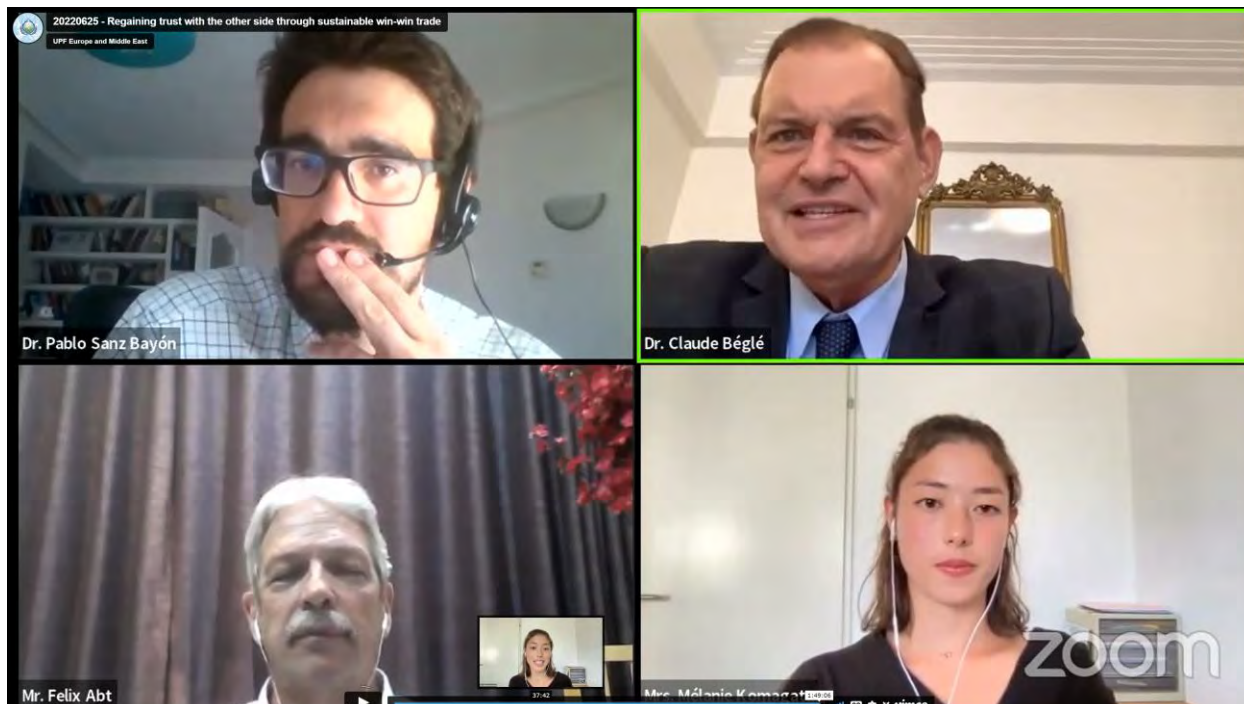


UPF Europe and the Middle East Webinar Proposes Win-Win Korea Solution

Chantal Chetelat Komagata
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Europe and the Middle East -- Speakers at a UPF online conference suggested mutually beneficial trade as a way to bring the two Koreas closer.

The webinar "Regaining Trust with the Other Side through Sustainable Win-Win Trade" was held on June 25, 2022, in recognition of the 72nd anniversary of the start of the Korean War.

The event, which offered French interpretation, was organized by the Europe-Middle East branch of UPF and two of its associations -- International Association for Peace and Economic Development (IAED) and International Association of Academicians for Peace (IAAP).

The webinar's title applied not only to the Korean Peninsula but also to the whole world with its opposing ideologies and blocs. The webinar revealed many important lessons and ways to contribute to a peaceful reunification of the Korean Peninsula by regaining trust between the two enemy countries through a sustainable process of win-win trade.

The very complementary viewpoints, the frank and open discussions touched the fundamental issues and opened an essential dialogue, which needs to be pursued and discussed with normality in order to increase the chance to look for a middle way, to shake hands and reach an agreement, in the cases of both Korea and Ukraine.

As an introduction, UPF's coordinator for Europe, **Chantal Chételat Komagata**, mentioned the founders' new paradigm called headwing thought, able to transcend adversarial systems such as the collectivism of socialist entities and the individualism of liberal democracies. She stressed the need to embrace the other side, exemplified by Rev. Dr. Sun Myung Moon in his 1991 meeting with North Korean Chairman Kim Il Sung, based on a common vision for a unified homeland and world, with a heart of forgiveness able to generate trust.

Dr. Claude Béglé, the chairman of SymbioSwiss and Swiss NeWater, moderated the webinar. He spoke of the parallels between the Korean and Ukrainian situations, starting with the foreign invasion of one bloc against the other, followed by the participation of the "free world" and front-line stabilization. He mentioned the blood relatedness and propaganda on both sides, the many victims, the need to replace sanctions with dialogue, to recognize each other's strengths and complementarity.

