

WHY NORTH KOREAN FOREIGN POLICY IS RATIONAL: AN APPLICATION OF RATIONALITY THEORIES

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This article discusses whether the accusations against North Korea for pursuing irrational foreign policy are justified. To do so, the article will seek to define rational as well as irrational behavior. Rationalist behavior will be divided into two categories: strict rationality (rational choice theory) and loose rationality (constructivism, prospect theory, and cognitive models). These definitions will be applied to two case studies: the Agreed Framework of 1994 with the United States and South Korea's Sunshine Policy during its early phase from 1998 until 2003. Each case study will consider rationalist and irrational explanations of North Korean foreign policy separately and then comparatively assess their explanatory merits. This analysis will indicate the conclusion that rationalist explanations are best able to account for North Korean foreign policy in a consistent manner. Based on the information currently available, it will be argued that North Korea is a rational actor in its foreign policy.

Kim Jong-il,² the late former leader of the Democratic People's Republic of Korea (DPRK), was often accused of being irrational. In particular, the Western media often portrayed him—and by extension, the DPRK's foreign policy—as wildly haphazard. Policy-making circles have emulated such a view. In her autobiography, Condoleezza Rice, the former US Secretary of State, relates an anecdote employed by President George W. Bush to explain North Korean foreign policy: “He [Kim Jong-il] throws his food on the floor, and all the adults run to gather it up and put it back on the table. He waits

1 My thanks go to my thesis supervisor, Dr. Lee Jones of Queen Mary University of London, whose guidance and encouragement made this article possible.

2 The last name Kim will be used hereinafter to refer to Kim Jong-il unless otherwise specified.

a little while and throws his food on the floor again.”³ By characterizing Kim as a child throwing a tantrum, Bush implied a lack of self-reflection in Kim’s behavior. Thus, according to this viewpoint, North Korean policy is based on temporary mood swings rather than long-term strategic goals. Above all, the country’s leadership is continually guilty of failing to consider the consequences of its actions.

To determine if this perspective is valid, this article will attempt a structured application of rationality theories. While the question of North Korea’s (ir)rationality has already been addressed by a multitude of authors, this article hopes to contribute to the debate by engaging more deeply with theories of rationality. Understanding North Korea’s behavior could scarcely be of greater importance given the continuing disputes between North Korea and the West and East Asia. Although some policies have changed under the current leadership of Kim Jong-un, the analysis conducted here is equally applicable to DPRK foreign policy today.

The theoretical groundwork of this article will take the following form: rational choice theory will be defined by strictly rational explanations based on cost-benefit analyses. To complement certain inadequacies of rational choice theory, the article will draw upon “loosely rational” theories, in particular constructivism, prospect theory, and cognitive models. Finally, an attempt to find a useful description of what constitutes irrational behavior will be made.

In subsequent sections, these theories will be applied to two case studies: the Agreed Framework of 1994 and the Sunshine Policy during its early period of 1998 to 2003. The Sunshine Policy will only be considered from its inception until the end of ROK President Kim Dae-jung’s term in office in 2003 to ensure that sufficient attention to detail can be given within the limits of this article.

These two case studies were chosen because they provide the strongest claims for the argument of irrational DPRK foreign policy. On both occasions, Kim Jong-il was presented with an opportunity to end the isolation, which the so-called “hermit kingdom” remained in since the end of the Cold War. Yet, both times, he startled the international community by failing to take advantage of these opportunities. However, on closer inspection, evidence of rational reasons behind Kim’s actions exist. An additional benefit of these two case studies is that they provide a broader basis for analyzing DPRK foreign policy. While many accounts focus exclusively on nuclear policy or

3 Condoleezza Rice, *No Higher Honor* (New York: Simon & Schuster, 2011), 158.

US-DPRK relations, this article hopes to avoid such an imbalance.

In the case studies, all three categories—strictly rational, loosely rational, and irrational—will be examined on their own merits. At the end of each case study, a comparative evaluation will be conducted to determine which theory is most convincing in explaining DPRK foreign policy. The article assumes that there is no distinction between behavior that, for example, can be rationally explained and behavior that is actually rational. This assumption is necessary to avoid the problem of *post-facto* rationalization of irrational behavior, a problem that will be addressed in greater detail below.

One problem with this assumption is that all behavioral theories are subject to what might be bending the facts to make them fit the theory. As analysis of the facts naturally takes place after they have originated, events can be rationalized, just as they can be interpreted to fit the irrational thesis.⁴ However, while this certainly constitutes a considerable weakness in the argument, there is little that can be done to prevent it.

Finally, it should be noted that this analysis is based on the information currently available about the DPRK. It is likely that new information may change the results of the analysis.

Theoretical Framework of Foreign Policy Decision Making

This first chapter will focus on theoretical approaches to rationality and what it means to be a rational actor. This article will employ a rather narrow definition of rationality, pertaining to cost-benefit analysis, rather than the more substantive one offered by Sidney Verba, which focuses not only on the expected utility of an actor but also on the actor's awareness of his own reasoning process.⁵ This narrow focus was chosen because, from the perspective of an external analyst, awareness is difficult to determine. Moreover, it seems possible for a rational decision to occur without the actor being aware of his reasoning process.

Rational choice theory was developed by micro-economists, such as John von Neumann and Oskar Morgenstern,⁶ and applied to the study

4 David Kang, "International Relations Theory and the Second Korean War," *International Studies Quarterly* 47, no. 3 (2003): 311.

5 Sidney Verba, "Assumptions of Rationality and Non-Rationality in Models of the International System," *World Politics* 14, no. 1 (1961): 96.

6 John von Neumann and Oskar Morgenstern, *Theory of Games and Economic Behavior* (Princeton: Princeton University Press, 1944).

of political actors by neo-realist scholars, such as Stephen Krasner and Joseph Grieco,⁷ and neo-liberal institutionalists, such as Joseph Nye and Robert Keohane.⁸ Rational choice theory, which this paper shall call “strict rationality,” is a very precise model of rationality. It is based on means-ends relations and the assumption of utility maximization. Such a limited view of rationality renders it somewhat insufficient when seeking to explain rational behavior. Certain chains of action-reaction behavioral patterns can be logically explained and intuitively do not appear irrational, even though they do not fit into the strict definition of rationality provided by rational choice theory. Thus, the second category shall be termed “loose rationality.” It comprises theories such as constructivism, cognitive models explored by Janice Gross-Stein,⁹ and prospect theory, initially developed by Daniel Kahneman with Amos Tversky¹⁰ and subsequently transferred to foreign policy analysis by Jack Levy.¹¹ The final section of the theoretical chapter will discuss irrationality and will attempt to provide a useful definition based on the limited available literature.

Strict Rationality

In general, strict rationality is understood in this article to be synonymous with a game-theoretical approach, which is based on cost-benefit analyses. The static decision-making process is one whereby certain inputs, such as effects and side-effects of actions, are categorized as costs or benefits with a certain degree of (dis)utility. These inputs are weighed against one another to determine whether the benefits of an action outweigh the costs. If they do, this leads to a positive decision in favor of the action.¹² Rationalist

7 Stephen Krasner and Carlos Pascual, “Addressing State Failure,” *Foreign Affairs* 84, no. 4 (2005): 153-63; Joseph M. Grieco, “Realist Theory and the Study of World Politics,” in *New Thinking in International Relations Theory*, eds. Michael Doyle and John Ikenberry (Boulder: Westview Press, 1997).

8 Joseph Nye and Robert Keohane, *Power and Interdependence: World Politics in Transition* (Boston: Longman, 2000).

9 Janice Gross-Stein, “Foreign Policy Decision-Making: Rational, Psychological, and Neurological Models,” in *Foreign Policy: Theories, Actors, Cases*, eds. Steve Smith, Amelia Hadfield, and Tim Dunne (Oxford: Oxford University Press, 2012).

