

Working Paper No.1996/9

**THE RAJIN-SONBONG FREE TRADE ZONE  
EXPERIMENT: NORTH KOREA IN PURSUIT  
OF NEW INTERNATIONAL LINKAGES**

*James Cotton*

*Canberra  
December 1996*

National Library of Australia

Cataloguing-in-Publication Entry

Cotton, James, 1949- .  
The Rajin-Sonbong Free Trade Zone Experiment: North Korea  
in Pursuit of New International Linkages.

ISBN 0 7315 2540 X.

1. Free trade – Korea (North). 2. Free ports and zones – Korea (North).  
3. Korea (North) – Economic policy. I. Australian National University.  
Dept. of International Relations. II. Australian National University. Dept.  
of International Relations. III. Title. (Series : Working paper (Australian  
National University. Dept. of International Relations: 1983); no. 1996/9).

382.71095195

© James Cotton

## **DEPARTMENT OF INTERNATIONAL RELATIONS**

### **WORKING PAPERS**

The Department's Working Paper series seeks to provide readers with access to current research on international relations. Reflecting the wide range of interest in the Department, it will include topics on global international politics and the international political economy, the Asian-Pacific region and issues of concern to Australian foreign policy.

Publication as a 'Working Paper' does not preclude subsequent publication in scholarly journals or books, indeed it may facilitate publication by providing feedback from readers to authors.

Unless otherwise stated, publications of the Department of International Relations are presented without endorsement as contributions to the public record and debate. Authors are responsible for their own analysis and conclusions.

Department of International Relations  
Research School of Pacific and Asian Studies  
Australian National University  
Canberra ACT Australia

## ABSTRACT

In 1991 North Korea declared Rajin City and Sonbong County a Free Economic and Trade Zone (FETZ), in which foreign owned enterprises would be permitted to operate. So far, Pyongyang has invested 150 million *won* in upgrading facilities, and has introduced a comprehensive regime of laws and regulations. Other investments are now also in evidence, notably modernised telecommunications, foreign banking, and containerised cargo facilities. Promised foreign investment in the FETZ now totals over US\$1 billion, with \$43 million committed to date. North Korean plans envisage three different types of development. First, Rajin is to become a major container port for the Northeast Asian region; second, the zone is to become a tourist destination; third, the zone is to host export oriented industry. Pending improved inter-Korean relations tourism may be the most prominent development. This will undoubtedly entail social and perhaps political costs. Meanwhile (with United Nations assistance) a new Tumen regional agenda has emerged which would tax the commitment of most countries to regional cooperation, but will pose particular difficulties for Pyongyang. Given the economic difficulties North Korea now faces, the success of this experiment (together with the outcome of the 1994 nuclear deal with the United States) will determine whether the government in Pyongyang will avoid collapse.



## **THE RAJIN-SONBONG FREE TRADE ZONE EXPERIMENT: NORTH KOREA IN PURSUIT OF NEW INTERNATIONAL LINKAGES**

*James Cotton*

The pattern of North Korea's external linkages, from 1948 until the 1980s, contained several inter-related features. Soviet and Chinese patrons were cultivated to provide aid, trade, and armaments. North Korea sought to raise its profile in the Afro-Asian and Non-Aligned worlds principally to secure support in the United Nations General Assembly with the dual objectives of contesting the legitimacy of the Seoul government and of the UN role in the Korean armistice. And strategic alliances in West Asia were established to trade arms for energy supplies. Throughout, the North Korean stance was that none of these linkages contradicted the policy of self-sufficiency (*juche*) which has been (and remains) the watchword of the regime since 1955, though the record shows that Chinese and especially Soviet technical aid has been crucial for the building of industrial capacity. In particular, trade was never a major priority, and North Korea's reliance upon trade was comparatively low for a developing economy. The brief experiment in the early 1970s with internationally financed purchases of advanced technology from the world market ended in (still) unredeemed indebtedness.

The collapse of communism, and the conversion of China to the imperatives of the market, have forced North Korean policy into uncharted waters. Neither patron can now be relied upon, and the seating of the two Koreas in the UN and the decline in the leverage of the third world in the General Assembly have rendered obsolete much of the perennial North Korean strategy for the world body. Only North Korea's arms for energy trade remains, but heightened United States scrutiny and other developments relating to the countries involved have limited its scope. In this context, North Korea's free trade experiment for the Rajin-Sonbong area is evidently of crucial importance for the regime and its future prospects. On the one hand, it marks a radical departure from the pattern of decades. Stressing trade in general, and foreign investment to facilitate export oriented development in particular, not only contradicts the notion of self-sufficiency but is a novel and previously untried expedient. In addition, and given the patent economic difficulties North Korea now faces, the success of this experiment, together with the outcome of the 1994 nuclear deal with the United States, will determine whether the government in Pyongyang will still be in existence to greet the new millennium.

This paper reviews the record and prospects of the Rajin-Sonbong experiment, and the relationship between this experiment and the other major priorities of the regime. It argues that a new willingness on the part of North Korea to cooperate with its neighbours, and also with the international market and with South Korea, will be required if the experiment is to be a success. By its own idiosyncratic standards, however, North Korea has come some way to facilitating new forms of international cooperation.

### **The Rajin-Sonbong FETZ: establishment and progress**

On 28 December, 1991, the Administration Council of North Korea declared (in decision No. 74) that 621km sq of the country around Rajin City and Sonbong County would be constituted as a Free Economic and Trade Zone (FETZ). In addition to joint ventures, foreign owned enterprises would be permitted to operate within the FETZ. Rajin and Sonbong (and neighbouring Chongjin) were declared free ports, and various taxation benefits were offered to investors in the zone. The zone was enlarged to 746km sq in 1993, to give direct access to China via the Wonjong bridge over the Tumen River. Management of the zone was entrusted to the Committee for the Promotion of External Cooperation (CPEEC), a body previously in existence to regulate trade with countries with which North Korea does not have official diplomatic relations, under its Chairman, Kim Jong U.

The regulations relating to the FETZ adopted in 1992–93 distinguish between equity and contractual joint ventures (i.e., ventures managed jointly or exclusively by the Korean partner respectively) and foreign enterprises. Foreign enterprises may only operate within the FETZ, whereas the other categories may operate in any approved venue on North Korean territory. While the regulations pertaining to the operation of equity and contractual ventures are somewhat general in nature, those regulating foreign enterprises contain a detailed account of the concessions available for such activities.

According to the law on foreign investment published in 1993, foreign enterprises are required to pay income tax, with the rate set at 14 per cent within the FETZ, and 10 per cent for certain preferred high-technology activities. Further, such enterprises (apart from those in the services sector) will be exempt from enterprise income tax for three years after the first profit-making year, provided that they are operated for a period of at least ten years. A taxation reduction of up to 50 per cent (which may be discretionary) is also applicable. Other taxation incentives are offered regarding funds reinvested or used for the provision of infrastructure. The state undertakes to provide labour (at a minimum wage of 76–160 *won* per month, with employers liable for no welfare or other charges), with the provision that foreign enterprises may employ technical or similar personnel from outside the country (including South Korea).

