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## *Inter-Korean Relations and the 'Iron Silk Road'*

**Special Speech by  
Dr. Kim Dae-jung  
Former President of the Republic of Korea**

*Opening of the Asia-Pacific Business Forum on  
Transport and Logistics  
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Dr. Kim Hak-Su, Under-Secretary-General of the United Nations and Executive Secretary of ESCAP, Dr. Choo Byung-Jik, Minister of Construction and Transportation, transportation ministers from countries in Asia and distinguished guests!

I welcome you all to this beautiful city of Busan. I would like to sincerely congratulate the opening of the UNESCAP Ministerial Conference on Transport 2006 and extend my best wishes for its great success.

The 21st century is said to be the age of Asia. With a population of 4 billion, Asia takes up approximately 60% of the total global population. Asia is abundant in natural resources. It has dynamic people. Above all, the people of Asia have a high intellectual level. It is without doubt that the 21st century will be the age of Asia.

There was a time in the past when Asia took up a considerable part of the world economy. Around 1820, the Chinese economy took up 27% of the world's GDP. India took up 14%. At the time, Britain's economy was only 5% of the world's GDP and the United States took up only 1%. There is now a high possibility of a new age of Asia. In this age of knowledge-based economy, Asia's strength is its high educational tradition and its enthusiasm for education.

For a millennium, talents for the public offices in Korea and China were selected through *gwageo*, the state-run high ranking civil servant entrance examination,

very different from the western feudal system where noble titles were passed down from father to son. Even the son of a *yeongeuijeong*, the equivalent of today's prime minister, could not join the government without passing the *gwageo*. Therefore, to excel in the test, education gained huge importance in the Korean society. Other countries in Asia also share the same tradition of emphasis on education. Education is the prime mover in the age of knowledge-based economy. Asia is a region with such a potential.

Distinguished guests!

Korea has experienced much suffering since the end of World War . The country which had been unified for 1,300 years was divided into two against its will. This resulted in the tragic war where the people stood against their own brothers and sisters. Military confrontation has continued for 60 years since then and the Korean Peninsula still remains in ceasefire. Moreover, Korea was hit by the financial crisis. We, however, overcame all of these challenges and Korea has now emerged as the 11<sup>th</sup> largest economy in the world. This was thanks not only to the international support but also the devoted commitment of the Korean people and the efforts of the government and business.

What now remains as the most crucial for true stability and development for the Korean people is reconciliation and cooperation between the two Koreas. To achieve this, railroads that run across the South and North must be reconnected based on the reconciliation and cooperation between the two Koreas. Railroads have already been laid linking the South and the North in both the eastern and western region of the Peninsula. However, because of the U.S.-North Korean confrontation, the railroads have not yet opened for service. Once railroads go into full operation, inter-Korean exchange and cooperation in all areas including economy, culture and sports will progress rapidly. The two Koreas will enjoy common benefits based on a win-win situation.

For further economic development, the "Iron Silk Road" must be set in place that runs across the Yalu River to the European Continent. The Trans-Korea Railway (TKR), Trans-Siberian Railway (TSR), the Trans-Mongolia Railway (TMGR), the Trans-Manchuria Railway (TMR) and the Trans-China Railway (TCR) will form the "Iron Silk Road" that runs from Northeast Asia through Central Asia to Europe. Trains that run on this railroad will pass through all the countries near the two Koreas as they run from east to west.

Busan will become the logistics hub in the Pacific region. Vast amount of logistics from Japan and other countries in the Pacific will pass through the Korean Peninsula to be delivered to all parts of Europe. A train that departs from Busan will run to Paris and London. The "Iron Silk Road" that crosses across the Eurasian Continent will save up to 20~30% in time and logistics cost compared to maritime transportation as well as guarantee safe delivery. The Silk Road which saw glory in the past will once again thrive in the form of the "Iron Silk Road", realizing the age of prosperity for Eurasia. History will repeat itself.

To realize such an age of prosperity of railroad transportation, the railroad that runs across the Korean Peninsula must first go into operation. For efficient operation, repairing the outdated railroads of North Korea and the expansion of its present single-track system to the double-track remain as the most urgent tasks.

During my presidency, President Putin of Russia visited Seoul in February 2001 and we had a long discussion and eventually came to an agreement on connection of the Trans-Siberian Railway (TSR) with the Trans-Korea Railway (TKR). I believe that there had also been a similar agreement made between Russia and North Korea. China is also positive about the operation of the Trans-China Railway (TCR).

Not only Russia and China but also all countries in Asia agree and dearly aspire for a Trans-Eurasian Railway that begins from Busan. Former Japanese Prime Minister Koizumi had expressed his willingness to build an under-sea tunnel between Korea and Japan once the "Iron Silk Road" opens up. Despite such aspirations, tension surrounding the Korean Peninsula rising from the North Korean nuclear issue stands in the way of actually realizing this goal.

