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A Socialist Regional Order in Northeast Asia After World War II

Stephen Kotkin and Charles K. Armstrong

Japan’s defeat in World War II might have allowed the Soviet Union to emerge as the dominant power in Northeast Asia. Instead, of course, the United States established an alliance system to contain the Soviet Union and, in the process, built up a powerful U.S.-led regional order. Even so, a Soviet-led socialist regional order did take shape in Northeast Asia, based on communist revolution and the planned economy model. It was, to be sure, brief. Communism in Asia collapsed in the Soviet Union and its satellite, Mongolia, in 1991, but well before then, China repudiated much of the Soviet model, which left North Korea as the sole remaining piece of the post–World War II socialist order in Northeast Asia. Though short-lived, this socialist variant of regionalism had multiple ramifications, and its legacies can still be felt.

Marxism-Leninism and the Layers of History

The long history of Russia in Asia is one of weakness, of promises unfulfilled, and wild exaggeration.1 Russo-Chinese relations, from first contacts in the seventeenth century right through 1949, were often strained and have been almost continuously rivalrous.2 By contrast, Russo-Japanese relations, though usually rendered as eternal enmity, have generally been closer and more cooperative, twentieth-century wars notwithstanding.3 As for the Korean peninsula, it enjoyed only a brief moment in Russia’s sights.4 And Outer Mongolia, following the medieval period of Mongol rule over Russia, had long been within the Chinese sphere of influence, despite a reversal in the twentieth century to the Russian sphere. Thus, it was historically anomalous that a Northeast Asian regionalism incorporating Mongolia, part of the Korean peninsula, and China, would coalesce under Moscow’s leadership. But it happened.

Whether the socialist camp in Northeast Asia, such as it was, resulted from inherent expansionism or opportunism, or both, can be debated. What seems evident is that a reversal of fortunes in the war against the Nazis in the West, and the American need in 1945 to continue fighting in the Pacific Theater, combined to
open up Soviet vistas in the east, where Moscow had earlier established its first satellite (in Mongolia) and where it had territorial ambitions. In August 1945, Japan’s former Northeast Asian empire in Manchuria (Northeast China) and on the Korean peninsula began to fall to the advancing Soviets. The Soviet army conquered Southern Sakhalin and the Southern Kurils (which Russia had once controlled), and the Soviet Union was poised to invade Hokkaido in the summer of 1945 until Stalin, after a communication with U.S. president Harry S Truman, reversed his invasion order. The Soviet Union also refrained, again at the insistence of the United States, from attempting to take the entire Korean peninsula—even though the United States had no troops in Korea yet. The Soviet Union appears to have complied with U.S. instructions to stay out of South Korea largely because it hoped to be invited to participate in the occupation of Japan, but Washington managed to exclude Moscow from playing a role on the main Japanese islands. Still, the unexpected (from the Soviet viewpoint) communist victory in China expanded the socialist sphere well beyond Manchuria and the northern Korean peninsula. And so, by the late 1940s, China and North Korea, along with Mongolia and the Soviet Far East, were poised to form a socialist regional order.

Nominally, China, North Korea, Mongolia, and the Soviet Union were united by their having Marxist-Leninist regimes, which in the Soviet worldview were to be guided from Moscow. Substantial economic exchanges, borrowings of practices, and the training of personnel also strengthened the connections. But soon enough, a Sino-Soviet rift as well as the specificities of North Korean developments undermined the incipient socialist regional order. Later, Soviet-led regionalism was further undercut by the unprecedented economic booms in East Asian capitalist economies, communist China’s turn toward market approaches, and Japanese ambitions to carve out their own Tokyo-led regional order, not to mention the distant revolts against Soviet rule in Eastern Europe and the overall stagnation of the Soviet model. What had looked promising in the 1950s and the early 1960s came to seem outdated by the 1970s and 1980s.

To be sure, communist victory in Vietnam seemed to portend the opposite of socialist decline—the possible spread of the communist bloc throughout Southeast Asia—but hostilities between communist Vietnam and communist China (not to mention communist Vietnam’s invasion of communist Cambodia) revealed deep divisions within the ostensibly socialist bloc. Indicative of what was to come, even during the Korean War, with Stalin’s full backing, China experienced immense difficulties trying to coax North Korea into a joint command, let alone a unified one. Such divisions were largely absent from the U.S.-led camp in Northeast Asia, which encompassed Japan, South Korea, and Taiwan. At a minimum, Japanese ambitions never matched those of China, which refused to remain a junior partner in someone else’s hegemony. Of course, tensions among the capitalist countries were prevalent, too, especially between Japan and South Korea, but neither of the latter allowed their enmities or ambitions to destabilize the U.S. security umbrella upon which the political establishments in both South Korea and Japan were
dependent. In the event, the Soviet threat, or more broadly the communist threat, served as a greater unifying factor in Northeast Asia than did socialist ideology or supposed socialist common interest.