From its inauguration to date, North Korea has adopted a series of laws and regulations to provide a coherent regulatory framework for the operation of the FETZ.<sup>1</sup> These include provisions relating to visa-free travel (November 1993), foreign resident business representatives (February 1994), civil proceedings (May 1994), the leasing of land (September 1994), external economic contracts (February 1995), insurance law (April 1995), and even advertising (April 1996) and the registration of vehicles (July 1996). This flurry of legislative activity has also brought to light laws not previously publicised, most notably the law on the protection of the environment (adopted in April 1986, published in 1995).

---

1 *Golden Triangle, Rajin-Sonbong: Collection of Laws and Regulations*, 7 vols (Pyongyang: CPEEC, 1994–96).

Only usage will determine how these laws will operate. However, it is noteworthy that they permit foreigners (and also South Korean citizens) to enter the FETZ without visas, to reside in the FETZ, to buy and sell property, and to own and drive motor vehicles in and out of the FETZ. The refurbishment of the Wonjong bridge in 1996 has already led to vehicular traffic in and out of the zone.

In order to foster foreign interest in the FETZ, and following a similar exposition in neighbouring Yanbian in 1995, the CPEEC, with the assistance of the UNIDO funded Tumen Secretariat in Beijing, organised the Rajin-Sonbong Zone International Business and Investment Forum, which was held on 13–15 September 1996. After arguments concerning invitations and funding, a large contingent of South Korean officials and businessmen stayed away. However, around 440 delegates from 26 countries attended, to hear addresses from Kim Jong U, Vice Premier Kim Bok Shin, officials from China and Russia, and businessmen who were undertaking investment in the FETZ.

During the Forum the CPEEC took some trouble to facilitate business negotiations. These were successful to the extent that the event concluded with the announcement that new contracts and foreshadowed investments with foreign entrepreneurs relating to activities in the area would total US\$840 million. Added to existing investments of \$319 million (\$43 million realised to date), this carries the total foreign capital planned to flow to the Rajin FETZ to over \$1 billion.

So far, according to data released at the time, Pyongyang has invested 150 million *won* (US\$71 million at the official exchange rate) of its own funds in upgrading facilities, sealing roads and completing hotel and conference facilities. Other investments are now also in evidence, notably modernised telecommunications engineered and managed by NEAT&T, a subsidiary of the Loxley group of Thailand. A fiber optic cable has been laid from Hunchun in China to the FETZ to link North Korean communications with Jilin province. Direct dial international telephone calls can now be made from the FETZ, using ‘smart card’ telephones. As a concession in order to undertake this communications modernisation, Loxley has been given a 30-year monopoly on all telecommunications and media developments in the zone. One foreign bank, Peregrine, in collaboration with Pyongyang’s Daesong Bank, has now established a presence in the FETZ. Since late 1995 a shipping line has been moving containerised cargo from China abroad by way of the port of Rajin, using the Wonjong bridge to cross the North Korea-China border. Fertiliser brought by rail from Russia transits Rajin port using a purpose built terminal.

### **The FETZ: expectations and likely outcomes**

The biggest obstacle to the realisation of North Korean plans for the Rajin-Sonbong FETZ is the poor state of South–North Korean relations. South Korean investment in the neighbouring part of China has played a major role in the rapid development of the Hunchun Border Economic Cooperation Zone, and the same advantages and proximity would draw South Korean business to Rajin. These relations, however, are now at a low ebb, and while they remain that way, South Korean investors will stay away, and international investors will remain very cautious. Setting

aside this difficulty, however, North Korea's priorities for the Rajin experiment may turn out not to match those of foreign investors.

North Korean plans envisage three different types of development. First, Rajin is to become a major container port for the Northeast Asian region (with linkages to Mongolia and China, and ultimately to serve as the Asian terminus of the trans-Russian landbridge to Europe). Other specialised ports are also to be developed in the zone: Sonbong as an oil terminal, and Unggi as a timber port. Second, the zone is to become a major tourist destination, with the construction of hotels and other facilities, and the exploitation of the natural beauty of the coastal environment. Third, the zone is to host export oriented industry which will ultimately employ a majority of the working population.

While North Korea would earn appreciable amounts of foreign exchange through each of these developments, the biggest pay off for North Korea would come from the additional benefits of technology transfer and manpower skills upgrading which would follow from the establishment of export oriented industry. Overall, the technology and skills of North Korean industry are a generation out of date, and the industry in the FETZ is no exception.

North Korea is therefore seeking to attract foreign investment in new export oriented activities in the zone, or foreign participation in the upgrading of established light industries to render them capable of producing goods for export. But here North Korea faces particular problems. There are now many potential export platforms offering low wages in Asia. North Korea must compete with some locations where infrastructure is better established, and political conditions more predictable. Moreover, most local industry (perhaps with the exception of food processing for export) is so backward that it will be unattractive to foreign investors. Already many foreign business concerns have inspected the local petrochemical, foodstuffs, and consumer products plants, but none have decided to become involved. Several major international concerns have advised the North Koreans to scrap their facilities and start again, if they wish to achieve internationally competitive practice. This is not to say, however, that there will be no investments of this kind. The experience of reform in China suggests that there may be some package deals involving both the upgrading of existing facilities and new enterprises, the former being undertaken in order to ensure the maximum cooperation from local authorities and suppliers.

Of the two other potential areas for development, port modernisation has made some progress. There is now regular container traffic between China and South Korea via Rajin. This employs lighter vessels, though as yet using a less than satisfactory road network rather than rail, pending a new agreement with China on cross-border rail traffic. Although Rajin enjoys undoubted geographical and regional advantages, a very large investment will be needed if the envisaged container port (to be constructed on reclaimed land adjacent to a deep water anchorage) ever materialises. Further coordination with China and Russia—which may be achieved if the Tumen River Area Development Coordination Committee, the first meeting of which was held in April 1996, realises its program—will also be required.

It is significant that the largest single investment announced at the Rajin forum was in the tourist area. The Emperor Group of Hong Kong contracted to build a five-star hotel and casino on

the coast, at a cost of \$180 million (with an additional \$30 million promised from the same source for a banking venture).

Speaking at the Rajin-Sonbong investment forum, CPEEC Chairman Kim Jong U stated that all investments and activities in the Rajin FETZ were permitted, provided they did not harm national security, employ outmoded technology, or cause environmental pollution. When questioned specifically about the casino project and its possible impact upon North Korean morals, Kim Jong U said without hesitation that as it met these three standards it was completely legitimate and acceptable.<sup>2</sup>

Pending improved inter-Korean relations, tourism may well be the biggest beneficiary of the investment climate in the Rajin FETZ. Though providing some benefits, this will undoubtedly entail costs. The bulk of such tourists are likely to be from China, and as any recent visitor to coastal China can verify, such tourism tends to bring in its train social ills such as drug abuse and prostitution. Already, Rajin boasts a Chinese managed and staffed 'International Club' which is in reality a massage parlour. In pursuit of foreign capital as well as technology and skills, North Korea therefore may have to settle for something less than what was initially envisaged. In the process, this shortfall may also discredit the strategy of those advocates within the North Korean administration who have become committed to an open door policy. It is no doubt underestimated in the outside world how difficult it must have been to create the conditions necessary for this policy, or how exposed, consequently, its advocates must be.<sup>3</sup>

### **Policy-making and official rationale for the free trade zone experiment**

North Korea's major policy goal has always been the construction of an independent and self-reliant national economy. What this has meant in practice, however, has undergone considerable change over time. In the early days of the DPRK, Kim Il Sung stated clearly that independence and self-sufficiency were not inconsistent with foreign trade, though the trade he had in mind was with the socialist bloc, and was of raw materials and heavy industrial goods that North Korea produced in large quantities. Later, Kim spoke in support of commodity trade with other nations, including those in the capitalist world, in order to meet a shortage of foreign currency and to supply the country with some items of advanced technology which were lacking.<sup>4</sup>

---

2 Kim Jong U, Press conference at the close of the Rajin-Sonbong Investment and Business Forum, Sonbong, 15 September 1996.