10 Daniel Kahneman and Amos Tversky, “Prospect Theory: An Analysis of Decision Under Risk,” *Econometrica* 47, no. 2 (1979): 263-91.

11 Jack Levy, “Prospect Theory, Rational Choice, and International Relations,” *International Studies Quarterly* 41, no. 1 (1997): 87-112.

12 Joshua Goldstein and Jon Pevehouse, *International Relations* (New York: Pearson Longman, 2007), 68.

theories differ with regards to the factors flowing into this cost-benefit analysis. The first theory to be examined, rational choice theory, takes a straightforward utilitarian approach and thus falls into the category of strictly rational theories. Rational choice theory was developed as an integral part of methodological individualism, which seeks to explain social phenomena through the motivations of individual actors.¹³

Dynamic decision-making is comparative: rational choices occur when an actor reviews the options available, considers the consequences of each available option, and then chooses the utility-maximizing option.¹⁴ To maximize utility, the *homo oeconomicus* must be aware of his preferences and, in case of conflict, must be able to rank these. Preferences are assumed to be (1) complete for any possible choice and the actor is aware of preferring one option over the other; (2) reflexive in which each option is at least as preferred as itself and simply indicates consistency; and (3) transitive in which option A is preferred to option B and option B is preferred to option C, then option A must also be preferred to option C (if $A > B$ and $B > C$, then $A > C$).¹⁵

Once an actor has determined his or her preferences, two main factors will influence the actor's decisions: the availability of resources and the available information.¹⁶ One problem is limited knowledge which renders decision makers incapable of predicting the exact utility which they will obtain from an action. Actors will therefore use expected utility as the basis for their decision.

Knowledge can also be problematic when unevenly distributed amongst several actors. The problem of asymmetric information was first explored by George Akerlof, who argued that, in the case of uncertainty, actors attach probability estimates to the occurrence of particular events and then attempt to maximize their utility based on these probabilities.¹⁷ The analysis is particularly relevant for repeated games, such as interaction between the DPRK and the US. Thus, the DPRK might attach a 60 percent probability to the US keeping a particular negotiated commitment ("cooperation") and a

13 Andrew Kydd, "Methodological Individualism and Rational Choice," in *The Oxford Handbook of International Relations*, eds. Duncan Snidal and Christian Reus-Smit (Oxford: Oxford University Press, 2010), 429.

14 Graham Allison and Philip Zelikow, *Essence of Decision: Explaining the Cuban Missile Crisis* (London: Longman, 1999), 26.

15 Hal Varian, *Intermediate Microeconomics* (New York: Norton & Company, 2006), 34–48.

16 Goldstein and Pevehouse, *International Relations*, 68.

17 George Akerlof, "The Market for 'Lemons': Quality Uncertainty and the Market Mechanism," *The Quarterly Journal of Economics* 84, no. 3 (1970): 488–500.

40 percent probability to it breaching the commitment (“defection”). In a game theory analysis, the optimal action for the DPRK would involve a mixed strategy equilibrium, meaning randomly choosing to cooperate in six out of ten cases and defecting on the other four occasions.¹⁸

The benefit of rational choice theory is that it is intuitive and linear. The disadvantage of the theory is that reality is often not that straightforward. Therefore, while amendments to the initial theories of Neumann and Morgenstern, such as repeated games and games with uncertainty, have enhanced the explanatory powers of game theory, the actual use of game theory in international relations is debatable. The simplifying assumptions made here may render it inapplicable to reality. For example, how does one determine the utility level attached to the normalization of diplomatic relations between two countries? Moreover, while the rational actor model is predicated on the unitary actor assumption, governments may not be unitary actors with one opinion and one decision-making process and instead be more complex.¹⁹

Loose Rationality

To accommodate those human imperfections which defy the strictly rational model, alternative models have been developed. This article shall term these “loosely rational” because they show that some behavior might be logically explicable, even when it does not meet the strict requirements of rational choice theory. The three loosely rational theories to be explored here are constructivism, prospect theory, and cognitive models.

Constructivism proposes that social phenomena are created through constructions of the material world, just as actors’ perceptions of the world are shaped by their values, norms, and assumptions. These influence actors’ decision-making behavior by factoring into their cost-benefit analyses.²⁰ Actors are thus rational as long as they adhere to the result of such an analysis, even if this result is different to the one they would have reached, had the inputs been merely external factors (i.e. the rational choice approach).

The main tenet of prospect theory is that actors do not evaluate their

18 Avinash Dixit and Susan Skeath, *Games and Strategy* (New York: Norton, 1999), 136–38.

19 Goldstein and Pevehouse, *International Relations*, 69.

20 Karin Fierke, “Constructivism,” in *International Relations Theories: Disciplines and Diversity*, eds. Tim Dunne, Milja Kurki, and Steve Smith (Oxford: Oxford University Press, 1994), 179.

options based on final outcomes, as rational choice theory would have it, but rather in relation to a certain reference point.²¹ This is because actors tend to accept gains much more quickly than losses. Thus, a state which has lost a certain territory will not adapt to the new status quo easily and be much more risk-accepting in seeking to regain that territory than it would be in attempting to gain new territory of an equal size. Conversely, a state which has gained new territory will adapt to the new status quo very quickly and be risk-accepting in defending it.²² The same principle applies to rights, negotiating power, and other facets of state power.²³

Cognitive models gained popularity amongst psychologists in the 1950s as a method for explaining how humans process information. According to cognitive theory, humans employ heuristics to make sense of the vast amount of information they confront. While cognitive models do not follow a clear cost-benefit structure of reasoning, they can still be included in the loosely rational category because the reasoning process is logically discernible and follows a generalizable pattern. As everyone uses heuristics in their decision-making process, any particular actor doing so will be just as rational as all others.

There are four heuristics that cognitive psychologists use. First, humans are “limited capacity information processors,”²⁴ and simplify the world around them to gain a sense of order. One way this can be achieved is through reasoning by analogy. Reasoning by analogy highlights the human failure to obey rational choice theory when it dictates the maximization of current utility levels while ignoring sunk costs.²⁵ Second, humans desire consistency and tend to disregard or underestimate the importance of information which does not fit in their worldview. The implication is a tendency to disregard nuance and complexity in favor of a cohesive narrative.

Third, people think causally. They overestimate the probability of aggression if they can comprehend why it might occur. They make estimations based on available information, which is unlikely to constitute a viable probability analysis given the rarity of a repetition of similar events in history. Therefore, humans are very poor estimators of probabilities and

21 Miles Kahler, “Rationality in International Relations,” *International Organization* 52, no. 4 (1998): 927.

22 Jack Levy and William Thompson, *Causes of War* (Oxford: Wiley-Blackwell, 2010), 153.

23 *Ibid.*

24 Philip Tetlock and Charles McGuire, Jr., “Cognitive Perspectives on Foreign Policy,” *Political Behavior Annual* 1 (1986): 150.

25 Paul MacDonald, “Useful Fiction or Miracle Maker: The Competing Epistemological Foundations of Rational Choice Theory,” *The American Political Science Review* 97, no. 4 (2003): 556.

frequently fail to assess situations correctly. Finally, cognitive theory argues that humans are loss-averse actors, so that “loss is more painful than a comparable gain is pleasurable.”²⁶ Given these distortions in people’s perception of reality, cognitive models try to explain deviations from rational choice theory. It is also worth noting that all of these distortions are amplified in crisis situations²⁷ where there is a severe threat to important values and limited time in which to respond to that threat.²⁸

All three loosely rational theories are vulnerable to similar criticism as rational choice theory, namely that they lack verifiability. Determining which actor’s initial reference point or which heuristic is most used in any decision-making process remains difficult. Furthermore, prospect theory and cognitive theory do not so much try to provide an alternative to rational choice theory as they “accept rationality as a default position and then explain its boundaries.”²⁹ They are a collection of contingent models rather than individually coherent theories.