Equally fateful for a socialist regional order in Northeast Asia was the contradiction between post-Stalin efforts at regional integration under Soviet leadership and the Soviet Union’s own model of self-reliance, or “socialism in one country.” It was Soviet developmental success—rapid industrialization through self-reliance, leading to an ability to stand up to so-called imperialist powers—that had attracted elites in the People’s Republic of China (PRC) and Democratic People’s Republic of Korea (DPRK), especially Mao Zedong and Kim Il Sung, to the Soviet orbit in the first place. But in both countries proponents of a Soviet-led “socialist division of labor,” or fully integrated economy under Moscow, were sidelined, and in many cases purged. In the late 1950s, China and North Korea embarked instead on the path of what the Chinese called ｚｉｌｉ ｇｅｎｇｓｈｅｎｇ (regeneration through one’s own efforts), whose Chinese characters were pronounced ｃｈａｒｙｏｋ ｋａｅｎｇｓａｅｎɡ in Korean, though commonly referred to in North Korea as ｊｕｃｈｅ. Such official “self-reliance” did not signify a refusal of Soviet subsidies—on the contrary—but it did entail a refusal of Soviet hegemony and thus of the systemic integration that was on offer, thereby exposing the limits of a socialist regional order.

**Soviet Imperial Economy?**

Korea was not central to Soviet concerns in Northeast Asia at the end of World War II, but Korea was the locale where a socialist regional order began to be seen. Economically, access to the natural resources and industrial plants of Manchuria constituted the principal Soviet goal in the region, and the Red Army’s large-scale removal of Japanese-built equipment during its occupation, similar to Soviet actions in Eastern Europe (especially Germany), are well documented. Strategically, the Soviet Union’s main concern was preventing the reemergence of Japan as a military rival in the region. It was in that regard that Korea was important, because the peninsula had been a major battleground of the Russo-Japanese War of 1904–5 and the staging ground for Japanese incursions on the Asian continent afterward. A June 1945 report from the Far Eastern Department of the Soviet Foreign Ministry stated that “Japan must be forever excluded from Korea, since a Korea under Japanese rule would be a constant threat to the Far East of the USSR.”

Beyond this unmistakable desire to keep Japan down, the accessible historical record on Soviet postwar designs in East Asia is ambiguous. Any “plans,” such as they were, could only have been very fluid. For example, little evidence has emerged that the Soviet occupation of North Korea was a “pre-conceived formula for a take-over,” as trumpeted by a Korean War–era report of the U.S. State Department. Events moved more quickly than anyone could have conceived. Certainly the rapacious behavior of Soviet occupation forces convinced the Americans in the South at the time that Moscow must not have been planning for a long-term...
occupation of the peninsula, though U.S. policy makers were not always well served by reading Soviet behavior through American eyes.\textsuperscript{11} Nevertheless, by early 1946, after the breakdown of the December 1945 Moscow Agreement that had called for a four-power “trusteeship” government over Korea, both the United States and Soviet Union moved toward the creation of separate regimes under their respective patronage without relinquishing claims to rule in the name of the entire peninsula. Whatever the wartime discussions, the possibility of a Soviet-dominated, communist regime in North Korea presented itself to Moscow following the fall of Japan as well as a series of events having to do with U.S.-Soviet rivalries in Europe, political alignments among Koreans in both occupation zones, and the mutual hardening of U.S. and Soviet positions on the Korean issue.\textsuperscript{12}

Just as the Kremlin’s intentions remain difficult to establish, so the formation and actual status of North Korea have been subjected to divergent interpretations—something evident even before the controversy over responsibility for the onset of the Korean War in 1950.\textsuperscript{13} Some American observers in the 1940s had speculated that Moscow intended to make North Korea into a republic of the Soviet Union—the same status that was rumored but never materialized for Poland.\textsuperscript{14} Then, the September 1948 proclamation of the Democratic People’s Republic of Korea was largely perceived as a Soviet initiative, making North Korea as much a “satellite” as the new Soviet-aligned states in Eastern Europe, if not more so.\textsuperscript{15} By contrast, more recent historiography has highlighted a dominant Korean role, forged in Manchurian exile, in both the establishment and ongoing rule of North Korea. And yet, scholars who have made use of newly declassified Soviet materials continue to emphasize Moscow’s role.\textsuperscript{16} However we might interpret the precise nature of Soviet domination or influence and Korean agency, what stands out is the almost immediate integration of North Korea into the Soviet orbit.

In North Korea, the Soviet Union encouraged a political purge of officials deemed to have collaborated with the Japanese to a far greater degree than the Americans did in South Korea. Simultaneously, though, the Soviet forces—again, far more than the Americans in South Korea—built upon Japanese foundations in establishing a state-owned and state-run economy.\textsuperscript{17} It was through this economic dimension, as much as on the ideological plane, that a socialist regional order in Northeast Asian was defined and attempted.

Economics was always “the base” in Marxist thinking, and even before the existence of a separate North Korean state, Moscow began to draw North Korea into an almost exclusive economic relationship through trade, aid, and the creation of joint-venture companies. On top of that came technical training. In 1946, for example, the Soviet Union and the North Korean Provisional People’s Committee (the de facto central government in Pyongyang) initiated an exchange program to send Koreans to the Soviet Union for technical training. In 1947–48, 120 undergraduates and 20 postgraduates were said to be in Soviet institutions of higher education, according to archival documents. But those figures did not include the village of Nagorne, outside Moscow, where there was a secret school for thirty-
five North Koreans who were to become high-level functionaries. They studied Russian, Marxist-Leninist political economy, the history of the Communist Party, world history, and dialectical materialism. The North Korean students were also served by cooks, waitresses, kitchen hands, a plumber, a nurse, and other staff in almost a one-to-one ratio to the students at a time when the Soviet Union was flat on its back from wartime devastation.18