3 Stephen W. Linton, 'North Korea under the Son', *The Washington Quarterly* vol. 19, no. 2 (1996), p. 12.

4 C/f Kim Il Sung, 'Some problems arising in bringing about a fresh upswing in socialist construction' (1958) *Works* vol. 12 (Pyongyang: Foreign Languages Publishing House, 1983), p. 468; 'Concluding speech at the second enlarged plenary meeting of the fifth Central Committee of the Workers' Party' *Works* vol. 26 (Pyongyang: Foreign Languages Publishing House, 1986), p. 130; 'On Improving the work of the Administration Council' (1976), *Works* vol. 31 (Pyongyang: Foreign Languages Publishing House, 1987), pp. 106-7.

In 1984, the year of the original North Korean law permitting joint ventures, Kim went further to suggest that with a more modernised economy North Korea should diversify trade to include 'processing trade and reselling'. In order to derive the maximum advantage, the country required foreign trade officials with foreign language skills, and a good grasp of the trends of the international market and of international commerce. He states quite categorically, 'Building an independent national economy means laying down solid foundation for the expansion and development of foreign trade'. He also leaves his readers in no doubt as to his personal role in the momentous changes which the joint enterprise law portended:

Only recently I emphasized the need to develop foreign trade at a meeting of the Political Bureau of the Party Central Committee and at several other meetings. A short time ago I saw to it that the Supreme People's Assembly adopted a decision on developing trade work still further.<sup>5</sup>

Though the managers of the Rajin zone may be engaging in a little hyperbole when they claim that the site was chosen and the scheme developed by Kim Il Sung personally, nevertheless his support for the 1984 innovations is a matter of record.

There are a number of factors which may have contributed to decision No. 74 on Rajin, though as no evidence of any debate preceded it, which of these actually influenced the policy-makers cannot be established. At this time, notions of regional cooperation were being promoted in other parts of Asia, and there was some prospect of international finance and of support from the UN (North Korea having already received some UNIDO funding for infrastructure upgrading). Further, 1991 was the year in which Pyongyang and Seoul were undertaking the negotiations that led to the two agreements announced in December, which provided for comprehensive cooperation and nuclear disarmament and transparency. But a major cause must have been the crisis in Eastern European socialism and the reforms in China, both of which were severely affecting the established pattern of North Korean trade.

If policy-making in North Korea remains a notoriously obscure process, one test of the significance and centrality of a policy is to review the personnel associated with its implementation.<sup>6</sup> The Rajin experiment, on this test, has support at the highest levels. Between 1988 and 1992 the local (North Hamkyong) Provincial Chief Secretary of the Korean Workers' Party was Kang Song San.<sup>7</sup> Kang had been Premier in the period 1984 to 1986, when he had overseen the original introduction of laws providing for joint ventures with foreign entrepreneurs.

---

5 Kim Il Sung, 'Let us thoroughly implement the party's policy on making foreign trade multilateral Works vol. 38 (Pyongyang: Foreign Languages Publishing House, 1993), p. 220.

6 Hyun-Joon Chon, 'Structure of the Power Elite of North Korea', *Information Service on the Unification Question of the Korean Peninsula 1995-1* (National Unification Board, March 1995), pp. 57-99; Moon Young Huh, Kyu Sup Chung, Hyun-Joon Chon, *The Advent of Kim Jong-il Regime in North Korea and Prospects for Its Policy Direction* (Seoul: The Research Institute for National Unification, Policy Studies Report Series No. 1, September 1994).

7 Chungang Ilbo, 'South Korean Paper Analyses North Premier's Position', *Summary of World Broadcasts Far East/1773 A2/6-7*, 21 August 1993.

Kang had also conducted a number of high profile visits to special economic zones in China. When he was transferred to Chongjin to head the Provincial Party apparatus, Kang laid the foundations for the FETZ. He was commended by Kim Il Sung personally at a meeting of the North Hamkyong People's Committee (of which Kang was also Chairman) in September 1992, and was shortly thereafter returned to the position of Premier. It is significant that the official who followed Kang as Premier, Li Gun Mo, followed him also to what is evidently now a provincial position of some importance.

In North Korea, though technical specialists have their role, the inner circle is composed largely of Kim Il Sung's relatives. Although a technocrat (trained at the Prague Engineering College), Kang is much more than that, being a member of Kim Il Sung's family (on his mother's side) and thus of 'true bone' rank. By the same token, the Chairman of the CPEEC, Kim Jong U, is another member of the Kim clan (apparently the son of Kim Il Sung's father's sister), and a classmate of Kim Jong Il from his days at Sungshil High School. Kim Jong U is also an individual with standing in other areas of policy, as is shown by the fact that at one point he was charged with superintending his country's negotiations with the United States in Berlin in the lead up to the October 1994 nuclear deal.

Some twelve months after the formation of the FETZ, and in the context of unprecedented challenges to the North Korean system, Kim Il Sung again indicated, this time just a few months before his death, his support for a new approach to the tasks ahead. The regime had already admitted, in December 1993, that the previous Seven-Year Plan had failed to meet its targets, though the 'frustration' of socialism elsewhere was blamed as the cause.<sup>8</sup> In his 1994 (and final) address for the new year, Kim indicated that there would be a shift in policy emphasis away from heavy industry to agriculture, light industry, and trade.<sup>9</sup> Having decreed that the three-year period to the end of 1996 would be one of adjustment, Premier Kang Song San, in April 1994 in a speech to the Supreme People's Assembly, amplified Kim's remarks to state that the three-fold objectives of 'the agriculture-first policy, the light-industry-first policy, the trade-first policy' should have preeminence throughout the adjustment period, in order to improve the livelihood of the people. And for the trade objectives to be realised, he also indicated, this policy 'must be highly upheld in

This rather bald statement needs to be seen in context. Kang's comments on agriculture were devoid of any reference to socialist principles of organisation, but concentrated solely on meeting the needs of the people for food. Ever since Kim Il Sung's 'Rural Theses' of 1964, however, the socialist nature of North Korea's rural organisation has been lauded by regime spokesmen as its outstanding feature. Moreover, to displace heavy industry from the preeminence that it has enjoyed—as Kim Il Sung himself can be quoted, 'The industrial development of a country is

---

8 'Communique of the 21st Plenary Session of the Sixth Korean Workers' Party Central Committee on the Status of the Fulfilment of the Third Seven-Year Plan', *Summary of World Broadcasts* FE/1868 S1/1-7, 10 December 1993.

