The flare-up between the Koreas superimposed on the public’s image of North Korea has given rise to a widespread feeling that can be stated something like this: “Isn’t it time to pull the plug on this annoying and repulsive regime? I wish it would just collapse and the two Koreas unite so we can have peace and tranquility throughout the Far East”.

The proponents of this approach (including former President Lee Myung-bak) assume that a unified country would be just like South Korea as it now exists. Lee has called a unified Korea, “To keun Dae Han Min Guk” (translation: “A Greater Republic of Korea”). He envisages a Korea equally as prosperous, with just as much personal security (for foreigners also), and a civil society and civil liberties of equal maturity. He and others imagine that unification would produce much the same outcome as the unification of Germany, which came off without serious problems. All they would need to do is implement a series of reforms, impose their own procedures and repress dissenters. The hopes of those suffering under the yoke of a dictatorial regime would finally be realized, and the oppressors would receive their just punishment.

Unfortunately, that is not going to happen. Let’s assume that unification (or more precisely — absorption of the North by the South) actually takes place at some point in the foreseeable future (as a result of the current flare-up, or within two or three years), and let’s examine the problems that a unified Korea would face.

The first thing we will see is that Germany’s experience is irrelevant. The German Democratic Republic was one of Europe’s top 10 economies, whereas the gap between the economies of North and South Korea is great. Second, the GDR and the FRG did not fight a three-year war that affected every family. That shadow of the historic past, which has been reinforced by the ideological conflict of the Cold War, was and is a serious obstacle. Now, however, at least four groups of risks have been added to it, and they force us to be cautious about the idea of unification, especially unification in the near future.

Economic problems are the first and most obvious risks. The absorption of North Korea would take a great deal of time even if it becomes nothing more than a source of cheap labor for the South. Just developing a working transportation infrastructure there would be a very complex undertaking. According to calculations by American economists published in the Wall Street Journal in the early 2000’s, unification would cost $1.5 trillion — South Korea’s entire GDP for three years. Recent calculations place the cost at $2-$5 trillion, assuming it is done peacefully. A civil war would make the cost exorbitant.

The country could not bear an additional burden of even $2 trillion, and no one knows how many years that kind of money could be taken out of the South’s budget without causing serious internal upheavals and a sharp decline in the standard of living, not to mention what would happen if even greater amounts were required. Lee Myung-bak tried to solve the looming financial problems by introducing a special tax, which he proposed publicly in August 2010, but his initiative produced a public outcry and he was forced to back down.

It also means that if unification is sudden the cost would impose a very heavy burden on the Republic of Korea
regardless of whether South Korea would pay for everything itself or would be forced to rely on foreign creditors. Foreign loans would give it the option of taking on a less serious debt burden than during the “IMF era” or under military rule, when American aid comprised up to 40% of budget revenues. They could forget about economic growth and projects aimed at improving the standard of living, possibly for a long time to come. It might be all right if the standard of living in the South simply did not improve. A far more realistic possibility is that it would decline.

Meanwhile, South Korea has only just begun to change its economic policy and embark on establishing a social welfare state. This is the first attempt in East Asia to follow the Swedish model: expand free medical care, introduce free preschool education and reduce the cost of education above that level by 50%, develop a public pension system, and introduce paid overtime, which would be unusual for South Korea. These steps are very expensive and would require increased taxes, but if unification occurred suddenly they would either need to be scaled back because of the need to absorb the North or stretched out while funding the North out of leftovers.

Will South Korean corporations revive North Korea’s industry for its own purposes? They would probably do the same thing the Germans did; South Korean companies would use a North Korean workforce — most likely as unskilled labor. That could lead to a vicious circle in which the workforce relocates to the more highly developed parts of the country because of economic problems, and the people who remain behind in the backward regions find economic development even more difficult.

The remains of North Korea’s industry would find itself in an unenviable position for another reason: Large corporations would inevitably bear some of the cost of unification, but they would find such costs acceptable only if doing so did not produce competitors. Therefore, part of the industry of the “newly annexed lands” would be acquired by new owners, and part would simply be shut down. A situation in which plants and factories are closed and supermarkets opened in their place would contribute little to national unity.

But the lower the investments in the North, the more social and psychological problems there would be, and they would belong to the second group. These problems would derive from the manner in which the North Koreans would be integrated into the society that had devoured the country.

Increased contacts have made it clear that the North Koreans and the South Koreans are different sorts of people, and the mentality of the Northerners differs greatly from that of Southerners. Their languages have diverged also — the North and the South have developed independent versions of the literary language, making it difficult for them to understand each other. If we are to believe former South Korean President Kim Dae-jung, he and Kim Jong-il understood only about 80% of what their counterpart said during the Pyongyang summit in 2000.

Moreover, malnutrition in the North and European food in the South have resulted in rather striking size and appearance differences between the North and South Koreans, and Southerners no longer perceive the Northerners as entirely the same people. Indeed, even the brief time that the two countries have been separate, taken together with traditional and ubiquitous regional differences, means that the distinction between “us” and “them” would not disappear immediately. Moreover, the distinction would be exacerbated by problems with adaptation and because the regional differences between the North and the South run deeper than, let us say, traditional South Korean regionalism.

The looming problems are illustrated very well by a whole series of articles about how North Koreans who have managed to get into the South adapt to life in South Korea. Many of their problems derive from the unfamiliar lifestyle. They have difficulty with the amount of English words used and with Chinese characters; they are unable to deal with all kinds of South Korean equipment; and the level and quality of their education are not up to par. As a rule, North Koreans find themselves on the lower rungs of the social ladder. According to Korean sociologists, the average family income of defectors is almost 3 times lower than that of the average South Korean family. Marriage to a refugee from the North is considered disreputable, something to keep quiet about.

Refugees are accused of being lazy and deceitful, especially defectors, who often lie to improve their status and are willing to invent any story to prove their worth (which is understandable because the numbers of defectors is increasing and attitudes towards them are growing worse. North Korean workers are considered drudges who need constant supervision, and they are said to be violence prone and willing to solve problems by force.

Emigrants from the North complain of discrimination and say they are treated like second-class citizens and have problems finding work, and they want to leave South Korea in search of a “better life.” According to a September 2004 survey of 100 immigrants living in South Korea by the Segye-Ilbo newspaper, 69% of respondents said that they want to leave the country. Moreover, 33% said they would return to North Korea if they had the chance.
Northerners living in the South consider Southerners to be “self-centered, selfish, cold, and arrogant towards the poor and unfortunate.” They say, “The North is faring poorly. But even though people there are poor, they look out for one another. They aren’t unkind, like people in the South are.”

Not enough is being done to adapt refugees to modern life even now. We have to wonder how things will be when a third of the population of the unified country experiences similar problems.

It would have an impact on personal security. If a third of the populace is made up of people with a different mentality accustomed to surviving at any cost, and they find themselves to be “second-class Koreans,” the situation typical of modern Seoul in which you can leave a notebook computer on a bench and come back two hours later to find it still there would become a fantasy.

The author’s next article will address the sociopolitical and foreign policy problems with unification of the two countries.

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