Ladies and gentlemen!

The North Korean nuclear issue is not relevant to the agenda of today's conference. However, to realize the dream of establishing the "Iron Silk Road", the operation of a trans-Korean railway is crucial. And the precondition of operating the trans-Korean railway is the resolution of the North Korean nuclear issue. Only then can the railway be connected and operated smoothly across the Peninsula. In this respect, I would like to say a few words on the current nuclear issue.

The North Korean nuclear issue is an issue of utmost interest to us. We cannot abide by North Korea having nuclear weapons. The North Korean nuclear weapons program threatens stability of the Korean Peninsula as well as peace in the world. It also clearly goes against the "Joint Declaration on the Denuclearization of the Korean Peninsula" agreed by the two Koreas in 1991. We urge North Korea to give up its nuclear program as soon as possible and rejoin the NPT and at the same time receive thorough inspection from the IAEA.

At the same time, the United States should guarantee the safety of North Korea and lift economic sanctions. Regarding the U.S. ban on the transfers of North Korean funds at the Banco Delta Asia, I believe that if the United States has concrete evidence it should disclose it and hold North Korea accountable. However, if the evidence is unclear, then the United States should lift such economic sanctions.

We wholeheartedly support the six-party talks. The North Korean nuclear issue, however, must be resolved through the direct dialogue between the United States and North Korea. Then, the agreement and its implementation should be guaranteed by the other remaining parties of the six-party talks. The point is that the United States and North Korea must engage in direct dialogue. Without dialogue, the issue cannot be resolved. The United States has said that it "cannot have dialogue with one who has done evil". However, though dialogue is needed with someone who does good, it is also needed with someone who does evil.

U.S. President Eisenhower had dialogue with his war enemy, North Korea, in 1953 during the Korean War and reached an armistice agreement, enabling peace to take root on the Korean Peninsula for more than 50 years. President Nixon went to China to meet Mao Zedong who had previously been condemned as a 'war criminal'. As a result, China began to take the road towards reform and openness, resulting in China transforming into a country we can freely visit and invest in. President Reagan denounced the Soviet Union as the 'evil empire', but still had dialogue with her. As a result of such dialogue, the Soviet Union and the Eastern

bloc saw development in democracy. The United States, though it even went to war with Vietnam, now has very good relations with Vietnam through dialogue. On the other hand, 50 years of containment has not succeeded in bringing change to Cuba, a small island near the coast of the United States.

Here, we learn an important lesson. Communism can never be changed through containment and sanctions. Rather, it becomes stronger. This is because the government puts all blame of poverty on outside factors, and furthermore, the people are brainwashed by the government. However when encouraged towards reform and openness, the people of the communist state become aware of the outside world and realize how deceived they are and how dire their living situations are. With these people self-awakening, communist states begin to change.

The same is for North Korea. When the United States pursues direct dialogue and encourages North Korea to give up its nuclear program, and at the same time, normalizes relations with North Korea and lifts sanctions, North Korea will become the "next China" or the "next Vietnam". Then, eventually, it will take the road towards democracy. This is because under the system of free market economy, the middle class will grow, and with the emergence of the middle class, democracy will inevitably take root. The democratic development of Asian countries is proof of this.

The nuclear issue must first be resolved. And peace must take firm root on the Korean Peninsula. The trans-Korean railway must be opened. The outdated railroads of North Korea must be repaired and the tracks should be changed from single-track to double-track system. Through such efforts, a train departing from South Korea should be able to run through North Korea, across the Yalu River and the Tumen River to Northeast Asia, Central Asia, Eastern Europe to Western Europe, forming an "Iron Silk Road".

In this conference, there will be a signing ceremony for the Intergovernmental Agreement on the Trans-Asian Railway which will spread out 80,000km reaching 28 countries in Asia. In this respect, the UNESCAP Ministerial Conference on Transport 2006 has great meaning in that it will bring prosperity to the future of the Eurasian Continent.

Ladies and gentlemen!

Let us all render our support for the peaceful resolution to the North Korean nuclear issue. Let us all help so that peace can soon be established on the Korean Peninsula. Let us open the way for the bright future of the "Iron Silk Road" that will link the Pacific and the Atlantic, bringing together the whole of the Eurasian Continent.

I extend my best wishes for the health and success of all of you here with us today. Thank you. □

**For media inquiries, please contact:**

Ms. Margaret Hanley, UN Information Services Bangkok

Busan Tel: +(82) 010-5846-8098

UNIS Bangkok Tel: +(66-2) 288-1866 Fax: +(66-2) 288-1052

E-mail: [hanley@un.org](mailto:hanley@un.org), [unisbkk.unescap@un.org](mailto:unisbkk.unescap@un.org)

[www.unescap.org](http://www.unescap.org)