9 Kim Il Sung, 'New Year Address', *Summary of World Broadcasts* FE/1885 D/3, 3 January 1994.

judged by its steel output'<sup>10</sup>—is a reversal of form of monumental proportions. And for a system which prided itself in the cultivation of self-sufficiency, to accord first place to foreign trade was a remarkable innovation. Kang went further, in seeming to suggest that there was a role for market principles in this reorientation:

In economic management, we should properly utilize economic leverages such as cost, price and profit; correctly implement the independent accounting system; and intensify control by *won*.<sup>11</sup>

In recent ideological pronouncements, however, the opening experiment has yet to receive an unambiguously positive assessment. Indeed, in his most considered reflections on the post-socialist (and post-Kim Il Sung) era, 'Socialism is a Science', Kim Jong Il has castigated those who have focused upon economic issues, to the exclusion of other matters:

If the ideological remoulding of the popular masses is regarded as a matter of secondary importance and the work of strengthening the driving force of the revolution and enhancing its role is neglected in socialist society, while attaching decisive importance to the objective material and economic conditions and concentrating only upon economic construction, the building of socialism as a whole cannot be carried out properly and economic construction itself cannot avoid stagnation. These practices were very apparent in some countries which had been building socialism in the past. Taking advantage of this, the renegades of socialism carried out 'reforms' and committed counterrevolutionary acts, destroying the socialist economic system itself.<sup>12</sup>

This statement reads as though it were a rear-guard action against policies designed solely with economic improvement in mind. Kim is accepting the need for the latter, but only if accompanied by ideological work. So far, no positive endorsement of the Rajin experiment has appeared from this quarter. Given the present political climate in North Korea, this is not however surprising. The sole reason for Kim Jong Il's succession to his father, on the official account, is his boundlessly filial loyalty. In addition, since the early 1970s, he has sought to present himself as an authority on ideology in order to bolster his leadership claims. Accordingly, any ideological innovations which openly embraced the world market would not be forthcoming at the time when he was manoeuvring to solidify his hold on power, lest he offer up a hostage to fortune.

So far, then, while Kim Jong Il is on record as warning against the neglect of ideology in whatever the system's future course might be, the Premier of the Administration Council is asserting that the leading role be given to foreign trade, and concessions be made to market mechanisms.

---

10 Kim Il Sung, 'All Efforts to Attain the Six Goals' (1961), *Works* vol. 15 (Pyongyang: Foreign Languages Publishing House, 1983), p. 322.

11 Kang Song San, 'On successfully fulfilling the tasks of socialist economic construction in the period of adjustment', *Summary of World Broadcasts* FE/1966 D3, D6, 8 April 1994.

12 Kim Jong Il, 'Socialism is a Science', in Kim Jong Il, *On Carrying Forward the Juche Idea* (Pyongyang: Foreign Languages Publishing House, 1995), pp. 387–8.

Specifically on the Rajin-Sonbong experiment, the North Korean exposition of the reasons for this initiative mention a number of factors, including the country 'making maximum use of its

<sup>13</sup> In its most recent statement, two reasons are adduced by the CPEEC for this innovation. In the past, the principal objective has been the 'building of a self-sufficient economy', further economic development now apparently requires the expansion of external economic relations. In addition, the FETZ reflects unanticipated external developments:

The sudden collapse of the socialist market, which had accounted for 70–80% of the total volume of the DPRK's foreign trade, necessitated us to take a new approach in adopting the form, method and subject of our external economic exchange. On the one hand, the end of the East–West cold war provided favorable conditions for developing economic exchanges on a wider scale with the countries in the region and the rest of the world. The establishment of the free economic and trade zone will also make a great contribution to maintaining peace and security in northeast Asia as it fosters an atmosphere of active economic exchange and cooperation...<sup>14</sup>

Speaking at the Rajin Investment Forum, Vice-Premier Kim Bok Shin, having acknowledged the economic dynamism of the region, endorsed the interdependence that the Tumen project would produce as contributing significantly 'to [the] peace, development and prosperity of the Northeast Asian region'. North Korea had always been in favour of such cooperation provided it furthered 'peace and friendship and [was pursued] on the principle of equality and mutual

<sup>15</sup> On the same occasion, Kim Jong U invoked the authority of Kim Jong Il to say that the experience of other countries in developing economic and trade zones could be tried to see if it was suitable. If it was not, he added, 'we can spit it out'.<sup>16</sup> Having summed up this experience, and developed a Korean model for such undertakings, it could be extended to other parts of the country, though there were no plans to take the latter step at this stage.

A story circulating at the Rajin forum and in Beijing maintained that specialists were preparing a report on the social and political impact of the free trade zone experiment. If this

---

13 Kim Mun Song, 'The Rajin-Sonbong FETZ, and the Policy of the Government of the DPR Korea', *Regional Economic Cooperation in Northeast Asia. Proceedings of the Sixth Meeting of the Northeast Asia Economic Forum, January 18–19, 1996*, Honolulu, Hawaii (Honolulu: Northeast Asia Economic Forum/Hawaii Asia–Pacific Institute, 1996), p. 71.

14 *Questions and answers for investment in the Rajin-Sonbong Free Economic and Trade Zone* (Pyongyang: The Committee for the Promotion of External Economic Cooperation of the DPR of Korea, June 1996), p. 10.

15 'Najin-Sonbong Zone International Investment and Business Forum Opens,' FBIS, *Daily Report*, EAS-96-179, 16 September 1996, Pyongyang KCNA in English, 1006 GMT 13 September 1996. Vice-Premier Kim was correct in saying that North Korea had always sought international cooperation on the basis of 'equality and mutual benefit': in the past, however, the third leg of this stool was not peace and friendship, but 'proletarian internationalism'. C/f Kim Il Sung, 'Let us embody the revolutionary spirit of independence, self-sustenance and self-defence more thoroughly in all branches of state activity' (1967), *Works* vol. 21 (Pyongyang: Foreign Languages Publishing House, 1985), p. 456.

16 Kim Jong U, Press conference at the close of the Rajin-Sonbong Investment and Business Forum, Sonbong, 15 September 1996.

*The Pacific Review* vol. 4 (1991), pp. 263–71; Gilbert Rozman,  
'The Northeast Asian Triangle', *Orbis* vol. 39 (1995), pp. 65–80.

(including representation from North Korea) reviewed new possibilities for regional and cross-border development.

The Changchun conference was a stimulus to the United Nations Development Program (UNDP) sponsored July 1991 Ulan Bator meeting, where delegates from China, Mongolia, North Korea and South Korea affirmed the need for a Tumen River Area Development Program (TRADP). This was discussed at the second Changchun conference held in August 1991, where the Northeast Asia Economic Forum was also established. North Korea was sufficiently attracted by the prospects of regional cooperation as to host a follow up meeting under UNDP auspices in Pyongyang, in October 1991. By this time, with participation from Russia and Japan, there was an agreement to draft a detailed regional development plan, to be managed by a Program Management Committee. This Committee met in Seoul in February 1992 and again in October of that year in Beijing, by which time two ‘cooperation triangles’ had been proposed, both of which included North Korean territory.

The originators of the concept of Tumen River cooperation were Song Jian, Minister in charge of China’s Science and Technology Commission, and Dr Cho Lee-jay of the East–West Centre, Hawaii. Minister Song instructed Professor Ding Shicheng, then a member of the Jilin Province Science and Technology Committee (until 1996 Deputy Secretary-General of the provincial government and still a National People’s Congress deputy), to study the issue of economic cooperation and draft a proposal for the region.<sup>18</sup> Under instructions from the (then) provincial governor (Wang Zhongyu), at the second of the two Changchun meetings, Professor Ding, after reviewing the complementarities of the Northeast Asian economies and the experience of economic cooperation elsewhere, advanced the claim that the lower reaches of the Tumen River would be the ‘golden delta’ (*jin sanjiao*) of the region in the future.