In addition, the Soviet Union had an unusual card to play in North Korea—Soviet ethnic Koreans, the largest and most assimilated group of East Asian immigrants, with a long history of living on Russian and then Soviet territory.19 Back in 1937, during Stalin’s purges, Korean ethnics in the Soviet Far East had been deported en masse to Central Asia. In 1940, a military intelligence school near Moscow began to train Soviet Koreans (there were six graduates in 1942). In late August 1945, a dozen Soviet Koreans were tasked with aiding Soviet forces in the Far East with political issues, and these were followed by many more Soviet Koreans in the fall. The new Kim Il Sung University in Pyongyang employed Soviet lecturers, many of whom were of Korean descent, and the local Soviet authorities lobbied for more such teachers to be sent.20 Even more substantially, as of 1947 some two thousand Soviet-trained Koreans were said to be involved in running major North Korean industries.21 This figure is phenomenal, especially in light of the fact that in 1947 there were said to be 470 Soviet “advisers” in North Korea, including just 60 in Pyongyang.22

By late December 1948, when the bulk of Soviet armed forces departed North Korea, some four hundred to five hundred Soviet Koreans remained behind as civilian administrators and schoolteachers, some of whom became professors or party officials. Only perhaps in the three small Baltic states, once part of the Russian empire and reconquered in World War II, or in Outer Mongolia, did Soviet inhabitants of the local ethnicity “return” to play as prominent a role as in North Korea. Whether the exchange on balance benefited North Korea or the once deported, undereducated Soviet Koreans, remains an open question. Between 1958 and 1961, most Korean Koreans in North Korea returned to the Soviet Union, usually involuntarily, though one, Mikhail Pang, who was known as the Korean Beria, survived politically (he died peacefully in North Korea in 1992).

Total Soviet aid to North Korea has been estimated variously. The task is complicated by the absence of market prices in socialist economies, the challenges of ruble conversions into dollar terms, and political considerations.23 Whatever the precise measurement of the aid, it was clearly substantial, though it came with innumerable strings attached. Indeed, the North Korean economy arose as a dependency of the Soviet Union and, secondarily, of China. Eastern Europe, too, was seen as an unguarded supply depot by the North Korean regime, and even indigent Mongolia sent what it could (mostly horses) for the war and reconstruction.24

Soviet policy toward North Korea favored the development of industry rather than pure extraction (as in Manchuria). The U.S. Presidential Commission sent
to investigate economic conditions in North Korea in May–June 1946, led by
Ambassador Edwin W. Pauley, found that most of the heavy industry was func-
tioning and had not been stripped by the Soviet forces.\textsuperscript{25} The Pauley Com-
mission dismissed the widespread accounts of Soviet confiscation of physical plant
and equipment from North Korea, surmising that these were in fact industrial
goods from Manchuria being transported through Korea for shipment to the Soviet
Far East.\textsuperscript{26} One contemporary observer concluded that “every effort of the So-
viet command appears to have been to rehabilitate rather than destroy the economy
of North Korea.”\textsuperscript{27}

At the same time, forced labor and violence were integral methods of So-
viet-style economies. Indeed, rather than merely dependency through the ex-
change of personnel and goods, the Soviet Union also provided a total model of
how to organize the economy and politics, via nationalization of the so-called
means of production and an emphasis on heavy industry. North Korea adopted
a Soviet-style, two-year economic “plan” for industrialization as early as Febru-
ary 1947. By 1949, following the establishment of formal independence, the
North had reached prewar levels of industrial production, according to official
statistics. Its economy was tightly embedded in a network of trade and resource
flows that included Manchuria and the Soviet Far East. And after the People’s
Republic of China was founded in October 1949, Moscow belatedly sought to
develop more fully the Manchurian sector of the Northeast Asian regional
economy alongside the North Korean. Formal agreements of economic “coo-
deration” followed.

Mongolia fills out our cursory overview of a regionalism that was rooted in
planning, or anticapitalist modernization, of despotist regimes that relied to a con-
siderable degree on coercion. Soviet involvement in Mongolia, especially the use
of Soviet Mongols or Buryats, has been well studied. Certainly the substantial
number of Mongols trained in the Soviet Union has long been known.\textsuperscript{28} (One
should also mention the fifteen thousand Japanese prisoners of war who labored to
build the Mongolian government building, party school, national theater, and other
edifices in Ulaanbaatar—that was socialist-style regionalism, too.)\textsuperscript{29} Less well
known, perhaps, is that China also provided mass assistance to Mongolia, from
finances to labor power. In 1956, Chinese nationals outnumbered Soviets in
Mongolia, though these numbers fluctuated with Sino-Soviet tensions. Despite
the tensions, however, as a regional hub between the two giants, Mongolia re-
ceived transit fees for much of the immense rail traffic going each way—monies
that floated Mongolia’s state budget.

In sum, although the national Northeast Asian economies were very far from
being integrated together to the degree of the planned economy in the Soviet Union
proper, they did all adopt the basic Soviet model, and they became interdependent
upon one another. Here was a regional economy not unlike the Japanese imperial
economy, with central directives and some regional division of labor, only without
the Japanese.
Ultimate Technology Transfer?