Irrationality

Finally, there is the idea of irrationality. One possible way of acting irrationally is through a completely random approach, whereby decision-making processes are equivalent to throwing a dice. However, it is very unlikely that people, let alone large organizations such as governments, act in this way.

Beyond complete randomness, irrationality seems to be defined by default in international relations and political science literature as that which evades rational explanation. Resources outside the discipline take a similar approach. The *Oxford Dictionary of Philosophy*, for example, defines irrationality as, “A view which releases the deliverance of some faculty, such as faith, or intuition, from the critical scrutiny of reason.”³⁰ A decision is thus irrational if it is reached without consideration of costs and benefits arising from the action.

26 Ibid., 104–09.

27 Levy and Thompson, *Causes of War*, 155–56; Barry Buzan and Lene Hansen, *International Security Studies* (Cambridge: Cambridge University Press, 2009), 31–32.

28 Richard Lebow, *Between Peace and War* (Baltimore: Johns Hopkins University Press, 1981), 7–12.

29 Gross-Stein, “Foreign Policy Decision-Making,” 104.

30 “Oxford Dictionary of Philosophy,” Oxford University Press, accessed November 24, 2012, www.oxfordreference.com.ezproxy.library.qmul.ac.uk/view/10.1093/acref/9780199541430.001.0001/acref-9780199541430-e-1704?rskey=iIMaLM&result=1466&q=.

Introduction to the Empirical Analysis

These theories will now be applied to the two case studies. Each case study will begin with a historical survey, followed by arguments for irrational, strictly rational, and loosely rational behavior. Each case study will conclude with a comparison of the explanatory value of these three theories.

As far as rationalist explanations are concerned, a hierarchy of preferences needs to be established. It will be assumed that the primary goal of the DPRK regime is regime survival.³¹ Relevant considerations are internal threats, such as popular, military, or ideological challenges to the leadership, and external threats, such as absorption into the ROK or military conflict with the United States.

It is assumed that welfare is the main secondary goal of the DPRK regime. This goal influences foreign policy in that the regime seeks to obtain as much food, monetary, or other aid from abroad as possible as long as it does not perceive its primary goal of regime survival to be threatened by the aid. In terms of domestic policy, welfare may be conducive to regime survival (by garnering public support for the regime) or contrary to it (as a certain level of welfare, especially in terms of food, is historically required to sustain a popular uprising). Obtaining these two goals requires bargaining power vis-à-vis foreign countries. Therefore, bargaining power can be seen as a means to these ends or as an underlying, intermediate goal of DPRK foreign policy.

Case Study I: The Agreed Framework of 1994

Case Study I: History

The first case to be considered is the Agreed Framework (AF) of 1994 between the United States and the DPRK. The development of the AF can be viewed within three distinct periods: the lead-up to the AF, its signing and initial workings, and its ultimate breakdown.

The first period arguably began in 1991 with the end of the Cold War and ended in the fall of 1994 with the signing of the AF. After the collapse of the USSR, the DPRK's security situation became precarious, which induced the DPRK to intensify its work on a nuclear program. The situation reached a crisis point in March 1993 when the DPRK threatened to leave the

31 Kang, "International Relations Theory," 311.

Nuclear Non-Proliferation Treaty (NPT) within ninety days. To avoid a military confrontation, the Clinton administration consented to negotiations, which led to the signing of the AF on October 21, 1994.³²

The second period covers from October 1994 until 1996 during which both sides complied with the AF. The AF stipulated that the DPRK would freeze its nuclear production and allow International Atomic Energy Agency (IAEA) inspections, which the DPRK indeed did.³³ The DPRK was also expected to ultimately dismantle its nuclear reactors. In return, the US ended economic sanctions against the DPRK and headed an international consortium, the Korean Peninsula Energy Development Organization (KEDO), which would provide the DPRK with two light-water reactors (LWR) for the civilian nuclear energy production and other sources of energy (such as heavy oil) until the completion of the LWR in 2003.³⁴

Between 1996 and 2003, the final period covers the time when the AF was officially still in place but no longer adhered to by either side. Owing to a lack of congressional support and funding from the other KEDO members, President Clinton was unable to secure sufficient funds and some of the promised fuel shipments were delivered late between 1996 and 1999.³⁵ Moreover, the construction of the promised LWR was severely delayed. It only began in 2002 and was put on indefinite hold at the end of that year, clearly not to be completed by the 2003 deadline.³⁶ In the meantime, the DPRK restarted its nuclear program, perhaps as early as 1998.³⁷ Interpretations of the reasons behind this failure vary. The DPRK points to Washington's tardiness in fulfilling its end of the bargain, whereas the US argues that it acted in good faith and blames the DPRK for violating the AF by restarting its nuclear program.³⁸

32 Michael Seth, *A Concise History of Modern Korea* (Plymouth: Rowman & Littlefield, 2010), 222–24.

33 James Sterngold, "North Korea Reports Fulfilling a Nuclear Promise," *The New York Times*, November 20, 1994, www.nytimes.com/1994/11/21/world/north-korea-reports-fulfilling-a-nuclear-promise.html?scp=2&sq=north+korea+inspect&st=nyt.

34 IAEA, *Agreed Framework of 21 October 1994 Between the United States of America and the Democratic People's Republic of Korea* (Geneva, 1994).

35 U.S. GAO, *Heavy Fuel Oil Delivered to North Korea Under the Agreed Framework* (Washington, 1999), 3.

36 Sung-joo Han, "North Korea: A Season for Carrot and Stick," *The New York Times*, November 22, 2002, www.nytimes.com/2002/11/22/opinion/22iht-edhan_ed3_.html.

37 David Sanger, "North Korea Site an A-Bomb Plant, U.S. Agency Says," *The New York Times*, August 17, 1998, www.nytimes.com/1998/08/17/world/north-korea-site-an-a-bomb-plant-us-agencies-say.html.

38 Victor Cha and David Kang, "Can North Korea Be Engaged?" *Survival* 46, no. 2 (2004): 98–99.

In order to move from one period to the next, the DPRK took three key decisions that need to be explained. The first two decisions involve the engagement with the US: first in escalating the nuclear crisis and then agreeing to the AF. Instead, the DPRK might have decided to develop its nuclear program while refusing to negotiate. The likely outcome would have been a military confrontation with the US which would be unfavorable for the DPRK. It is also conceivable that the DPRK could have developed its nuclear program in silence without threatening to leave the NPT. In this event, the US would have suspected the program's existence, but no immediate confrontation from either party was foreseeable at that point.

The third decision made by the DPRK was to allow the AF to fail. Why did it not take this opportunity to advance economically and politically by proving to be a trustworthy partner and "rejoining the international community"? This leads to the question of what were North Korea's intentions when signing the AF. Some argue that the DPRK never intended to maintain the AF, while others believe the DPRK eventually disapproved of the AF terms and hence decided to breach it.

Case Study I: Irrational?