The plan which eventually emerged for Tumen River cooperation was very much influenced by this preparatory work.<sup>19</sup> The second of the Program Management Committee (PMC) meetings, held in Beijing in October 1992, agreed to prepare an extensive pre-investment feasibility survey of the proposal, funded by \$3.8 million from the UNDP. The studies which emerged embraced many of the specifics of the Chinese proposals of 1991, including transport infrastructure upgrading. They rejected on grounds of cost, however, the idea of a port at Fangchuan on Chinese territory in favour of the augmentation of port facilities in Rajin-Sonbong and upgraded links to an inland railway and warehouse hub located in Hunchun, thus meeting North Korean objections that

---

18 Interview with Prof. Ding Shicheng, Changchun, 19 October 1994. See generally, Ding Shicheng, *Tumenjiang Dichu Kaifa* (Changchun: Jilin Renmin Chubanshe, 1993).

19 There is a considerable literature on the concept of ‘growth triangles’: see Chia Siow Yue and Lee Tsao Yuan, ‘Subregional Economic Zones: A New Motive Force in Asia–Pacific Development’, in C. Fred Bergsten and Marcus Noland, eds, *Pacific Dynamism and the International Economic System* (Washington: Institute for International Economics, 1993), pp. 225–69; Myo Thant et al, eds, *Growth Triangles in Asia. A New Approach to Regional Economic Cooperation* (Hong Kong: Oxford University Press/Asia Development Bank, 1994).

its potential contribution was not being taken sufficiently seriously,<sup>20</sup> while also compensating China with new facilities.

Although UN sponsorship has kept the Tumen scheme going, it has not made as much progress as originally envisaged. In May 1993 the third PMC agreed to establish a multi-lateral corporation (the Tumen River Area Development Corporation) which would lease land upon which port and infrastructure facilities would be constructed.<sup>21</sup> This plan ran into difficulties for a variety of reasons, including the lack of any Russian legislation which would permit such an arrangement, as well as North Korean reservations. The fourth PMC (held in Moscow in July 1994) was disrupted due to the death of Kim Il Sung and the withdrawal of the North Korean delegation.<sup>22</sup> On 30 May 1995, the five participating countries agreed to establish new coordinating mechanisms to reanimate the project. Meanwhile, the early and very ambitious proposals of the UNDP to reconstruct the entire infrastructure of the area at a cost of US\$30 billion has been dropped in favour of a more modest program aimed at the harmonisation of existing projects and initiatives.

With comprehensive regional cooperation proceeding slowly, each of the riparian countries established their own local zones. The Russian counterpart, the Nakhodka Free Economic Zone was established in August 1991; a Greater Vladivostok Free Economic Zone was mooted in the same year but later abandoned. In China, Tumen development was first concentrated in Yanji. In November 1991, however, Hunchun became an 'open city', being upgraded to an 'open border city' in March 1992, and became the centre for the 88km sq Hunchun Border Economic Cooperation Zone later that year.<sup>23</sup> These zones were conceived as possible building blocks for cross-border cooperation, though each could also become a pole attracting foreign investment in its own right. It is noteworthy that in developing their own plans for Rajin-Sonbong, North Korea adopted the Chinese term, 'Golden Triangle' (or more correctly, 'Golden Delta'), *Hwangkumui Samkakchu*, which appears emblazoned on all their literature subsequently issued.

In an attempt to revive the fortunes of the overall Tumen scheme, the nations concerned agreed, in December 1995, to form a new five nation Consultative Commission, and a three nation Coordinating Committee (the latter with delegates from China, Russia and North Korea) especially to address outstanding problems including the provision of a legal basis for trans-border commercial activities by foreign businesses. In addition, and mindful of fears expressed by UNDP specialists and others regarding the possible impact of development on the region's relatively

---

20 Burnham O. Campbell, 'Introduction', in Won Bae Kim and Burnham O. Campbell, eds, *Proceedings of the Conference on Economic Development in the Coastal Area of Northeast Asia, 1991 Changchun* (Honolulu: East-West Centre & Sasakawa Peace Foundation, 1992), p. 6.

21 CPCS Ltd, *Northeast Asia's Tumen River Economic Development Area 1994: Collected Papers: Report G—Conceptual Infrastructure Master Plan* (New York: UNDP, 1994).

22 J. Lilley, 'Tumen Teeters', *Far Eastern Economic Review*, 10 November 1994, pp. 46–9.

23 Gaye Christoffersen, 'The Greater Vladivostok Project: Transnational Linkages in Regional Pacific Affairs' vol. 67 (1994–95), pp. 513–31; James Cotton, 'Jilin's Coastal Development Strategy: China and Tumen River cooperation', *Asian Survey* vol. 36 (1996).

fragile ecology, at the same time the Tumen participants signed a Memorandum of Understanding on Environmental Principles which would govern all future projects. In April 1996, the first meetings of these bodies were convened in Beijing. At the same time, a Tumen Trust Fund was established (with South Korea providing seed money of \$1 million) to assist in financing inter-government cooperation.

Meanwhile, a new Tumen agenda has emerged which would tax the commitment of most countries to regional cooperation, but will pose particular difficulties for Pyongyang. In 1994 the Tumen River Area Development Programme commissioned a series of nine reports on various aspects of development in the region. Each of these reports, covering tourism, transport, water-supply, investment and other issues,<sup>24</sup> demonstrates the need for close coordination of all such activities in what is fast becoming (in Robert Scalapino's terminology) a 'Natural Economic Territory'. This coordination will require North Korea to provide much statistical and other information not previously available, and will also necessitate access on the part of foreigners to North Korean territory and facilities.

To take one example, the environmental report, prepared by the Chinese Research Academy of Environmental Sciences, points out that serious pollution of the Tumen River, caused chiefly by paper processing up-stream in China, and mining in North Korea, will have to be reversed if the local eco-system is to be revived.<sup>25</sup> In keeping with the objectives of the Memorandum of Understanding on Environmental Principles of 1995, North Korea will have to comply with such a local environmental regime (which is likely to entail joint planning, independent inspection of facilities, penalties for non-compliance, and the like). Similarly, any moves to harmonise customs or financial regulations, or power generation, or any other relevant activities will bring comparable international enmeshment. If North Korea has been resistant in avoiding the obligations of the international regime on the control of fissile material (though bound to observe them by virtue of its membership of the Nuclear Non-Proliferation Treaty), it is surely noteworthy that this prospect has yet to prevent Pyongyang's participation in the Tumen scheme.

But cooperation is an absolute precondition both for the realisation of the wider Tumen scheme as well as for the development of the FETZ. If the new Tumen management bodies are to be effective, North Korea will have to be prepared to have substantive issues involving matters of sovereignty decided by multi-lateral entities, one of which (the Tumen Consultative Commission) includes a delegate from Seoul. This will be a real test of the capacity of the North Korean system to accommodate change. The resolve of both Koreas to realise cooperative relations will also be challenged. The failure of Seoul and Pyongyang to agree on the size and composition of the South Korean delegation to the 1996 Rajin forum—an episode the details of which do not reflect well on either party—illustrates that this will also be a difficult test.