Finally, he highlighted the importance of trade and economic reconstruction as a peacebuilding tool to regain mutual trust.

Felix Abt, a Swiss-born entrepreneur and business affairs specialist on North Korea and Vietnam, spoke on three topics:

1. Sanctions, impact and how to possibly lift them

Mr. Abt quoted Professor Hazel Smith, a British expert on the Korean Peninsula: "Given the UN prohibitions on essential energy imports, it should be no surprise that in 2018 North Korea's agricultural production collapsed to levels similar to those of the famine years of the 1990s." He also cited the U.N. special rapporteur on human rights in North Korea, who asked for "sanctions to be eased to facilitate lifesaving assistance and to enable the promotion of the right to an adequate standard of living of ordinary citizens." Mr. Abt emphasized that the sanctions had had "no noteworthy impact on North Korea's nuclear and missile development program" and cited the numerous benefits of gradually lifting them.

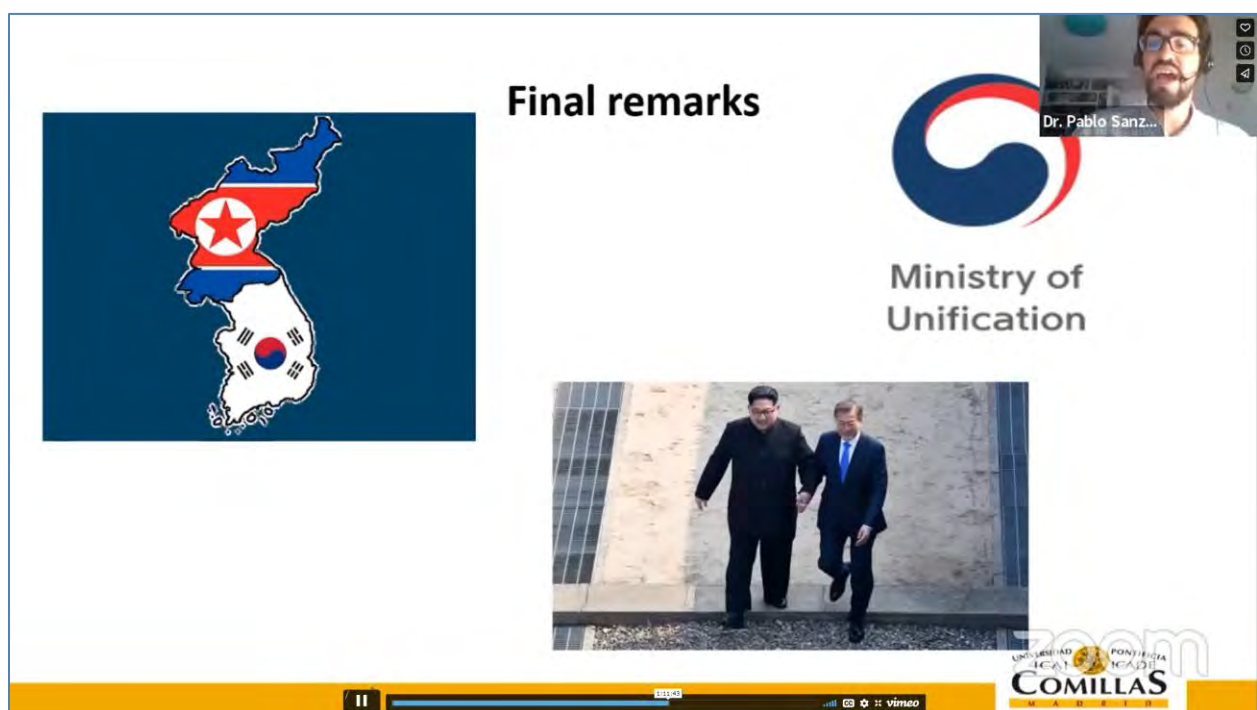
2. The role of South Korean, Chinese and other foreign companies in the North

Even if sanctions were to be lifted, Mr. Abt said, the Democratic People's Republic of Korea would not be a major investment hub, due to its small population and middle class, among other reasons. However, he noted that it was highly competitive for lower-margin manufacturing, which is often labor-intensive and requires a low-cost and a less sophisticated ecosystem. Also, information technology requiring "low investment with the potential for high returns, an unrivaled pool of highly skilled mathematicians and scientists would allow lower costs than in other software hubs such as India and Vietnam."

He also mentioned the modern and competitive DPRK Foreign Direct Investment Law and complementary laws and regulations governing foreign trade as well as a system of dispute resolution, unlike many Asian countries, with a long experience in different industrial parks. However, "a major hurdle for foreign investors and traders dealing with foreign investors" resides in having been tied to one particular sponsoring organization.