Soviet economic cooperation with China is the most dramatic dimension of the Northeast Asian socialist regional economy. In early 1950, the Soviet Union offered China a low-interest loan valued at $300 million over the next five years, largely to reconstruct the industries of the Northeast, which had been China’s most industrialized region before 1949. True, the outbreak of the Korean War delayed the reconstruction effort, and the PRC used much of its loan to pay for the war, a circumstance the Chinese leadership deemed unfair.30 After the war, Beijing expected large-scale aid from the Soviet Union as compensation for China’s sacrifice of blood to the war effort, a sacrifice the Soviet Union had conspicuously not made. In the event, Soviet assistance to China in the post–Korean War period did grow: New trade and aid agreements between China and the Soviet Union, and between China and various countries of Eastern Europe, brought a mass infusion of money, equipment, technology, and advice in the 1950s.

More than eight thousand Soviet and East European advisers came to China in this period, and some seven thousand Chinese students went to Soviet-bloc countries, mainly for technical training. In 1959, a year that saw the biggest increase in Sino-Soviet trade, nearly 50 percent of China’s total trade was with the Soviet Union.31 By this time, though, the political relations between China and the Soviet Union were fraying, and the following year Moscow famously removed its entire team of advisers from China and abrogated most of its economic agreements with Beijing—but not before the ultimate technology transfer in Northeast Asia had taken place.

China detonated a nuclear bomb in October 1964 (on the day the Soviet leader Nikita Khrushchev was removed in a palace coup) and a thermonuclear device less than three years later, joining the United States, Soviet Union, Britain, and France as the fifth avowed nuclear state.32 The Chinese maintain that they developed the bomb through their own efforts. Adding weight to the Chinese claim, the Soviet Union always took the position that it had refused to give the bomb to China because transfer would have extended license to the imperialist camp to proliferate the technology (to West Germany and Japan)—a position enunciated by the high party official Mikhail Suslov at a February 1964 plenum of the Communist Party of the Soviet Union (CPSU).33 But as the top expert of the subject has summarized, “the Soviet Union built all the essentials of China’s fledgling nuclear infrastructure, based on six Sino-Soviet nuclear cooperation and assistance agreements between 1955 and 1958.”34 That assistance included weapons-design laboratories, experimental reactors, a cyclotron, uranium-enrichment facilities, joint prospecting for uranium throughout China, and significant on-site personnel.

During the Stalin-Mao meeting in Moscow in 1949, the topic of the atomic bomb had already come up, according to N.T. Fedorenko,35 but Sergei Goncharenko, relying on Soviet Foreign Ministry documents, states that “large-scale Sino-Soviet cooperation in building military industries began in early 1955.”36 In fact, between 1955 and 1958, the Soviet and Chinese leaders signed a number of agreements
regarding the Chinese nuclear program—something discussed by the Chinese and Westerners, never by Moscow. And yet, Goncharenko suggests, the second Taiwan crisis in 1958 precipitated a reevaluation by Moscow. Other scholars have also noted Soviet second thoughts. In this regard, the Khrushchev-Mao unofficial Beijing meeting of July–August 1958 has been singled out as the turning point, when Mao objected to a joint naval fleet, an idea that Khrushchev hastily withdrew. “If Mao Zedong was unwilling to cooperate in the naval sphere, suspecting Moscow of intending to violate China’s sovereignty,” one scholar has surmised, “what would happen when Khrushchev would have to bring up the problem of the command of joint nuclear forces?”37

By fall 1958, if not earlier, the Soviet Union began to delay its deliveries of military technology, including technology for nuclear weapons. But in what may have been a related move, it reaffirmed the Soviet nuclear umbrella’s coverage of China.38 Furthermore, Moscow’s second thoughts had limits. Officials in the U.S. government, according to declassified documents, contemplated a preemptive knockout strike against Chinese nuclear facilities. There were strong advocates of such a move, perhaps in part because Khrushchev rebuffed a suggestion by President John Kennedy’s envoy W. Averell Harriman even to discuss Chinese nuclear weapon facilities—something the Chinese nonetheless feared the Soviet leader would collude in.39 The Soviet leaders stood up for the Chinese more than the Chinese seem to have expected.

Goncharenko deepens the mystery of the bomb transfer by indicating that the Soviet Union hesitated to lose its socialist-camp nuclear monopoly; that Mao’s statements on nuclear war in 1956 had aroused grave concern in the Kremlin, as Chinese efforts had done in 1958 to leverage the Soviet nuclear capability to increase its own political weight; and that by 1960 Moscow even feared for its own security if the Chinese acquired the bomb. Pointedly asking “why Khrushchev and his leadership seemed willing to take the extraordinary risks involved in providing another country with nuclear weapons,” Goncharenko points to “the enthusiasm for socialist construction and technological achievement in Moscow during the mid-1950s.” In this reading, “Khrushchev and his close associates believed in the alliance with China in a way that their predecessors never did and in a way that Khrushchev himself later regretted bitterly. During these leaders’ first enthusiastic years in power, providing China with nuclear weapons may have seemed a small price to pay for an alliance that would lead two continents into socialism.” And yet, Goncharenko speculates that “the Soviet leaders never seem to have had a clear vision of why China needed nuclear weapons.”40

The mystery of Soviet motivations has not been solved in what is probably the most comprehensive research to date, by Tatiana Zazerskaia, who scoured Foreign Ministry, Central Committee, and Council of Ministers archives as well as some Chinese memoirs and secondary sources. She suggests that “during all the years of cooperation, the Soviet side exerted vigilance, sharing secrets only within the allowed parameters, and carefully followed every step of its Chinese
friend.” She adds that none of this changed right after Stalin died, citing a Chinese official’s complaints.41 This gives weight to Goncharenko’s assertion that actual cooperation commenced in 1955. But the question remains: why? What in the world was Moscow thinking when it transferred science and technology for the bomb to Beijing?