---

24 *Northeast Asia's Tumen River Economic Development Area 1994: Collected Papers* (New York: UNDP, 1994).

25 Chinese Research Academy of Environmental Sciences, *Northeast Asia's Tumen River Economic Development Area 1994: Collected Papers. Report G—Preliminary Environmental Study* (New York: UNDP, 1994).

### **The context for change in North Korea: taking international linkages seriously?**

On some interpretations, economic reform is of only episodic importance for North Korea.<sup>26</sup> This view would see the North Korean system consisting of a number of parallel bureaucracies or structures—perhaps military, security, strategic industrial, external economic—with only weak horizontal linkages between them. Although these structures are coordinated, at least in principle, at the very summit of the political system, the imperfect information and understanding of the leadership, or possibly its failure to reconcile competing factions or opinions, makes it possible for one structure to operate without reference to or even on occasion in contradiction to the others. Mr Kim Jong U may therefore have to labour without the consistent and comprehensive support of the whole system and its leadership. His achievements may be nullified or disowned, or they may have a major impact on the overall system, depending upon its complex operations.

A second view would see reform as, at best, a tactical measure. While the leadership or its technical experts have recognised the system's crucial need for foreign technology and inputs of capital, the political costs of genuine reform have been reckoned as too great. Opening policies are thus a sham, though their appearance may buy the system time. If the ruse is really successful, the United States may become convinced, and drop its longstanding policy of trade sanctions, and offer diplomatic recognition to the government in Pyongyang. Longer term, the security regime linking Seoul and Washington may even be weakened. Mr Kim Jong U and his associates are, on this view, in charge of what is essentially a propaganda mission, though one which must have at least a little substance.

Thirdly, those opening policies followed thus far, may be the first step in a learning exercise. The North Korean leadership may be thought, according to this interpretation, to be standing at a position equivalent to that occupied by the Chinese leadership in 1979–80, though with the additional knowledge of the Chinese and Eastern European experiences with reform in mind. They wish to manage systemic transformation, and especially to insulate political from economic change, and have decided that the best means to reach these objectives is to begin cautiously, in a remote part of the country and with a small section of their population, before they move closer to the capital.

All three interpretations of the North Korean system have their advocates. The first would be easier to sustain if there were more evidence of pluralism and of policy debate, and less of policy coordination, than presently exists in this most 'monochrome' of political systems. If Pyongyang is capable of the most careful management of the nuclear issue—which has resulted after years of bargaining and brinksmanship in the winning of considerable concessions from the United States—then economic opening can also be managed. The most significant objection to the second is the fact that it presumes that most important elites in Pyongyang do not consider that their system has

---

26 North Korean spokesmen resist the use of the term 'reform', but it is still appropriate. For discussions of recent analyses of reform, see: John Merrill, 'North Korea's Halting Efforts at Economic Reform', in Chong-Sik Lee and Se-Hee Yoo, eds, *North Korea in Transition* (Berkeley: Institute of East Asian Studies, University of California, 1991), pp. 139–53; Byung-chul Koh, 'Prospects for Change in *The Korean Journal of National Unification* vol. 3 (1994), pp. 237–55.

a fast impending 'use by' date, that it is confronting systemic crisis. Evidence for the acknowledgment of this crisis should be obvious, even if only from the appeals for assistance which have gone even to Japan in response to the natural disasters and food shortages of 1995–96. The third interpretation would appear to be supported by suggestions that additional free economic zones are being mooted for other localities, pending further progress and experience in Rajin-Sonbong. The announcement that North Korea is intending to open its air-space to foreign aircraft is a strong indication that considerations of military security can now be outweighed by commercial advantage. If news of experiments in agricultural reform, entailing not only the revival of peasant markets but the drastic reduction in size (in selected localities) of agricultural collectives, is correct, North Korea may be regarded as having entered a new phase in its external and domestic policy.

Against the last, the submarine infiltration incident of September 1996 has been cited, though it is not necessarily evidence for the first or second of the hypotheses set out above. Though this incident attracted a lot of attention, it cannot be decided whether this was a deliberate provocation, or a piece of espionage gone wrong. North Korea is certainly capable of overt provocations, as the manoeuvres in the Panmunjom area during the South Korean National Assembly election campaign in 1996 demonstrated. A less costly provocation might well have achieved the same result, which suggests that it was not planned to be detected, though this leaves open the possibility that it was intended to gain intelligence for a large scale incursion.

On balance, the changes made in external economic policy in North Korea go beyond mere matters of style. North Korean documents and spokesmen are never more forthcoming than to say that the Rajin experiment accords with the new and more cooperative conditions of the time, and puts North Korea's comparative advantages to best use. But the dovetailing of domestic innovations with a multilateral scheme directly involving South Korea goes far beyond the various agreements made with Seoul since 1972, none of which have ever moved much beyond paper. Tumen cooperation, irrespective of whether it is realised by government level committees or by piecemeal, practical, and market sensitive measures, is undoubtedly heading towards the creation of a regional regime. This regime, as with similar schemes in other parts of Asia, will involve access to North Korean territory, the provision of reliable data, the exposure of North Korean inhabitants to foreign technology, work practices and attitudes, and above all the modification of domestic policy. It should be recalled that in the socialist era Pyongyang resisted joining the CMEA, despite its very great reliance upon Soviet trade and technology. Taking part in this type of regime is decidedly a new venture.

If North Korea is intent upon introducing at least some measure of reforms, then, just as the notion of 'our style of socialism' seems to entail a very limited acknowledgment of the challenges there have been to the whole notion of 'existing socialism' in the last ten years, so North Korea's engagement with the regional and international economy still appears qualified and limited. But the paradox remains that for a system which has in the past claimed a flawless leadership and the coining of the only progressive ideology of the present age, and for which self-image is of supreme

importance,<sup>27</sup> the admission of the need for even a small change to correct a shortcoming is in effect a large (and potentially embarrassing) act of self-disclosure.

---

27 Samuel S. Kim, 'North Korea and the Non-Communist World: The Quest for National Identity', in Chong-Sik Lee and Se-Hee Yoo, eds, *North Korea in Transition* (Berkeley: Institute of East Asian Studies, University of California, 1991), pp. 17–42.

# DEPARTMENT OF INTERNATIONAL RELATIONS PUBLICATIONS

as at 1 December 1996

## WORKING PAPERS:

Send all orders to:  
Publications Officer  
Department of International Relations  
Research School of Pacific and Asian Studies  
The Australian National University  
Canberra ACT 0200 Australia  
Phone: (06) 249 4451/279 8089 Fax: (06) 279 8010