Several proposed reasons support the claim that Kim Jong-il is irrational, but some of these reasons may actually bolster the rationality argument. To expand upon the irrationality argument, Michael Breen contends that Kim was indeed acting irrationally because of two particular personality traits. First, Breen argues that Kim was a "malignant narcissist."³⁹ This assessment is based on a psychological profile created by Jerrold Post and Laurita Denny for the CIA.⁴⁰ It concluded that Kim's childhood as the son of the Great Leader Kim Il-sung, with access to great riches compared to everyone else, led him to become self-absorbed and lacking in empathy.⁴¹ For this reason, Kim not only failed to empathize with others but was also incapable of viewing his own actions through someone else's perspective, which represents the US in this case.⁴² The failure of the AF could then be

39 Michael Breen, *Kim Jong-il – North Korea's Dear Leader* (Singapore: John Wiley & Sons, 2004), 92.

40 Jerrold Post and Laurita Denny, "Kim Jong-il of North Korea: A Political Psychology Profile," Political Psychology Associates, accessed January 23, 2013, <http://www.pol-psych.com/downloads/KJI%20Profile%20-%20Final.htm>.

41 Post and Denny, "Kim Jong-il of North Korea: A Political Psychology Profile."

42 Ibid.

attributed to Kim's failure to understand the political difficulties faced by the Clinton and Bush administrations in keeping US promises—for example congressional unwillingness to fund oil shipments—and deciding to “throw a tantrum” for not having his demands met.

However, this line of argument attributes a very benign role to the US for not meeting specified deadlines. Indeed, given the psychological profile assessment, it fails to consider Kim's perspective. The latter was justified in viewing America's failure to fulfill its promises as a breach of the AF.

Breen continues that this narcissism led to security paranoia and an exaggerated perception of existing threats. Given past attempts on his life and given that he had sent agents to attack South Korean targets, Kim was paranoid about his security.⁴³ James Laney and Jason Shaplen take this argument one step further in comparing DPRK's isolation in the international system to Kim effectively transferring his personal paranoia onto the entire country.⁴⁴ This would explain why Kim was unwilling to terminate the DPRK's nuclear program and violate the *juche* ideology of self-reliance by receiving economic benefits from the US.⁴⁵ Instead, he allowed the AF to fall apart.

According to Breen, this paranoia was compounded by Kim's leadership style. Breen used leadership profiles, originally developed by James Barber to assess various US presidents, to classify Kim as an “active-negative” leader.⁴⁶ Such individuals are active leaders that ambitiously drive toward implementing their policy goals but are ambitious to the point of being compulsive. As a result, they pursue their most important policy goals, regardless of how many minor ones have to be sacrificed. This approach renders such leaders inflexible. The final outcome may diverge significantly from the product of a rational cost-benefit analysis.⁴⁷ In Kim's case, the primary goal which he pursued obsessively was the development of nuclear weapons.

However, Kim became so focused on this goal that he failed to identify the opportunity offered by the AF: to gain international legitimacy. According to this argument, Kim acted irrationally in letting the AF fail because compliance would have benefited him more than the development

43 Breen, *Kim Jong-il*, 94.

44 James Laney and Jason Shaplen, “How to Deal with North Korea,” *Foreign Affairs* 82, no. 2 (2003): 19–20.

45 Grace Lee, “The Political Philosophy of *Juche*,” *Stanford Journal of East Asian Affairs* 3, no. 1 (2003): 105–12.

46 Breen, *Kim Jong-il*, 97.

47 James Barber, *The Presidential Character: Predicting Performance in the White House* (New Jersey: Prentice Hall, 1992), 9–11.

of nuclear capability.⁴⁸ Such apparent short-sightedness is often treated as proof of DPRK irrationality. Yet, it may in fact have constituted rational behavior because it ensured regime survival *in the short run*. In other words, from Kim's point of view, what is the advantage of being integrated into the international system if he is no longer in power to enjoy these benefits?

Case Study I: Strictly Rational?

Kim's decision to enter the AF and then let it fail may in fact have constituted rational behavior. First, the timing of the AF is telling. As Kyoung-ae Park argues, it was no "coincidence that North Korea approach[ed] the United States in the early 1990s, at a time when its former allies, Russia and China, normalized their relationships with South Korea."⁴⁹ At the time, the DPRK regarded re-engagement with the US, the newly crowned global hegemon, as an opportunity to enhance its security.⁵⁰ In this sense, the AF represented a victory for the regime: the US pledged not to attack the DPRK in exchange for its termination of its nuclear program. If Kim had not acted at this time, the DPRK's security situation could have been more insecure than it was at the end of 1994.

Second, Kim may have hoped to gain economic and political concessions by seeking to engage the US. While this outcome was by no means guaranteed, scholars have speculated that short-term economic aid, such as fuel shipments from the US, explained Kim's approach.⁵¹ This argument becomes all the more credible when considering that the DPRK was in economic crisis and beset by famine from 1993 to 1998, following the cessation of trade in agricultural products with the USSR in 1991. Financial support from China was insufficient to stave it off, and inaction would have further threatened regime stability, certainly an issue after Kim Il-sung's death in July 1994. Thus, Park argues that Kim Jong-il was willing to enter international negotiations on the off chance of obtaining external economic aid to solidify his domestic position.⁵² Indeed, he was successful

48 Breen, *Kim Jong-il*, 101–02, 174–75.

49 Kyoung-ae Park, "North Korean Strategies in the Asymmetric Nuclear Conflict with the United States," in *Nuclear North Korea: Regional Dynamics, Failed Policies, and Ideas for Ending a Global Stalemate*, ed. Su-hoon Lee (Seoul: Kyungnam University Press, 2012), 94.

50 *Ibid.*

51 Victor Cha, "Hawk Engagement and Preventive Defense on the Korean Peninsula," *International Security* 27, no. 1 (2002): 42.

52 Philip Park, *The Dynamics of Change in North Korea: An Institutional Perspective* (Changwon:

in doing so and managed to improve diplomatic relations with other states and to gain economic aid by signing the AF.⁵³

Yet, even if the DPRK was desperate to engage with the United States in the early 1990s, why do so through escalating the nuclear crisis? Such escalation was perceived by outsiders as dangerous and irrational, demonstrating that the regime could not be trusted. Several scholars have argued that for the DPRK, “it pays to provoke,”⁵⁴ when compared to other, less threatening negotiating techniques. The success of this “crisis-oriented negotiating style”⁵⁵ was first tested with the AF and has established a long, successful track record since.⁵⁶

Engaging the US through nuclear escalation was, in fact, a relatively low-risk strategy on the part of the DPRK. While the Clinton administration was sufficiently alarmed to contemplate a military strike, the likelihood of US military action was rather low given that the DPRK was within China’s sphere of influence.⁵⁷ Moreover, the DPRK could always count on the ROK to rein in its American ally. The South Korean public’s sympathies tend not to lie so much with the DPRK regime but rather with the North Korean people.⁵⁸ South Korean President Kim Young-sam protested against US plans for a military strike and thus provided a rather ironic security guarantee through which the DPRK could engage the US.⁵⁹

This type of strategic thinking was also evident with regards to China. In 1995, a DPRK official told a visiting US delegation that to counter-balance Chinese power, a closer relationship with the DPRK would be beneficial to the US.⁶⁰ This remark revealed an acute awareness of international politics

Kyungnam University Press, 2009), 25–27.

53 Jung-ho Bae and Sung-chull Kim, “Japan’s North Korea Policy,” in *Engagement with North Korea: A Viable Alternative*, eds. Sung-chull Kim and David Kang (New York: SUNY Press, 2009), 76.

54 Lee Sung-Yoon as quoted in Sang-hun Choe, “North Korea Gets Ready for Launching,” *The New York Times*, December 6, 2012, http://www.nytimes.com/2012/12/07/world/asia/07iht-north-korea07.html?ref=world&_r=0.

55 Scott Snyder, “Negotiating on the Edge: Patterns in North Korea’s Diplomatic Style,” *World Affairs* 163, no. 1 (2000): 8.

56 Sung-chull Kim and David Kang, “Introduction: Engagement as a Viable Alternative to Coercion,” in *Engagement with North Korea*, 8.

