years, China has experienced a period of rapid economic growth which is probably without parallel in world economic history, and this period is not over. While China is still far from being in a position to challenge global US hegemony, it is quite possible that it will play a dominant role in East Asia, especially if ongoing changes in the world economy press the US into reducing military spending and downsizing its global role.

Indeed, in the last few years China loomed increasingly large in issues of the North Korean politics. Some of the most controversial political problems of present-day Korea are clearly related to China’s rise. The fate of the Jeju naval base, whichever is officially stated, largely depends on whether Korea will eventually chose to balance against or bandwagon with rising China. The problem of the forced deportation of the North Korean refugees attracted much attention of the Korean public to the issues of human rights in China – perhaps, first time when such issues are discussed widely.

It seems that the rise of China will present Korea with many a difficult decision. In some cases, confrontation is likely to develop, but usually some kind of compromise is, probably, the best option. Like it or not, most problems in East Asia cannot be effectively solved without cooperation with (or at least the passive support of) China. This is the case with the major long-term issue of Korean politics, that is, the issue of Korean unification.

Some (speculative) thoughts about North Korea’s future

In recent years, it has been a general rule of diplomatic protocol and political correctness to profess belief that the eventual unification of Korea should be achieved gradually, through negotiation between the two Korean governments. Unfortunately, this is wishful thinking. While negotiated and gradual unification is highly desirable, it is all but impossible as well.

The major stumbling block is the huge – and growing – gap in living standards between North and South. Even according to the most optimistic estimates, the per capita income gap is as high as 1:15, whilst more pessimistic estimates put this gap closer to 1:40. This remains largely unknown to a majority of the North Korean
population thanks to a combination of harsh policies of self-imposed information isolation, domestic surveillance and ruthless persecution of dissent. For decades, the North Korean government has gone to exceptional lengths to hide the level of South Korea’s economic affluence from the average North Korean.

Indeed, the increasing income gap makes the North Korea regime extremely vulnerable politically. Once the North Korean populace learn about the prosperity enjoyed by their Southern brethren, they are quite likely to see their government as the force responsible for the current economic backwardness and destitution of the North. Hypothetical negotiations about unification will inevitably bring about much closer interaction between the South and North. Sincere steps towards negotiated and gradual unification will mean increasing contacts through economic interaction, personal exchanges and the like. If this is to happen, the North Korean people are bound to learn about the gap between the two Koreas and they are yet again likely to blame their own government for this gap. Improved contacts with the South are highly destabilising for the North Korean regime in its present shape, and the regime is perfectly aware of this.

Therefore the only realistic route to unification is a radical change in the North Korean regime – and such changes seems to be a question of time since in its present form the regime cannot be sustained indefinitely. Such a change may result from a popular revolt, power clash within the elite, or even attempted reforms (due to the above mentioned reasons, Chinese-style reforms are extremely dangerous for regime stability in the North). Some combination of the three may happen as well. Domestic crisis in North Korea is likely to trigger a popular movement whose major demand will be unification with the affluent South – essentially the adoption of the seemingly super-efficient and highly attractive economic system of South Korea. In other words, we are talking about the Korean version of what happened in Germany in 1989-91.

However, in the peculiar case of North Korea such a domestic crisis and the resulting outbreak of a popular pro-unification movement is likely to develop into a violent confrontation. The North Korean political elite, including its middle and even lower strata, have good reason to believe that in the case of unification-by-absorption, they will lose everything. These people are therefore likely to fight – to take the most recent example, Gaddafi’s loyalists in Libya did. These potential Kim loyalists clearly constitute a minority, albeit a significant one (one or at most two million, perhaps), but they are better organised and better trained than the average North Korean. In the case of a domestic crisis, these Kim loyalists will see themselves as cornered and therefore will fight with determination.

If a future domestic crisis in North Korea were to become violent, this will create great temptation for China to get involved. The result of Chinese unilateral intervention is likely to be the emergence of a pro-Chinese satellite state in the northern half of the Korean peninsula. Such a turn of events would perpetuate the division of Korea more or less indefinitely. It will also endanger peace and stability in Korea because it means that the Korean peninsula will remain the focal point of great power rivalries.

Therefore, to the best of our knowledge we can anticipate that North Korea’s mid to long-term future is likely to follow one of the following three scenarios:

1. **North Korea remains basically unchanged.** The scenario entails that the regime avoids all real reform, keeps its people as docile and terrified as it can whilst manipulating outside powers in order to obtain aid. This is not a recipe for indefinite systemic survival, but it may ensure elite continuity for a decade or two, if not longer.

2. **A domestic crisis brings about unification by absorption.** In this scenario, disintegration of law and order, whatever the cause, will bring about the outbreak of a pro-unification movement whose demand will be unification with the South.

3. **A domestic crisis brings about Chinese intervention and the creation of a pro-Chinese regime.** In this