- WP1989/1 **The Changing Central Balance and Australian Policy**, by Coral Bell  
WP1989/2 **Agricultural Trade and Australian Foreign Policy in the 1990s**, by Stuart Harris  
WP1989/3 **The Politics of Reassurance: Egypt and the Arab World, 1977–1987**, by Ralph King  
WP1989/4 **Analysing the Impact of International Sanctions on China**, by Peter Van Ness  
WP1989/5 **Economic Change in the International System Implications for Australia's Prospects**, by Stuart Harris
- WP1990/1 **Middle Power Leadership and Coalition Building: The Cairns Croup and the Uruguay Round**,  
by Andrew Fenton Cooper and Richard A. Higgott  
WP1990/2 **The Soviet Far East**, by Geoff Jukes  
WP1990/3 **The Environmental Challenge: The New International Agenda**, by Stuart Harris  
WP1990/4 **India in Southwest Asia**, by Amin Saikal  
WP1990/5 **Is Unilateral Trade Liberalisation the Answer?** by Trevor Matthews and John Ravenhill  
WP1990/6 **The Politics of Baltic Nationalisms**, by William Maley  
WP1990/7 **Peacekeeping in the South Pacific: Some Questions for Prior Consideration**, by Greg Fry  
WP1990/8 **Informal Theories of Rationality**, by James L. Richardson  
WP1990/9 **The Limits to Liberalisation in Industrialising Asia: Three Views of the State**, by James Cotton  
WP1990/10 **The Influence of the United Nations on the Antarctic System: a Source of Erosion or Cohesion?** by Stuart Harris
- WP1991/1 **International Trade, Ecologically Sustainable Development and the GATT**, by Stuart Harris  
WP1991/2 **Middle Powers and International Sanctions: Generic Theory Reconsidered**, by Kim Richard Nossal  
WP1991/3 **Continuity and Change in Cooperative International Regimes: The Politics of the Recent Environment Debate in Antarctica**, by Lorraine M. Elliott  
WP1991/4 **Foreign Policy Analysis, International Relations Theory, and Social Theory: Critique and Reconstruction**, by Ian Bell  
WP1991/5 **China as a Third World State: Foreign Policy and Official National Identity**, by Peter Van Ness  
WP1991/6 **The Drawbacks of the Detached View: Russia, the USSR and the Pacific**, by Artem Rudnitskiy  
WP1991/7 **'Civil Society' and Nationalism in North Korea: Foundations for Political Change?** by James Cotton  
WP1991/8 **Australia and the South Pacific: From 'Strategic Denial' to 'Constructive Commitment'**, by Greg Fry  
WP1991/9 **Implementing Foreign Policy: The Environmental Challenge**, by Stuart Harris  
WP1991/10 **The Korean Nuclear Issue**, by Song Young Sun
- WP1992/1 **After the Cold War and the Gulf War: Prospects for Security in the Asia–Pacific**, by Andrew Mack  
WP1992/2 **Questions About a Post-Cold War International Order**, by J.L. Richardson  
WP1992/3 **New Hierarchies in East Asia: The Post-Plaza Division of Labour**, by Mitchell Bernard and John Ravenhill  
WP1992/4 **Federalism and Australian Foreign Policy**, by Stuart Harris  
WP1992/5 **Moving Target—Korea's Nuclear Proliferation Potential**, by Peter Hayes  
WP1992/6 **The Economic Aspects of Pacific Security**, by Stuart Harris  
WP1992/7 **The Gulf War and Australian Political Culture**, by James L. Richardson  
WP1992/8 **The Case For a Nuclear Weapon-Free Zone in Northeast Asia**, by Andrew Mack  
WP1992/9 **Nuclear Dilemmas: Korean Security in the 1990s**, by Andrew Mack  
WP1992/10 **Arms Proliferation in the Asia–Pacific: Causes and Prospects for Control**, by Andrew Mack
- WP1993/1 **The Practice of Common Security: China's Borders with Russia and India**, by Gary Klintworth  
WP1993/2 **Strategic Trade Policy: The East Asian Experience**, by Trevor Matthews and John Ravenhill  
WP1993/3 **Environmental Regulation, Economic Growth and International Competitiveness**, by Stuart Harris  
WP1993/4 **The Environment and Sustainable Development: An Australian Social Science Perspective**, by Stuart Harris  
WP1993/5 **Gaddis' Lacuna: Foreign Policy Analysis and the End of the Cold War**, by Valerie Hudson  
WP1993/6 **The Return of Practical Reason**, by Hayward R. Alker, Jr.  
WP1993/7 **An American New World Order?**, by James L. Richardson  
WP1993/8 **Concepts of Security in the Post-Cold War**, by Andrew Mack  
WP1993/9 **Australian Security in the 1990s**, by Andrew Mack  
WP1993/10 **Nuclear-Free Zones in the 1990s**, by Andrew Mack
- WP1994/1 **Inter-Civilisation Conflict: A Critique of the Huntington Thesis**, by Jacinta O'Hagan  
WP1994/2 **The Future of Asia–Pacific Security Studies in Australia**, by Pauline Kerr and Andrew Mack  
WP1994/3 **Australia's Regional Security Environment**, by Stuart Harris  
WP1994/4 **Policy Networks and Economic Cooperation: Policy Coordination in the Asia–Pacific Region**,  
by Stuart Harris  
WP1994/5 **North Korea's Nuclear Program: the Options are Shrinking**, by Andrew Mack

- WP1994/6 **The Asia-Pacific: Geopolitical Cauldron or Regional Community?**, by James L. Richardson  
 WP1994/7 **'Climbing Back onto the Map?': The South Pacific Forum and the New Development Orthodoxy**,  
 by Greg Fry  
 WP1994/8 **Human Rights and Cultural Specificity: The Case of Papua New Guinea**, by Michael Jacobsen  
 WP1994/9 **Nuclear Endgame on the Korean Peninsula**, by Andrew Mack  
 WP1994/10 **China's Public Order Crisis and Its Strategic Implications**, by Greg Austin
- WP1995/1 **New Light on the Russo-Japanese Territorial Dispute**, by Kimie Hara  
 WP1995/2 **Implications of Taiwan-Chinese Relations for Australia**, by Stuart Harris  
 WP1995/3 **In Search of a New Identity: Revival of Traditional Politics and Modernisation in  
 Post-Kim Il Sung North Korea**, by Alexandre Y. Mansourov  
 WP1995/4 **The Neo-Classical Ascendancy: The Australian Economic Policy Community and  
 Northeast Asian Economic Growth**, by Trevor Matthews and John Ravenhill  
 WP1995/5 **The World Trade Organisation—Throwing the Baby Out With the Bath Water?** by P.A. Gordon  
 WP1995/6 **Culture, Relativism and Democracy: Political Myths About 'Asia' and the 'West'** by Stephanie Lawson  
 WP1995/7 **Russian Policy Towards the 'Near Abroad': The Discourse of Hierarchy** by Wynne Russell  
 WP1995/8 **Recasting Common Security**, by Andy Butfofy  
 WP1995/9 **Industry Policy in East Asia: A Literature Review**, by Heather Smith  
 WP1995/10 **Contending Liberalisms: Past and Present**, by James L. Richardson
- WP1996/1 **Ameliorating the Security Dilemma: Structural and Perceptual Approaches to Strategic Reform**, by Andrew Butfofy  
 WP1996/2 **The New Peacekeepers and the New Peacekeeping**, by Trevor Findlay  
 WP1996/3 **Why Democracies Don't Fight Each Other: Democracy and Integration**, by Harvey Starr  
 WP1996/4 **The Constructivist Turn: Critical Theory After the Cold War**, by Chris Reus-Smit  
 WP1996/5 **Framing the Islands: Knowledge and Power in Changing Australian Images of 'The South Pacific'**, by Greg Fry  
 WP1996/6 **You Just Don't Understand: Troubled Engagements Between Feminists and IR Theorists**, by J. Ann Tickner  
 WP1996/7 **The China-Japan Relationship and Asia-Pacific Regional Security**, by Stuart Harris  
 WP1996/8 **The Declining Probability of War Thesis: How Relevant for the Asia-Pacific?**, by James L. Richardson  
 WP1996/9 **The Rajin-Sonbong Free Trade Zone Experiment: North Korea in Pursuit of New International Linkages**, by James Cotton

Price: All at the one price of \$A5.