57 Bonnie Glaser, Scott Snyder, and John Park, “Keeping an Eye on an Unruly Neighbor,” Center for Strategic and International Studies, January 2008, <https://www.usip.org/sites/default/files/Jan2008.pdf>.

58 KINU, 통일1993 전국설문조사결과 [1993 National Poll Results in the Matter of National Re-Unification] (Seoul: KINU, 1993), 32, 42.

59 Young-shik Bong, “Waiting to Reap the Final Harvest: U.S. Engagement Policy to Denuclearize North Korea,” in *Engagement with North Korea*, 30.

60 Nayan Chanda, “Lesser Evil: After Chinese Brush-Off, North Korea Courts U.S.,” *Far East Economic Review* 158 (1995): 17–18.

realities, as well as a strategy to play the US and China against one another for the DPRK's gain.⁶¹

The next question to be addressed is whether it was rational for the DPRK to break the AF from 1996 onwards. Park argues that the economic crisis drove the DPRK into negotiations, but to survive long-term, nuclear weapons were essential to deter South Korean or US attacks. Moreover, the delays in fuel shipments between 1996 and 1999 were interpreted by the DPRK as the US reneging on its promises. Finally, while the DPRK has a large military in terms of troop size, most of its military is engaged in civilian construction projects.⁶² As most North Korean workers are low skilled, soldiers are needed for civilian jobs, and a nuclear program would ensure security while freeing soldiers for other work.⁶³ In this sense, the DPRK nuclear program might even be regarded as an Asian version of Eisenhower's New Look. Therefore, breaking the AF can be rationally explained from the DPRK perspective.

Case Study I: Loosely Rational?

While the strictly rational approach explains the DPRK's decisions to enter into and then abrogate the AF, the argument can be augmented by loosely rational theories, particularly with regards to the decision to breach the AF.

Prospect theory qualifies the argument that Kim's behavior was irrational because integration into the international system would have been more beneficial for the DPRK in the long run. This theory contends that Kim was not looking at the long run but trying to survive in the short run by maximizing DPRK utility relative to the economic deprivation and isolation which the country found itself in 1993.⁶⁴

The situation is also supported by cognitive models. Part of Kim's alleged paranoia may be explained through the heuristics of causal thinking. Listing the reasons for aggression against himself or the DPRK (such as Washington's frustration at the dissolved AF or ROK's fear of a DPRK attack) may have increased Kim's sense of insecurity and thus led to the intensification of the "Korean Cold War" through isolation and renewed

61 Taekyoon Kim, "Strategizing Aid: U.S.-China Food Aid Relations to North Korea in the 1990s," *International Relations of the Asia-Pacific* 12 (2012): 47-49.

62 Bruce Cumings, *North Korea: Another Country* (New York: The New Press, 2004), 1-2.

63 Park, *The Dynamics of Change in North Korea*, 34-35.

64 Kahneman and Tversky, "Prospect Theory: An Analysis of Decision Under Risk," 263.

nuclear aspirations.⁶⁵

Moreover, constructivism may provide additional justification for why the DPRK allowed the AF to fail. Laney and Shaplen believe that the DPRK never intended to give up its nuclear program.⁶⁶ Thus, the discontinuation of the AF can be attributed to two factors. First, a nuclear weapon was perceived as a sign of “anti-Americanism,” which forms part of the DPRK’s national identity⁶⁷ and is driven by the cabinet, the Party, and the military.⁶⁸ Second, in its competition with the ROK, nuclear capabilities are a source of “national pride” for the DPRK.⁶⁹ In this sense, nuclear capabilities have intrinsic value for the regime, which exceeds mere defense or deterrence strategies.⁷⁰ Thus, abiding by the AF would ultimately have resulted in immeasurable losses for the nation and was thus never seriously contemplated. Constructivist viewpoints help illustrate how Kim may have taken other factors such as national identity and pride into account during his cost-benefit analysis of the AF.

Case Study I: Section Conclusion

DPRK foreign policy during the time of the AF can be well explained by rational choice theory and supplemented by loosely rational models. The argument for irrationality is not convincing. While Kim may have possessed certain narcissistic and paranoid character traits, evidence to demonstrate that these characteristics were decisive for DPRK foreign policy is scarce. Moreover, in focusing solely on Kim’s behavior, the argument proposing DPRK irrationality is rather one-sided and one-dimensional. While the testimonies of Kim’s security guards—some of whom managed to defect to the ROK—somewhat corroborate the paranoia thesis, the irrationality argument fails to consider that this paranoia may have been justified fear.⁷¹

The rationalist explanations are convincing because the DPRK initially benefited from the AF. It received economic aid and improved

65 Rob Ranyard, Ray Crozier, and Ola Svenson, eds., *Decision-Making: Cognitive Models and Explanations* (London: Routledge, 1997).

66 Laney and Shaplen, “How to Deal with North Korea,” 22.

67 Kim and Kang, *Engagement with North Korea*, 8–14.

68 Patrick McEachern, “North Korea’s Policy Process: Assessing Institutional Policy,” *Asian Survey* 49, no. 3 (2009): 539–44.

69 Bong, “Waiting to Reap the Final Harvest,” 27.

70 Laney and Shaplen, “How to Deal with North Korea,” 9.

71 Breen, *Kim Jong-il*, 94.

diplomatic relations, pulled out in time to keep its nuclear program, and did not have to integrate into the international community to an extent which would threaten its core values, such as the cult of the leader or its *juche* ideology.

It must be acknowledged that a key flaw in rationalist viewpoints is to assume a large amount of knowledge and foresight on Kim's part. Yet, it nonetheless seems rather unlikely that such a positive outcome could have been achieved through pure luck and on the whim of a paranoid, narcissistic leader. Far more realistic, though, is to criticize a rational viewpoint of North Korean behavior based on its short-term nature and essential short-sightedness. This is where loosely rational arguments compensate for certain deficiencies of the strictly rational explanation. However, it should be noted that loosely rational explanations are unable to stand on their own, and are only convincing as a supplement to the strictly rational argument.

Case Study II: The Sunshine Policy

Case Study II: History

The second case study is the DPRK's reaction to the Sunshine Policy (SP), initiated by former ROK President Kim Dae-jung in February 1998. Deriving its name from Aesop's lesson that persuasion is better than force,⁷² the SP follows a neo-functionalist approach, offering the DPRK integration into the international community in hopes of causing regime change through inducement rather than force.⁷³ The SP consisted of three main principles: no armed provocation would be tolerated, no absorption of the DPRK would be set as a goal, and inter-Korean cooperation would be promoted.⁷⁴ The SP was official ROK policy under Kim Dae-jung and his successor, Roh Moo-hyun, until the end of the latter's term in 2008. However, given the complexities of inter-Korean relations during this time and because the later period is distorted by the DPRK's policy toward the United States, only the 1998 to 2003 period will be considered here.

72 Aesop, *The North Wind and the Sun*. In this Ancient Greek fable, the North Wind and the Sun compete against each other, trying to get a traveller to remove his coat. The North Wind fails with force, but the Sun is successful through persuasion.

73 Hyun-joon Chon, "The Inter-Korean Summit: Evaluation and Tasks Ahead," *East Asian Review* 14, no. 2 (2002): 4–5.

74 Samuel Kim, "North Korea in 2000: Surviving through High Hopes of Summit Diplomacy," *Asian Survey* 41, no. 1 (2001): 14.