According to the Chinese, Khrushchev became more forthcoming with the most complex technology after the events in Poland and Hungary in 1956. By the second half of 1958, with more than a hundred Soviet nuclear specialists in China,42 the Soviet Union helped the Chinese prepare a facility for modeling an explosion and to look for a test site. It may have been the case that the Soviet Union anticipated not just building but also controlling a combined Soviet Union-PRC nuclear force. In 1957, the Chinese signed a license agreement for the Tu-16 bombers, which could carry nuclear payloads, and a factory in Harbin turned out the first Chinese prototype (known as the H-6) in 1959 (a modified version of this aircraft dropped the Chinese bomb at the Lop Nor test site in May 1965).43 Despite Mao’s rebuff on a joint navy (and a joint long-distance radio facility on Chinese soil), Khrushchev withdrew his offer of a prototype bomb only well after his 1958 visit, when he saw the Chinese dragging the Soviet Union into a possible conflict with the United States over Taiwan.44 At this point, however, the Soviet leaders were convinced that the Chinese were on the cusp of producing a bomb.

Sino-Soviet tensions curtailed cooperation, and the upshot was a denial of the Soviet role by both sides. Nonetheless, “Soviet assistance was considerable,” according to David Holloway, “The Soviet Union supplied design information about nuclear weapons—in particular about its own 1951 design. It appears also to be the case that, when relations soured, the Soviet specialists supplied faulty information to try to sabotage the Chinese effort.”45 Whether Khrushchev fantasized about world revolution and joint Soviet-Chinese forces under Moscow’s command or fretted about NATO and Japan, it seems that the Chinese communists played on Khrushchev’s sentiments to press for ever-greater technology transfer. Khrushchev had tried to treat Mao and the Chinese better than Stalin had—withdrawal from Port Arthur, for example—engaging in the kind of accommodating behavior that, paradoxically, the Chinese saw as weakness.

Proliferation in Asia did not stop with China. India announced that it had developed its own bomb in 1974, after its scientists had begun visiting and cooperating with the Soviet Union.46 In turn, China helped Pakistan with the development of a bomb in the early 1980s, providing blueprints as well as highly enriched uranium and key components for the engineering process. To be sure, the United States had trained Pakistani scientists in nuclear-reactor technology and supplied Pakistan’s first nuclear reactor, while later turning an expedient blind eye to Pakistan’s weapons development. The United States had also furnished China with the impetus and justification for acquiring nuclear capability with threats to use nuclear weapons against it.47 Many of China’s nuclear scientists trained in the United States during the 1950s. Still, directly or indirectly, it was the Soviet Union more than the
United States that is responsible for the proliferation of the bomb to Asia—China, India, and Pakistan. After the eruption of the second U.S.-DPRK nuclear crisis in 2002, U.S. and other intelligence agencies reported a lively and long-standing exchange of nuclear fuel, technology, and expertise among Pakistan, North Korea, Libya, and Iran, a lasting legacy (in part) of the Soviet-Asian nuclear technology transfer.

Whether North Korea possessed nuclear weapons was a hotly disputed issue by the early 1990s, one that brought the United States and the DPRK to the brink of war in June 1994. A U.S.–North Korean agreement signed in Geneva in October 1994 seemed to freeze North Korea’s nuclear program for several years, but American allegations of renewed North Korean nuclear weapons-related activity in October 2002 again brought the two nations to a crisis point. Weapons or no weapons, North Korea had certainly benefited from Soviet nuclear largesse. According to Russian physicist Georgii Kaurov, formerly of the Russian Ministry of Atomic Energy, Soviet–North Korean cooperation in the peaceful use of nuclear energy was part of Moscow’s “overall plan for promoting socialist economic integration in the Far East.”

Russian scientists and officials have insisted that Soviet policy forbade any exchange of nuclear weapons technology with the DPRK or any export of excessive supplies of nuclear fuel that could be used for weapons. Nonetheless, the Soviet Union and North Korea signed their first agreement on atomic energy cooperation in September 1959 and established North Korea’s first nuclear research center and reactor in Yongbyon, about 100 kilometers north of Pyongyang (the location of suspected weapons activity and target of a potential U.S. air strike in 1994). As a result of the agreement with Moscow, hundreds of North Korean nuclear specialists were trained in the Soviet Union, including many at the leading Soviet laboratories in Dubna. In the 1970s and 1980s, North Korea ramped up its program of nuclear energy development, helped not just by Soviet advice and assistance but also by substantial deposits of natural uranium. The fact that Japan and South Korea were similarly developing nuclear energy on a large scale was no doubt a factor in spurring DPRK actions. The further circumstance that South Korea was also trying to develop nuclear weapons—until it was stopped by the United States—may have magnified North Korea’s desire to develop its own deterrent.