**CANBERRA STUDIES IN WORLD AFFAIRS:**

Send all orders to:  
 Reply paid 440, Bibliotech  
 ANUTECH  
 Canberra ACT 0200 Australia  
 Telephone: (616/06) 249 3811/5662  
 Fax Order: IDD (616) STD (06) 257 1433

CS21	<b>Politics, Diplomacy and Islam: Four Case Studies</b> , edited by Coral Bell	\$10.00
CS22	<b>The Changing Pacific: Four Case Studies</b> , edited by Coral Bell	\$10.00
CS23	<b>New Directions in International Relations? Australian Perspectives</b> , edited by Richard Higgott	\$10.00
CS24	<b>Australia and the Multinationals: A Study of Power and Bargaining in the 1980s</b> , by Neil Renwick	\$10.00
CS25	<b>Refugees in the Modern World</b> , edited by Amin Saikal	\$10.00
CS27	<b>Northeast Asian Challenge: Debating the Garnaut Report</b> , edited by J.L. Richardson	\$15.00
CS28	<b>The ANZUS Documents</b> , edited by Alan Burnett with Thomas-Durell Young and Christine Wilson	\$15.00
CS29	<b>Human Rights in the Asia-Pacific Region</b> , edited by John Girling	\$15.00
CS30	<b>International Relations: Global and Australian Perspectives on an Evolving Discipline</b> , edited by Richard Higgott and J.L. Richardson	\$15.00



**STUDIES IN WORLD AFFAIRS:**

Send all orders to:  
Allen & Unwin Pty Ltd  
9 Atchison Street  
St Leonards NSW 2605 Australia  
Ph: (02) 901 4088, Fax: (02) 906 2218

<b>Ethics and Foreign Policy</b> , edited by Paul Keal	\$24.95
<b>Korea Under Roh Tae-woo: Democratisation, Northern Policy, and Inter-Korean Relations</b> , edited by James Cotton	\$24.95
<b>Asian–Pacific Security After the Cold War</b> , edited by T.B. Millar and James Walter	\$24.95
<b>The Post-Cold War Order: Diagnoses and Prognoses</b> , edited by Richard Leaver and James L. Richardson	\$24.95
<b>Dependent Ally: A Study in Australian Foreign Policy</b> , 3rd ed., by Coral Bell	\$24.95
<b>A Peaceful Ocean? Maritime Security in the Pacific in the Post-Cold War Era</b> , edited by Andrew Mack	\$24.95
<b>Asian Flashpoint: Security and the Korean Peninsula</b> , edited by Andrew Mack	\$24.95
<b>Taiwan in the Asia–Pacific in the 1990s</b> , edited by Gary Klintworth	\$24.95
<b>Pacific Cooperation: Building Economic and Security Regimes in the Asia–Pacific</b> , edited by Andrew Mack and John Ravenhill	\$24.95
<b>The Gulf War: Critical Perspectives</b> , edited by Michael McKinley	\$24.95
<b>Search for Security: The Political Economy of Australia’s Postwar Foreign and Defence Policy</b> , by David Lee	\$24.95
<b>The New Agenda for Global Security, <i>Cooperating for Peace and Beyond</i></b> , edited by Stephanie Lawson	\$24.95
<b>Presumptive Engagement: Australia’s Asia–Pacific Security Policy in the 1990s</b> , by Desmond Ball and Pauline Kerr	\$24.95
<b>Discourses of Danger and Dread Frontiers: Australian Defence and Security Thinking After the Cold War</b> , edited by Graeme Cheeseman and Robert Bruce	\$24.95
<b>Pacific Rim Development: Integration and Globalisation in the Asia–Pacific Economy</b> , edited by Peter J. Rimmer	\$24.95

## AUSTRALIAN FOREIGN POLICY PAPERS

Australian Foreign Policy Papers are published by the Australian Foreign Policy Publications Programme in the Department of International Relations:

Send all orders to:

Reply paid 440, Bibliotech

ANUTECH

Canberra ACT 0200 Australia

Telephone: (616/06) 249 3811/5662

Fax Order: IDD (616) STD (06) 257 1433

<b>Australia's Alliance Options: Prospect and Retrospect in a World of Change</b> , by Coral Bell	\$15.00
<b>Coping With Washington: Players, Conventions and Strategies</b> , by Davis Bobrow	\$10.00
<b>The European Community in Context</b> , by John Groom	\$15.00
<b>Australia's Human Rights Diplomacy</b> , by Ian Russell, Peter Van Ness and Beng-Huat Chua	\$15.00
<b>Selling Mirages: The Politics of Arms Trading</b> , by Graeme Cheeseman	\$15.00
<b>The Search for Substance: Australia-India Relations into the Nineties and Beyond</b> , by Sandy Gordon	\$15.00
<b>Protecting the Antarctic Environment: Australia and the Minerals Convention</b> , by Lorraine Elliott	\$15.00
<b>Australia's Taiwan Policy 1942-1992</b> , by Gary Klintworth	\$20.00
<b>Australia and the New World Order: Evatt in San Francisco, 1945</b> , by W.J. Hudson	\$20.00
<b>The Beijing Massacre: Australian Responses</b> , by Kim Richard Nossal	\$15.00
<b>The Pacific Patrol Boat Project: A Case Study of Australian Defence Cooperation</b> , by Anthony Bergin	\$10.00
<b>A Select Bibliography of Australia's Foreign Relations, 1975-1992</b> , compiled by Pauline Kerr David Sullivan and Robin Ward	\$20.00
<b>Australia's Evolving American Relationship: Interests, Processes and Prospects for Australian Influence</b> , by Henry S. Albinski	\$10.00

\* Plus \$3.00 postage and packaging per copy ordered.





**DEPARTMENT OF INTERNATIONAL RELATIONS**

**Publications Order Form**

**WORKING PAPERS ONLY**

**Please Supply**

Copies of IR Working Paper No ..... Copies of IR Working Paper No.....  
Copies of IR Working Paper No ..... Copies of IR Working Paper No.....  
Copies of IR Working Paper No ..... Copies of IR Working Paper No.....  
Copies of IR Working Paper No ..... Copies of IR Working Paper No.....  
Copies of IR Working Paper No ..... Copies of IR Working Paper No.....

\* All Working Papers are \$A5.

**Method of Payment** (please tick)

- Money Order
- Cheque (made payable to: The Australian National University)
- Mastercard/Visa Card Number.....  
Expiry Date ..... Signature.....

**For Overseas Orders:** Payment by Mastercard/Visa or by Bank Draft in Australian Dollars only, payable to Australian National University.

Name/Organisation: .....  
Postal Address: .....  
Suburb: ..... State: ..... Postcode: .....  
Signature: ..... Date:.....

**Please forward completed form and payment to:**

Publications Officer  
Department of International Relations  
Research School of Pacific and Asian Studies  
Australian National University  
CANBERRA ACT 0200 AUSTRALIA  
Phone: (06) 249 4451/279 8089, Fax: (06) 279 8010  
Email: robin.ward@coombs.anu.edu.au

**\* Standing Orders Welcome \***