Periodizing the DPRK's foreign policy during these six years is somewhat more difficult than in the case of the AF. The periodization which seems to meet with general consensus goes as follows: the first period lasted from February 1998 until March 2000 when the DPRK was extremely skeptical of the SP and largely ignored it. In August 1998, the DPRK even launched a Taepodong-1 test rocket over Japan.⁷⁵ Yet, what is often ignored is that the DPRK was far from isolationist during this time. This period oversaw the onset of diplomatic relations with sixteen EU states,⁷⁶ the reception of US Secretary of State Madeleine Albright in Pyongyang in October 2000,⁷⁷ and South Korean tourist visits to Mount Kumgang starting in 1998.⁷⁸

The second period was initiated by Kim Dae-jung's March 2000 speech in Berlin, in which he promised economic aid to the DPRK and support for improvements in infrastructure and electricity supply.⁷⁹ The DPRK became much more interested in inter-Korean relations and engaged more actively with the ROK. While taken as a positive sign, the period of engagement was short-lived.⁸⁰ It culminated in summer 2000 with the signing of the South-North Joint Declaration (SNJD) on June 15 and the summit meeting of Kim Dae-jung and Kim Jong-il in Pyongyang in August. The SNJD outlined the conditions for Korean unification as dependent upon the Korean people rather than outside powers and found common ground in the ROK's concept of "confederation" and the DPRK's concept of "federation" around which to structure the future of the two Koreas. The SNJD also laid the groundwork for family visits across the DMZ, the reopening of the Kyungui railway, and a steady dialogue between government officials.⁸¹

The historic Summit Meeting represented the first face-to-face meeting between leaders of the two Koreas since the 1950s. Moreover, as with the signing of the SNJD, that a North-South meeting took place at all

75 Kyung-ae Park, "North Korea's Defensive Power and U.S.-North Korea Relations," *Pacific Affairs* 73, no. 4 (2001): 536.

76 Kim, "North Korea in 2000," 19–21.

77 Jane Perlez, "Albright Greeted with a Fanfare by North Korea," *The New York Times*, October 24, 2000, www.nytimes.com/2000/10/24/world/albright-greeted-with-a-fanfare-by-north-korea.html?pagewanted=all&src=pm.

78 "To Hyundai's Chagrin, Few Want to Tour North Korea," *The New York Times*, January 17, 2001, <http://www.nytimes.com/2001/01/17/business/worldbusiness/17iht-hyundai.t.html>.

79 *Le Monde Diplomatique*, "Address by President Kim Dae-jung of the Republic of Korea, Lessons of German Reunification and the Korean Peninsula," March 9, 2000.

80 Hwa-seon Lee, "Korea Highlights," *Australian Quarterly* 72, no. 4 (2000): 9.

81 "South-North Joint Declaration," United States Institute of Peace, June 15, 2000, accessed March 1, 2017, www.usip.org/files/file/resources/collections/peace_agreements/n_skorea06152000.pdf&sa=U&ei=n2slUeH7AonP0QXxroCYDw&ved=OCB8QFJAB&usg=AFQjCNEiolVboHUG7ZOVF-WUya6T8j_32Q.

entailed an implicit recognition of both countries' separate existence.⁸² The two Koreas struck an agreement for the construction of a joint industrial complex in Kaesong, where North Korean workers would be employed by South Korean companies and thereby deliver income and tax revenue to the DPRK.⁸³ Another achievement was closer economic ties between the two Koreas, although the DPRK stopped short of recognizing ROK companies as domestic and instead granted them Most Favored Nation (MFN) status.⁸⁴

The final period was marked by increasing tension and brinkmanship and arguably began with the DPRK canceling of ministerial level meetings scheduled for March 2001 for no apparent reason.⁸⁵ Several talks and meetings were resumed and then abruptly canceled by the DPRK in an apparently haphazard, on-off style. The uncertainty was compounded by the DPRK removing all personnel from the Kyungui railway project in March 2001⁸⁶ and naval skirmishes on the west coast of the border in June 1999 and again in June 2002.⁸⁷

Case Study II: Irrational?

The most convincing justification for the idea of irrationality, in what was also discussed in the AF section, stems from the regime being presented with an opportunity to engage with the outside world and join the international community. On both occasions, the regime initially embraced this to some extent, only to let it slip away after merely temporary gains had been achieved. Such behavior is plainly contrary to strictly rational views of long-term utility maximization.

Again, with Kim Jong-il's possible paranoia being so severe, he simply did not want to engage with the outside world for fear that increased contact would lead to internal uprisings and end his rule. This theory is supported by his frequently hostile and wildly exaggerated behavior. For example, in 2000, he yet again threatened to cancel ministerial level talks between the Koreas,

82 Nam-koong Young, "Similarities and Dissimilarities: The Inter-Korean Summit and Unification Formulae," *East Asian Review* 13, no. 3 (2001): 59.

83 Chon, "The Inter-Korean Summit," 3-4.

84 Kim, "North Korea in 2000," 18.

85 Young-chool Ha, "South Korea in 2001: Frustration and Continuing Uncertainty," *Asian Survey* 42, no. 1 (2002): 56-66.

86 *Ibid.*, 57.

87 Dae-won Koh, "Dynamics of Inter-Korean Conflict and North Korea's Recent Policy Changes: An Inter-Systemic View," *Asian Survey* 44, no. 3 (2004): 436.

because of an “antagonistic”⁸⁸ view expressed in Seoul’s 2000 Defense White Paper. Kim was so offended at the White Paper’s suggestion that his government still posed a major security threat to the ROK that he moved “500 short-range missiles and other artillery near the border with South Korea,”⁸⁹ thereby turning the assessment into a self-fulfilling prophecy.

In the process, Kim incidentally forgot his own naval provocations of 1999, not to mention his regime’s continued official goal of “‘communizing’ South Korea,”⁹⁰ at a point when the ROK had scrapped its own goal of absorbing the DPRK. Similarly, the DPRK appeared to wildly overreact to allegedly hostile comments by the head of the South Korean Red Cross, which was involved in the coordination of the family visits.⁹¹ This behavior reinforces the narcissistic and paranoid traits discussed in the first case study.

Another oft-cited argument for irrationality is the constant back and forth between engagement and isolationism, or brinkmanship, outlined above. Kim’s alleged paranoia is emphasized by his interpretation of the Sunshine Policy as a “sunburn policy,”⁹² which he regarded as subversive and aimed at undermining the regime by giving its people greater access to the ROK’s economic and cultural success and thus instigating a rebellion.

This may indeed have constituted paranoia at the outset of the SP, when Kim Dae-jung envisioned a relationship of “loose...reciprocity”⁹³ in which both Koreas would have equal standing. However, it was fed by a particular understanding of history within the DPRK, which assumes the Soviet bloc did not collapse because of internal faults—military, political, or economic—but rather because of contact with the West, which exposed the people to “imperialist ideological and cultural poisoning.”⁹⁴

It is both ironic and rather telling then that the DPRK only began seriously engaging with the ROK after Kim Dae-jung’s speech in Berlin, in which he abandoned the loose reciprocity standard and instead promised that “[t]he Government of the Republic is ready to respond positively to any North Korean request [for economic and humanitarian assistance]”⁹⁵ without any expectations in return. When this is juxtaposed against Kim

88 Kim, “North Korea in 2000,” 20.

89 Ibid.

90 Ibid.

91 Ibid., 19–20.

92 Ibid.

93 Chon, “The Inter-Korean Summit,” 13.

94 Koh, “Dynamics of Inter-Korean Conflict,” 434.

95 *Le Monde Diplomatique*, “Address by President Kim Dae-jung.”

Jong-il's supposed "subverting by good will" theory, the new approach should have seemed even more threatening to him. Moreover, a certain amount of paranoia on Kim Jong-il's part may well have been justified, given that one of Kim Dae-jung's goals was to achieve a "soft-landing"⁹⁶ for DPRK's breakdown rather than a sudden collapse, which would force South Korea to conduct a costly absorption of the North.⁹⁷

Case Study II: Strictly Rational?