North Korea’s nuclear ambitions could not have gotten off the ground without decades of Soviet assistance. That assistance ended abruptly. In December 1985, the Soviet Union had agreed to help the DPRK construct a nuclear power plant near Sinp’o on the east coast of North Korea, but in 1992, North Korea’s failure to pay for construction led a destitute and no longer communist Russia to halt work on the Sinp’o project, leaving the DPRK $1.7 million in debt to Russia’s atomic ministry. In April 1993, after North Korea announced its intention to withdraw from the Nuclear Nonproliferation Treaty (NPT), then-president Boris Yeltsin halted all remaining Russian–North Korean cooperation relating to nuclear technology.
By that time the genie, apparently, was out of the bottle. The site near Sinp’o was precisely where a U.S.-led consortium would propose building two nuclear reactors as part of the 1994 Geneva Agreement. In 2003, when the Geneva Agreement broke down, with little more than holes in the ground where the reactors were to be built, the North Koreans could claim that they had been cheated out of nuclear power plants twice, first by the Russians and then by the Americans. Of course, North Korea’s own cheating played no small part in the breakdown of both agreements. In any case, in 2003 North Korea again threatened to withdraw from the NPT, and this time it carried out the threat.

Dependency, Rivalry, Independence

In socialist Northeast Asia, undeniable economic dependency did not automatically become the basis for political dependency. Sergei Goncharenko estimates that, in 1959, Soviet exports to China of industrial technology and know-how reached an astonishing 7 percent of Soviet gross domestic product. With that money, he writes, the Soviet Union could have funded construction of 2.6 million apartments at home, overcoming its housing shortage. These figures may be fairly disputed, but no doubts should remain about the enormous significance of Moscow’s role in China’s development. Yet, despite the fact that China was itself dependent on Soviet assistance, Beijing attempted to compete with Moscow in providing economic assistance to both Mongolia and North Korea.

Contemporary Soviet sources divide foreign assistance to the DPRK between 1953 and 1960 roughly in thirds, no doubt a division of labor suggested by Moscow. Some 33.3 percent of reconstruction aid came from the Soviet Union, 29.4 percent from China, and 37.3 percent from other countries. More specifically, the aid came from the sources shown in Table 7.1.

North Korea was dependent on fraternal assistance for more than 80 percent of its industrial reconstruction needs between 1954 and 1956, the period of the three-year plan. By far the most important source of this assistance was the Soviet Union.

Among other projects, Soviet aid and technical assistance built or rebuilt the Sup’ung hydroelectric power plant (the largest in Asia at the end of World War II, destroyed by the United States in the Korean War); the chemical works in Hungnam (also destroyed in the war); the steelworks at Songjin (renamed Kimch’aek in 1957, after a DPRK hero killed in the Korean War); the port at Namp’o; and a textile factory in Pyongyang. Soviet aid was both extensive and diverse (see Table 7.2).

North Korea could not possibly have rebuilt its economy as quickly as it did without this massive inflow of aid into nearly every sector of production and consumption. But the DPRK did not remain aid-dependent for long. Partly this was out of necessity, as socialist-bloc aid was intended from the beginning to be phased out as reconstruction was completed. Still, it is interesting to note how quickly North Korea’s aid dependency dropped. In other words, North Korea’s declaration
Table 7.1

“Fraternal” Assistance to the Democratic People’s Republic of Korea, 1953–1960 (million rubles)

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<th>Type</th>
<th>Amount/unit</th>
<th>Quantity</th>
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<tr>
<td>Total</td>
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<tr>
<td>Soviet Union</td>
<td>292.5</td>
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<tr>
<td>Others</td>
<td>586.8</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>258.4</td>
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<td>German Democratic Republic</td>
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<td>Poland</td>
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<td>North Vietnam</td>
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Table 7.2

Soviet Aid to the Democratic People’s Republic of Korea, 1953–1957

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<th>Type</th>
<th>Amount/unit</th>
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<td>Technical assistance and equipment</td>
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<tr>
<td>Oil products</td>
<td>1,000 tons</td>
<td>113.6</td>
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<tr>
<td>Rolling metal</td>
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<td>134.8</td>
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<tr>
<td>Rope and steel cable</td>
<td>1,000 tons</td>
<td>4.9</td>
</tr>
<tr>
<td>Tubing</td>
<td>1,000 tons</td>
<td>22.8</td>
</tr>
<tr>
<td>Rolling nonferrous metals</td>
<td>1,000 tons</td>
<td>3.8</td>
</tr>
<tr>
<td>Fertilizer</td>
<td>1,000 tons</td>
<td>122.1</td>
</tr>
<tr>
<td>Tires</td>
<td>1,000 pieces</td>
<td>59.6</td>
</tr>
<tr>
<td>Lumber</td>
<td>1,000 cubic meters</td>
<td>113.3</td>
</tr>
<tr>
<td>Cotton weave</td>
<td>1 million meters</td>
<td>11.9</td>
</tr>
<tr>
<td>Cotton thread</td>
<td>1,000 tons</td>
<td>2.9</td>
</tr>
<tr>
<td>Livestock</td>
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<tr>
<td>Rice</td>
<td>1,000 tons</td>
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<tr>
<td>Cooking oil</td>
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<td>4.6</td>
</tr>
<tr>
<td>Sugar</td>
<td>1,000 tons</td>
<td>9.0</td>
</tr>
<tr>
<td>Medicine and medical equipment</td>
<td>1 million rubles</td>
<td>23.4</td>
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</tbody>
</table>


of “self-reliance” by the end of the 1950s was not without substance. In 1954, 33.4 percent of North Korea’s state revenue came from foreign aid; in 1960, the proportion had dropped, by official statistics, to 2.6 percent. By contrast, well over half of South Korea’s government revenue had come from foreign assistance in 1956.\(^5\)
To be sure, statistics on North Korea can be debated. But whatever the precise dimensions of North Korean self-sufficiency, it is beyond dispute that the period of postwar reconstruction in North Korea was the time that the Soviet Union, China, and the Soviet-aligned countries of Eastern Europe and Mongolia cooperated, at least economically, to the greatest degree. That economic interdependence, in turn, fostered, at least in North Korea, a push for economic independence.

