

## Kaesung Ignites U.S.-SK Tensions: Low wages and support for North Korea raise questions

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By Kim Tae-kyung

The governments of South Korea and the U.S. have had conflicts over working conditions in the Kaesung industrial complex. They have exchanged relatively harsh criticisms about each other. However, a disagreement over working conditions is a superficial interpretation of their conflict. Indeed, the nature of this conflict should be understood as U.S. influence bearing down on South Korea, as it has squeezed North Korea by economic sanctions.

Jay Lefkowitz, the U.S. Special Envoy for North Korean Human Rights, wrote the article, "Freedom for all Koreans," ([http://www.weeklystandard.com/weblogs/TWSFP/2006/04/freedom\\_for\\_all\\_koreans.html](http://www.weeklystandard.com/weblogs/TWSFP/2006/04/freedom_for_all_koreans.html)) in the *Wall Street Journal* on April 28th. In his article, he condemned the labor exploitation in the Kaesung industrial complex because workers there were paid less than US\$2 dollars a day. He further pointed out that some countries -- namely South Korea -- have supported Kim Jung-Il's

regime by providing aid without appropriate monitoring. In fact, Lefkowitz directly criticized South Korea's North Korea policy.

According to his argument, South Korean companies in the Kaesung complex violate labor rights. Moreover, his criticism can be seen as suggesting that these "robber companies" should be forbidden to export their goods to the U.S. This would be a fatal blow for the government of South Korea, which hopes to recruit foreign companies for the Kaesung project in the future .



Jay Lefkowitz, the U.S. Special Envoy for North Korean Human Rights

Lefkowitz made the same criticism about the problems in the Kaesung complex in a conference on North Korean Human Rights hosted by the American Enterprise Institute (<http://www.aei.org/>) (AEI), a neoconservative think-tank in the U.S., on March 30. He called for an investigation into the problems by the International Labor Organization (ILO) and for reporting the results to the United Nations. Indeed, he has repeatedly condemned the problems, and his remarks have been consistent over time.

According to an official in the Ministry of Unification in South Korea who asked to remain unidentified, Lefkowitz's article was biased and was a misinterpretation of reality. The official added that his remarks were "an unthinkable intervention" into the domestic affairs of South Korea.

Indeed, the monthly income of workers in the Kaesung complex is US\$50 dollars. It is much higher than the average income of other North Korean workers who earn only US\$3 dollars. Also, their total income and benefits are between US\$57.5 and \$75 dollars, including the \$7.5.dollars for social insurance. Compared to the minimum wages of workers in China and Hanoi, Vietnam - US\$75 and 55 dollars, respectively, the income level of workers in Kaesung is not low.

**Lefkowitz attended a meeting with Bush and North Korean defectors**

South Korean government officials in the Ministry of Unification explained that Lefkowitz attempted to change the positive atmospheres in the U.S. towards the Kaesung industrial complex because he feared the possibility of U.S. cooperation after the management of the complex held introductory presentations in Washington D.C. and invited American businesspeople to Kaesung.

However, it is not convincing to interpret his remarks as personal. He could not have criticized the problems in Kaesung without the permission or countenance of President Bush.

On April 28 when Lefkowitz's article appeared in the *Wall Street Journal*, Bush invited and met with several people in the White House: Kim Han-mi and her family, North Korean defectors, Kim Sung-min, President of Freedom North Korea Broadcast, and Yokota Sakie, the mother of Yokota Megumi who was abducted by North Korea at the age of 13 in Niigata, Japan in 1977.

Bush said in the meeting that he could not believe a leader of a country ordered the kidnapping, referring to Kim Jung-il. He stressed that the president of the United States had obligations to the North Korean people to ensure their freedom and human rights.

When Kim Sung-min said that Christians must not tolerate Kim Jung-il, Bush welcomed his remarks as a "strong message."

Lefkowitz attended this meeting, together with Kato Ryoza, Ambassador of Japan to the U.S. Kato's attendance indicates the strong interest of Japan in the abductee problems and North Korean human rights.



U.S. President George W. Bush meets with Sakie Yokota, the mother of abductee Megumi Yokota and family of Kim Han-mi, North Korean defectors

### **Can South Korea continue to resist against U.S. policy?**

Evidence suggests that Lefkowitz's remarks were not merely caused by his nervousness towards the conciliatory mood.

The government of South Korea understands the Kaesung project as the symbol of the cooperation and friendship of the two Koreas, as well as an important method to attract North Korea away from getting more dependent on China. The U.S., on the contrary, sees this project as the way to provide cash to the North and therefore to prolong Kim Jung-il's regime, which could,

otherwise, easily collapse.

Therefore, the persistent and planned criticisms of Lefkowitz, a core member in the Bush administration, must be understood as an attempt to put direct pressure on South Korea. The government of South Korea is actively preparing to implement the Korea-U.S. Free Trade Agreement (FTA) in spite of objections inside Korea. The government wants goods produced in the Kaesung complex to be approved as "made in Korea." However, this hope cannot be realized at this moment.

In fact, the government of South Korea recently accepted many demands from the U.S. including the acknowledgement of the strategic flexibility of U.S. Forces in Korea and participation in the U.S. led- Proliferation Security Initiative (PSI). The issues concerning the Kaesung complex are the only conflicts that the two countries currently confront. With this regard, it is doubtful that South Korea could continue to maintain its initial position in the issues of Kaesung. Indeed, the government of South Korea finally accepted the U.S. proposal for the strategic flexibility of the U.S. Forces, although it had previously disagreed with it.

According to the *Kyunghyang Newspaper* in Korea on March 28, Song Min-soon, South Korea's Blue House chief secretary for foreign and security policy, suggested a grace period of at least six months to North Korea when he visited the U.S.

at the end of last February. The newspaper reported that Song suggested to the U.S. that the government of South Korea would cooperate with the U.S. hard-line policy towards North Korea if the North did not take a reliable action in the six-party talks held during the grace period.

The government of South Korea denied this report. However, the government persuaded North Korea to solve the problems of 486 abductees while promising economic support for it in the 18th cabinet-level talks ending on April 24. The abductee problems are, indeed, closely related to the North Korean human rights issues raised by the U.S.

#### **No effect of sanctions against North Korea without the cooperation of China**

However, there is a more fundamental issue. Even if South Korea collaborates with the U.S. in squeezing North Korea, the expected effects would be futile without the cooperative action of China.

President Bush requested China to exercise pressure on North Korea during the summit meeting between the U.S. and China on April 21. However, China's President Hu Jintao refused this suggestion by commenting that the

participant countries in the six-party talks should be more flexible to each other.

Hwang Jang-yop, a former chief secretary to the Workers' Party of North Korea and a defector, said in his public speech on Jan. 10 that the only solution for the problems of North Korea was to cut the alliance between the North and China. According to him, Kim Jung-il maintains his confidence in foreign affairs based on China's support.

Meanwhile, Hu did not immediately return to China after his trip to the U.S. He visited Saudi Arabia on April 22 and went on to visit Morocco, Nigeria and Kenya. His consecutive visits were aimed at ensuring the import of energy and natural resources from these countries.

In fact, China accuses the U.S. of exercising a hostile policy towards it -- particularly by using energy policy. It would be inconsistent if the U.S. wants China to be cooperative in dealing with North Korea while exercising a hostile policy. The more the U.S. squeezes North Korea, the more Kim Jung-Il depends on Hu. Also, China will not abandon North Korea because it is an external protection line for China.

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