Arguments for rational behavior are largely based on the timing of certain DPRK decisions and Kim Jong-il's negotiating strategy which led to positive returns for the DPRK. During the initial phase of the SP in 1998 and early 1999, it may have seemed prudent for the regime to be suspicious of the radically new approach adopted by the ROK. During the course of the engagement phase—from 1999 (if considering international diplomatic engagement) or 2000 (if considering ROK-DPRK relations only) until 2001—the benefits for the DPRK can be placed into four categories: diplomatic relations, economic relations, aid, and image improvement for Kim (both domestically and internationally). In all these areas, the strictly rational argument proposes that the regime acted to reap the greatest benefits possible, while not compromising the central goal of system maintenance. Ultimately, "[t]he fundamentals of the North Korean system remain[ed] unchanged."⁹⁸ Regime survival remained a core issue as evidenced by DPRK's interest in receiving economic aid more so than improving relations with the ROK or allowing family contact across the DMZ.⁹⁹

In 1999, the DPRK began a diplomatic initiative to normalize relations with several European and a few Asian countries. The timing was ideal. Internationally, it depicted the regime as moving away from its isolationist stance.¹⁰⁰ Kim Dae-jung, hoping to elicit a positive reaction to his SP, certainly treated it that way. Accordingly, he pleaded with the US to also engage the DPRK. While the Clinton administration was not prepared

96 Han Park, "North Korean Perceptions of Self and Others: Implication for Policy Choices," *Pacific Affairs* 73, no. 4 (2001): 512.

97 Koh, "Dynamics of Inter-Korean Conflict," 426.

98 Kim, "North Korea in 2000," 25.

99 Koh, "Dynamics of Inter-Korean Conflict," 438.

100 Calvin Sims, "North Korea, Apparently Seeking to End Its Isolation, Agrees to Resume Talks With Japan," *The New York Times*, December 4, 1999, www.nytimes.com/1999/12/04/world/north-korea-apparently-seeking-end-its-isolation-agrees-resume-talks-with-japan.html.

to normalize relations entirely, it did lift some of the economic sanctions.¹⁰¹ Moreover, with these delaying tactics, the DPRK was able to obtain a lot of aid. Pressing the ROK to prove it was serious about the SP, Kim Jong-il called on Kim Dae-jung to deliver the support for infrastructural improvement that Kim Dae-jung promised in his Berlin speech.¹⁰² In addition to keeping its promise, the ROK donated 1.6 million tons of food¹⁰³ and 200,000 tons of fertilizer.¹⁰⁴

Despite the cooperation and aid offered by the ROK, the DPRK refused to label South Korean companies operating within the DPRK as “domestic” firms. Instead, to the great dismay of the ROK, the DPRK merely conferred MFN status upon ROK firms, subjecting them to high taxes as “foreign” firms.¹⁰⁵ Here again, the regime displayed its talent for choosing the most favorable path for its interests, in full awareness that Kim Dae-jung had staked his reputation and political career on the success of the SP and would accept MFN status for the ROK.

The same tendency was visible in Kim Jong-il’s insistence on holding the first Summit Meeting in Pyongyang and subsequent refusal to attend the scheduled return visit in Seoul, where he would not have home advantage.¹⁰⁶ These negotiating and stalling tactics, as well as media controls during the negotiating phase, can be interpreted as clear indicators of the tactical thinking of the North Korean leader. Entering negotiations enabled Kim to improve his image, both in the ROK and internationally. He also strengthened perceptions of himself at home as a gracious leader who could procure food and other aid from abroad for his people—a reputation that had been damaged by the Arduous March of the famine years—and as adept leader in foreign policy by proclaiming that the Pyongyang summit would prove the “superiority of the DPRK in the eyes of all Koreans living in the South and abroad.”¹⁰⁷

101 Kim, “North Korea in 2000,” 23–24.

102 James Foley, “‘Sunshine’ or Showers for Korea’s Divided Families?” *World Affairs* 165, no. 4 (2003): 180.

103 Kim, “North Korea in 2000,” 17.

104 Aidan Foster-Carter, “Kim to Kim,” *The World Today* 56, no. 6 (2000): 18–19.

105 Kim, “North Korea in 2000,” 18.

106 *Ibid.*, 15.

107 Jordan Weissman, “How Kim Jong Il Starved North Korea,” *The Atlantic*, December 8, 2011, www.theatlantic.com/business/archive/2011/12/how-kim-jong-il-starved-north-korea/250244/.

To further enhance the North Korean leader's domestic image, the Korean Central News Agency (KCNA, DPRK state media) proclaimed that "[a]t the request of President Kim Dae-jung, he will visit Pyongyang from June 12 to 14, 2000."¹⁰⁸ Moreover, while Kim Jong-il's voice was clearly audible on all internationally shown news footage, he was never heard speaking during the Summit on KCNA news. He was thus able to present himself domestically as having granted a visit requested by a foreign leader, without committing to his agenda, while appearing cooperative abroad.¹⁰⁹ This media strategy reveals the extent of the calculations on Kim's part.

The provocation and brinkmanship which intensified from March 2001 onwards was interpreted by many North Korea experts as a tactic to extort further aid and concessions from the ROK and other countries.¹¹⁰ This strategy was successful to the extent that the DPRK maneuvered itself into the position of greatest aid receiver from the US on the Asian continent, while simultaneously denouncing the US for its "imperialist" foreign policy.¹¹¹ Similar contradictions applied to the DPRK-ROK relationship illustrates how Kim was able to reap multiple advantages from his policy of engagement and tension without sacrificing much in terms of DPRK strategy or ideology.

In sum, an "engagement-only" policy would have left the DPRK with the initial aid proposals and the benefits laid out in the SNJD and Summit Meeting. Yet, a cost-benefit analysis reveals that the "engagement plus provocation" policy was more beneficial for the DPRK, giving it the upper hand in negotiations and enabling it to obtain more aid than would have been possible otherwise.

Case Study II: Loosely Rational?

Loosely rational theories can add to the rationalist argument laid out above. Constructivism explains the DPRK's limited perspective while cognitive models point to the order of Kim's priorities which may not be intuitive to the outside observer. As with the AF, prospect theory can explain the apparent short-sightedness of DPRK policy: aimed at short-term maximization of aid rather than the long-term benefits of improved foreign relations.

108 "North-South Agreement," Korean Central News Agency, April 10, 2000, accessed March 1, 2017, www.kcna.co.jp/item/2000/200004/news04/10.htm.

109 Lee, "Korea Highlights," 11.

110 Chon, "The Inter-Korean Summit," 9–10.

111 Kim, "North Korea in 2000," 27.

Constructivism again points to the importance of ideology in the formation of policy. Self-reliance and military first were the two core values in DPRK ideology. This would explain its aversion to cooperation with the ROK, which is viewed as threatening DPRK independence.¹¹² Although this accounts for the provocations during 2001–2002, it fails to explain why the DPRK chose to engage the ROK through the summit meetings and other talks in the first place. This shortcoming of constructivism demonstrates yet again that loosely rational theories cannot stand by themselves but need to be combined with strictly rational explanations.

Another question is the extent to which Kim was the driver of DPRK ideology, or if he was in fact *driven* by it. In an interview, he pointed towards certain “radical and militant expressions”¹¹³ within the DPRK leadership, which prevented him from further engaging with the outside world. Kim seemed to be fully aware of the need to maintain his father’s ideology in order to sustain his own rule, but this inevitably entailed a certain amount of isolation, which, if taken too far, could result in internal collapse.¹¹⁴

Furthermore, cognitive models propose that humans are loss-averse, willing to sacrifice large potential gains for the sake of preventing (arguably) small losses. Kim feared that opening up his country to the ROK would mean admitting defeat in the “legitimacy competition” over whether the ROK or the DPRK was the legitimate national government.¹¹⁵ For this reason, he was willing to give up any long-term prospects of joining the international community, which would have granted the DPRK many more long-term benefits.