The Soviet Union and China contributed such enormous resources to the reconstruction of North Korea partly out of solidarity and partly—especially in the case of China—out of rivalry. Besides assistance in cash and goods, China contributed several thousand “People’s Volunteers,” soldiers who remained after the Korean War to help with construction and other projects. North Korea was an area of crucial strategic importance to China and one place where the potential for Chinese influence, built on the “blood-cemented friendship” of the Korean War, was considerable. China’s ambitions extended well beyond Korea. After Stalin’s death, Mao tended to see himself as the leader of the world communist movement, and the Chinese revolution as the natural model for revolution in the third world, where communism would make its greatest advances in the third quarter of the twentieth century.56

Whatever the attractions of the Chinese model for North Korea, the latter, like Mongolia, remained utterly dependent on the Soviet Union for economic and military aid, and thus remained wary of alienating Moscow. Alone among smaller communist countries caught up in the Sino-Soviet split, the DPRK managed to maintain a rough balance between the two communist giants throughout the three decades of Sino-Soviet alienation. It is not so much that North Korea “leaned toward” one or the other of its patrons, although at times it did, but rather that the DPRK maintained a certain distance from both while gaining from each the benefits of its strategic position vis-à-vis the other. In this respect the DPRK was a practitioner of “the power of small states,” playing off the competition between its two much larger neighbors to its own advantage.57

Sino-Soviet rivalries involved not just competition but a kind of division of labor in intracomunist economic relations. Kim Il Sung led a delegation to the Soviet Union and Eastern Europe in June 1956 to negotiate renewed assistance in economic reconstruction. As a result of this visit, the Soviet Union cancelled North Korea’s debts and postponed repayment of debts amounting to over a billion rubles, and offered new aid in both money and goods.58 China, at the time, did not renew its pledge of aid, although in September 1958 China did extend $25 million in credits to North Korea.59 In July 1955, China had offered 800 million yuan in assistance to North Vietnam, roughly twice as much aid as Hanoi received at the time from the Soviet Union.60 This seemed to reflect an understanding between the Soviet Union and China, in which the latter would take the lead in assisting revolutionary movements and regimes in Southeast Asia, while the Soviet Union and Eastern Europe would focus on the north Asian countries of Mongolia and

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North Korea. In fact, however, Soviet and Chinese policies in East Asia were becoming more divergent than complementary by the late 1950s.⁶¹

The Unraveling and the Legacies

Developments internal to the Northeast Asian socialist regional order pulled it apart. Soviet economic support for the DPRK declined sharply after the end of the three-year plan, both because of Soviet parsimony and because of North Korean insistence on self-reliance. But the Soviet Union also wanted to maintain its influence in Pyongyang, partly as a counterweight to China and partly out of concern about centrifugal forces in the Soviet bloc after the 1956 Hungarian uprising. This resulted in a kind of negative policy toward the DPRK: The Soviet Union reduced the number of advisers and level of assistance to North Korea after 1956, but it also refrained from criticizing or interfering in North Korea's domestic affairs. The little Stalins were toppled in Eastern Europe with de-Stalinization, but Kim Il Sung endured.⁶² Yet, as late as 1957, three-fifths of the films shown in North Korea were Soviet productions, and only one-tenth North Korean. A degree of dependency persisted, even in mass culture.⁶³

The early 1960s were when North Korea ostensibly leaned closest to China.⁶⁴ But China had little to offer economically after the disaster of the Great Leap Forward in the late 1950s. On the contrary, famine in China pushed tens of thousands of ethnic Koreans across the border into North Korea.⁶⁵ (Even more of China's Korean minority would flee across the border later in the decade, as a result of political and ethnic persecution during the Chinese Cultural Revolution.) Despite official praise for China's achievements during the Great Leap Forward, internal statements of the Korean Workers' Party were critical of Chinese Communist Party's economic policies.⁶⁶ Chinese promises of economic assistance to North Korea after 1959 went mostly unfulfilled; literally, China could not deliver the goods, despite strenuous attempts on the part of the PRC to compete with the Soviet Union in offering North Korea equipment, technical assistance, and entire factories for light-industrial production.⁶⁷

