

Panel: China - North Korea Economic Cooperation (Orchid Room)

Date/Time: Wednesday, December 12, 2012 / 15:15-16:30

Talking Points for: Park Byung Kwang, Senior Research Fellow, The Institute for National Security Strategy

One of the major features of the relations between China and North Korea since the inception of Hu Jintao's leadership in Beijing has been their rapid expansion of economic exchanges. South Koreans are looking at the expanding economic relations between China and North Korea with growing unease. China's economic exchanges with North Korea will certainly grow in the days ahead, but this will not necessarily be accompanied by an attempt to subordinate the North Korean economy. The continued expansion of China-North Korea economic ties can result in economic institutions and regulations conducive to the opening of North Korea's economy. On the other hand, certain negative factors should not be overlooked. The South Korean government and enterprises should take a "strategic approach" toward North Korea with a broader vision. A strategic approach is different from a market-oriented approach in that the former seeks to build foundations for Korean reunification and counter reactions from neighboring countries. There is no doubt that the first prerequisite for such an approach is unfreezing relations between the two Koreas.

*** The views expressed herein do not necessarily reflect the views of the Asan Institute for Policy Studies.**