Finally, it could be argued that another heuristic, the disregarding of information which contradicts an individual’s world view, also applied to Kim. As Park has suggested, Pyongyang disliked both the SP of Kim Dae-jung’s administration and the Clinton administration’s engagement policy because it considered them to be one-sided. Through these policies, “only North Korea is to be engaged with the United States and the West. Pyongyang observes that the policy does not guarantee US engagement with North Korea, as evidenced by the lack of economic investments by US firms.”¹¹⁶

If representing Kim’s thinking, it was rather selective. It completely

112 Koh, “Dynamics of Inter-Korean Conflict,” 433.

113 Kim, “North Korea in 2000,” 26.

114 Ibid.

115 Scott Snyder, “North Korea’s Challenge of Regime Survival: Internal Problems and Implications for the Future,” *Pacific Affairs* 73, no. 4 (2001): 519–20.

116 Park, “North Korean Perceptions of Self and Others,” 512–13.

ignored the fact that US and ROK aid to the DPRK was also one-sided. The cognitive explanation for this, though, would be that the distrust felt towards the Western capitalist system—specifically the idea that it seeks to exploit other countries for its own benefit—is so ingrained that the concept of non-reciprocal aid is downplayed when the bigger picture of foreign relations is considered. However, as Park does not provide direct citations, it is difficult to determine the extent to which this unilateral theory is representative of DPRK policy.

Case Study II: Section Conclusion

When reading through existing scholarly literature on the SP, the vastly different authors' interpretation of facts is striking. Some point to the constant cycle of back and forth between engagement and provocation in DPRK foreign policy, viewing this approach as undecided at best and irrational at worst. Other authors, however, dig deeper and identify an underlying pattern in DPRK foreign policy, which does seem to maximize utility for the regime in terms of its survival, economic aid, and security goals.

Of these wildly differing positions, the rationalist interpretation seems more convincing in explaining the motivations behind DPRK foreign policy. The irrationality argument fails to provide clear causal connections, perhaps even by definition. The argument is based on an apparent randomness in DPRK foreign policy and seeks to explain this through analysis of the leader's personality traits, which chief amongst them is paranoia. The irrational viewpoint implies that it makes little sense to search for rational motivations when the actor is known to be irrational. However, in doing so, assumptions, rather than evidence-based arguments, are entered into and fail to consider rational accounts of DPRK foreign policy. Thus, while both Kim and the regime may be influenced by some irrational factors, these are outweighed by the evidence suggesting rational behavior. This assessment is supported by the success of the DPRK which has engaged in:

Brinkmanship diplomacy with nuclear or missile security threats. At the same time, North Korea has been seeking economic benefits through expanded cooperation with foreign countries, sending up to forty-three delegations overseas in 1999 in an attempt to diversify its diplomatic channels, *rather*

*than changing its basic foreign policy.*¹¹⁷ [Emphasis added.]

In this case study, like the previous one, loosely rational explanations are useful and augment understanding of the DPRK's policy but are insufficient to stand on their own. While prospect theory and cognitive models were designed as supplements to rational choice theory to begin with, constructivism is also an insufficient explanation by itself. It can only convincingly explain part of North Korean behavior.

Conclusion

The evidence from both case studies suggests that rationalist explanations are more convincing in explaining North Korean foreign policy than the claims of irrationality. Rationalist explanations aim, quite literally, to follow the reasoning which the DPRK may have gone through in its foreign policy decisions. This is the greatest shortcoming of the irrational explanations: they fail to consider the regime's motivations and instead focus on one-sided perceptions of apparently haphazard changes in policy. As the two case studies have shown, these changes can be justified if rationalist models are applied. In Robert Bedeski's words, "North Korea has used its adversaries' (i.e. most of the world) aversion to conflict to extract maximum advantages with great effectiveness."¹¹⁸ Thus, the DPRK appears to have strategically engaged in seemingly erratic, contradictory behavior to maximize its utility.

Loosely rational explanations are helpful in explaining some of the behavior which strictly rational explanations cannot account for. The main benefit of loosely rational theories can be found in their ability to explain short-term rather than long-term utility maximization. However, these theories cannot stand on their own; they are plainly insufficient if the changes in DPRK foreign policy are to be explained substantively and consistently. Yet, it may prove that loosely rational theories gain in explanatory power if more information of the internal workings of the DPRK regime were to become available.

The greatest weakness of the rationalist explanations, though, lies in the risk of *post-hoc* rationalization. It is difficult to determine whether the DPRK really underwent the proposed reasoning processes, or if instead,

117 Robert Bedeski, "Peace and Neutrality on the Korean Peninsula: A Role for Canada?" *Pacific Affairs* 73, no. 4 (2001): 559.

118 *Ibid.*, 554.

these processes have only been retrospectively ascribed to the regime. Moreover, rational explanations fail to address how utility is assigned to certain outcomes. The theory assumes certain utility assignments as a given but loses explanatory power because it does not explain why. In other words, rational choice theory itself makes many assumptions which, very often, are impossible to test empirically.

Given this analysis, the question remains of why accusations of North Korean irrationality have persisted so thoroughly. Four reasons appear to explain this school of thought. First, the DPRK regime is a poor communicator and does little to help the outside world understand its policies. Its lack of external communication makes its foreign policy vulnerable to misinterpretation, especially when compounded with propaganda about Kim Jong-il, which could scarcely be more different in tone in the press generated by Western governments when they seek to explain their policies.¹¹⁹

Another factor is methodological. If rational behavior is based on a cost-benefit analysis to achieve a certain goal, the definition of the goal is crucial to the analysis. Some scholars seem to equate the greatest benefit for the DPRK regime with that of the North Korean people. Whenever this is not the case and the regime acts in its own best interest rather than that of its people, accusations of irrationality are easily wielded. Yet, this is again indicative of a failure to examine a particular situation from the perspective of the DPRK leadership, as opposed to that of a democratically-elected government, which has an inherently different level of dependency on the general public for electoral support.¹²⁰

This points to another shortcoming of the irrationality argument. Often, North Korean ideology itself is accused rather than the irrational behavior. In the words of Breen, "There are in the world, it hardly need be said, a number of unpleasant states ruled by rather unpleasant people. North Korea is one."¹²¹ Thus, the DPRK invariably stands accused of possessing an ideology which is uncivilized, abhorrent, and could scarcely run more contrary to human rights or human progress. Yet, the failure of many commentators to move beyond this fact in analyzing DPRK foreign policy leaves wide open the possibility that, within its ideology, the DPRK is actually acting perfectly rational.

119 Il-bok Li and Sang-hyon Yun, *The Great Man Kim Jong Il* (Pyongyang: Foreign Languages Publishing House, 1989).

120 James Fearon, "Domestic Political Audiences and the Escalation of International Disputes," *The American Political Science Review* 88, no.3 (1994): 577-92.

121 Breen, *Kim Jong-il*, 171.

Finally, a more cynical interpretation of the irrationality accusation is that it is politically motivated. Michel Foucault criticized the concept of “madness” as an invention of society to label and confine those who do not conform and are perceived as posing a threat to the generally accepted order through such non-conformity.¹²² Irrationality, in his view, is thus not a valid concept of evaluating behavior but rather serves as a label attributed to those actors who fail to “play by the rules of the game.” The DPRK represents the ultimate example of an “outsider” in the international community and is thus labeled as irrational. Actual facts, as this article argues, do not support this label. More importantly, if the international community seeks to successfully engage the DPRK in the future, such labels are not helpful.

122 Michel Foucault, *Madness and Civilization* (London: Routledge, 2001), 213.