Still, although the economic benefits of relations with China showed limited returns, China was a military and political balance against the Soviet Union. On July 6, 1961, the DPRK signed a Treaty of Friendship, Cooperation and Mutual Assistance with the Soviet Union in Moscow, and then, four days later, signed an almost identical treaty with China.⁶⁸ The Soviet Union offered greater material support, but ideologically North Korea drew closer to China. After a brief rekindling of cultural exchange with the Soviet Union in 1959–60, North Korea again raised the walls against "revisionist" influences in the wake of the 1961 twenty-second congress of the CPSU and the renewed push for de-Stalinization, while Pyongyang made declarations of the desirability of unifying the peninsula, raising the prospect of war and exacerbating the tension with the Kremlin.
Radio Moscow’s Korean programs were no longer broadcast in the DPRK after November 1961.50 Issues of Soviet periodicals that covered sensitive subjects such as Stalinism and the Albanian question were withheld from circulation.59 A major shake-up of the CPSU sent many mid-level cadres out to the provinces, and the East Europeans noted even greater restrictions on contact between Koreans and foreigners, and a tightening of political controls over the population as a whole.71

By contrast, the number of PRC official delegations visiting the DPRK went up sharply after the end of 1961, beginning with a trade delegation in early January 1962.72 Events in China were covered extensively in the North Korean media, exceeding Soviet news in quantity and level of praise—circumstances watched closely by Soviet leaders.73 In turn, Kim Il Sung’s birthday was celebrated prominently in the PRC in April 1962, while in the Soviet Union, media coverage of North Korea was muted. Commenting on recent North Korean films, a Soviet diplomat in Pyongyang remarked to a Hungarian colleague in January 1962, “one cannot show films based on the personality cult when there is a fight against the remnants of the personality cult in the USSR.”74 Soviet–North Korean relations appeared to reach a nadir just as Sino–North Korean relations peaked in 1963–64.75 In October 1963, the Korean Workers Party Newspaper published a lengthy editorial entitled “Let Us Defend the Socialist Camp,” which put the DPRK squarely on the Chinese side in the Sino-Soviet conflict, attacking Soviet arrogance, chauvinism, and blatant interference in the affairs of sovereign socialist states. The editorial also attacked Khrushchev’s “socialist division of labor,” institutionalized in the Council for Mutual Economic Assistance (CMEA), as a direct threat to the independence of fellow socialist countries.

So much for a Northeast Asian socialist regional order!

Within North Korea, the late 1950s/early 1960s chill in DPRK-Soviet relations was expressed through increased harassment and monitoring of Soviet and East European technicians and diplomats. Foreign specialists in the DPRK were now required to be fingerprinted, and they had to report to the North Korean authorities all of their movements, contacts, and Korean friends.76 The DPRK passed a law in 1963 forbidding marriages between Koreans and foreigners, meaning almost entirely marriages with East Europeans. Mixed-race couples were forced to move out of Pyongyang, and Koreans were pressured to divorce their European spouses. The German Democratic Republic (GDR) ambassador to North Korea denounced this law and the agenda of “racial purity” it implied as nothing short of “Göbbelsian.”77 In retaliation, the Soviet, Hungarian, East German, and other Soviet-bloc governments restricted the activities of the North Korean embassies in their countries, and refused to allow them to publicize the DPRK’s anti-“revisionist” propaganda.78 Soon, however, during the Great Proletarian Cultural Revolution, it was China’s turn to be subjected to DPRK denunciation (albeit indirect) for ideological profanation. In the late 1960s, the Chinese and the North Koreans sent troops to their com-
mon border, where some clashes evidently took place.\textsuperscript{79} The North Korean leadership swung back toward solicitation of the Soviet Union, as well as of Eastern Europe, conspicuously (perhaps in part desperately) stepping up ties to the GDR. The socialist bloc, like America’s alliances, extended beyond Northeast Asia, but the geographic sweep invited recurring jockeying, not common-enemy solidarity.

Not long after it had taken shape, the socialist “community” in Northeast Asia was in shambles. For China and North Korea, nationalism trumped any potential benefits of integration into a Soviet-led economic amalgamation. Both China and North Korea embarked on Soviet-inspired programs of “self-reliance” in the late 1950s, a path China would abandon by the 1970s, but which North Korea would follow—with disastrous results—for decades to come. Of course, Sino-North Korean and Sino-Soviet-North Korean political and economic relations would continue, but by 1964 the Sino-Soviet alliance was dead, and trilateral cooperation—much less regional integration—was not possible again until the very end of the cold war. With the collapse of the Soviet Union and the normalization between South Korea and both China and Russia, hopes reappeared for an integration of the economies of Northeast China, the Russian Far East, and the Korean peninsula. One major impediment to realizing this new vision of regionalism, however, was the last living legacy of the old socialist regionalism, namely, North Korea. The contrast with the former satellite Mongolia—now a democracy with economic and foreign policies open to the world—could not have been stronger.

The lesson that North Korea had learned all too well from the Soviet Union was not internationalism, which it firmly rejected in the late 1950s (external propaganda notwithstanding), but Stalin’s “socialism in one country,” which provided the model for the DPRK in the foundational 1940s. By the early 2000s, North Korea was quite literally a roadblock to Northeast Asian and trans-Eurasian integration, refusing to sign on to an “Asian Highway” agreement sponsored by the United Nations in April 2004, which would have built a 140,000-km highway between the Pacific and Europe, including a line through the Korean peninsula.\textsuperscript{80} For all its rhetorical flourishes about fraternal cooperation, North Korea had never been an enthusiastic participant in Soviet-led socialist regionalism; one could hardly expect a defensive DPRK to subscribe to the open regionalism of the early twenty-first century that is promoted so heavily by its archenemies, South Korea and Japan. Needless to say, only a very different regional dynamic, or a very different North Korea, could overcome the remnants of cold war isolationism in Northeast Asia.