3. A post-reunification scenario

Mr. Abt envisioned a political confederation including two parts with some safeguards like veto rights for the smaller part to avoid being overrun by the larger part. He said that "reunification will offer important synergistic benefits and competitive advantages for the country as a whole," and he described three types of industries that "will undoubtedly turn Korea into an economic powerhouse."



Mélanie Komagata, a postgraduate student at the University of Geneva, considered the title from the historical viewpoint, as a way to draw lessons from the past in order to build trust and overcome the Korean division. She illustrated the situation of Korea as a "shrimp among whales," being located in the midst of the "rivalry of great empires trying to spread their sphere of influence in Northeast Asia." Even before the annexation of Korea by Japan in 1910, "neutralization could have been a solution to the ongoing 'conquest' of interests, as well as could have allowed Korea to remain independent and united."

Based on many research articles, she suggested a new neutralization attempt as a way to solve the competition of the big powers, lessen the fear on both sides, solve the internal Korean disunity, and help regain trust and peace on the peninsula. "Neutrality will help solve the internal competition, lessen the need for nuclear capacity, and bring stability in Northeast Asia," she said, "especially during this time of rising tensions between China and the US and the era of a new global Cold War."

She mentioned the confederation model, as was proposed by Kim Il Sung, who in 1997 spoke of a "Democratic Federal Republic of Koryo" -- "a neutral country which does not participate in any political, military alliance or bloc" -- and suggested the establishment of international peacekeeping troops to avoid

a surprise attack by non-aligned governments.

She also mentioned the Neutral Nations Supervisory Commission (NNSC) and Gen. Patrick Gauchat, the head of the Swiss delegation from 2017 to 2021, who, at a UPF webinar in 2021, enumerated the growing number of confidence-building measures undertaken on the military side as the basis to achieve a peace treaty on the political level.

As a consequence, Ms. Komagata promoted the Swiss model of "active neutrality," which also would allow Korea to take on the mission of promoting peace in Northeast Asia and become the host of a fifth UN Office for Asia at the Demilitarized Zone, which has been the vision of the UPF founders. In conclusion, she said, "I believe this could become an important incentive to create a permanent neutral and unified Korea."

Dr. Pablo Sanz Bayón, an assistant professor in commercial law at Comillas University in Madrid, offered "some constructive ideas on actions that could facilitate and incentivize economic development on the Korean Peninsula and lay a foundation for future peaceful integration."

He affirmed his belief in a possible and necessary reunification of the peninsula and mentioned the steps to be taken to create the mutual benefits offered by international trade, beginning with the creation of an open common market, which should start right away -- South Korea's economy having become 97 times bigger than that of the North in 2017, compared to 53 times in 2000.

Although North Korea is endowed with abundant natural resources, educated people and many factories, Dr. Sanz explained North Korea's poverty as the result of low productivity due to the command economy system. He emphasized the need for reforms before opening the North Korean economy to the world. He mentioned the fear of being "influenced by ideas from 'outside,' particularly from South Korea," and showed the examples of both Vietnam and China having "opened to the world, despite being communist regimes."

Dr. Sanz suggested ways for North Korea to integrate "into the world economy while overcoming complex geopolitical and historical conflicts," first by joining the International Labour Organization for fair workers' wages, the World Trade Organization for global tariffs on exports, and convert its assets to credit. He questioned the United Nations sanctions, which are "blocking the country's trading capacity and have been counterproductive."

"By imposing sanctions, the international community loses the opportunity to engage with North Korea in a legal, predictable and sustainable way," Dr. Sanz said. He reflected on the reunification of Germany and Vietnam and the reforms carried out in South Korea and in China that could help North Korea create a new money and banking system with rewarded savings and right to invest, and de-collectivization in agriculture, that would enhance productivity.

He mentioned the business cooperation between North and South Korea in the Kaesong industrial complex in North Korea, which started production in 2004, closed some years ago, and should be resumed rapidly, and stressed the fact that "for economic exchanges to restore mutual trust between the parties and lead to peace, a change of mentality is necessary. All Koreans have to make an effort to understand each other and focus on what unites them and not what divides them."

He referred to the reconciliation example of Europe, from the European Coal and Steel Community after World War II to today's European Union, through a series of dialogues between Eastern and Western Europe known as the Helsinki Process and the creation of the European Economic Community.

Once the 38th Parallel opens, the Korean Peninsula will be "the single most exciting place in the world," Dr. Sanz said -- partly because of the union of the labor and the resources in the North with the capital and the manufacturing in the South, "grounded on mutual economic development."

The discussion, led by Dr. Béglé, gave an opportunity to the three panelists to express their thoughts on each other's presentations. It was followed by a question-and-answer session, inviting them to look at other points of discussion.