



## **Calming the Waters: Confidence Building Measures for the Yellow Sea** by Brad Glosserman

It's the peak of the crab season, which means the two Korean navies are facing off in the Yellow (or West) Sea. The blue crabs are an important source of food and foreign exchange for the impoverished North, and they are equally coveted by the fishermen in the South. Unfortunately, the sea border - the Northern Limit Line, or NLL - is disputed and fishing boats from both sides, escorted by warships, cross the boundary daily, raising tensions and risking a clash. Plainly, there is a need for a confidence building regime in these waters.

The possibility of an armed encounter is not merely hypothetical. In 1999, an exchange of gunfire wounded several South Korean sailors and killed up to 30 North Koreans. Last year, a June gun battle sank one South Korean warship, claiming six sailors' lives and an unknown number of North Korean casualties. And right on schedule, last week South Korea twice fired warning shots at a North Korean fishing boat, the second time only hours after the North warned that a naval clash could spark a war.

There are two explanations for the clashes. The first is that North Korea is trying to start a fight. Pyongyang has never recognized the NLL - it was designated by the United Nations after the Korean War - and this is one way to push a settlement up the negotiating agenda. North Korea might also be sending political signals in a way that is less provocative than similar actions on the DMZ.

Alternatively, the crossings are economically (rather than politically) driven - a persuasive theory since both sides violate the NLL. Both countries harvest the blue crab - two or three tons can be worth as much as \$70,000 - and the peak fishing season lasts only from May 1 to July 15. South Korea takes about 3,300 tons, or one-third of its crab catch, from Yellow Sea waters; it's the main industry of nearby Yeongpyeong Island. North Korea exported 1,879 tons of crab, worth \$7.8 million, to China in 2001, a sixfold increase over the previous year, and has sent similar amounts to Japan.

If the confrontations are not deliberate, then both sides have an interest in trying to minimize the chances of an armed clash. Ideally, the two countries would sign an incidents-at-sea agreement (INCSEA), to establish mechanisms for communication and manage encounters at sea. In the absence of an INCSEA, both sides can still gain much-needed experience communicating, maneuvering, and operating in one another's presence through cooperative initiatives.

If the faceoffs are intentional, then the political calculus regarding any confidence building measure changes. That does not mean that it is impossible to realize them. It does mean

that any cooperative effort to reduce risks has to provide greater benefits than does the status quo.

Jennifer Koelm, a maritime security specialist at the Cooperative Monitoring Center of the Sandia National Laboratories, has developed a number of maritime confidence building measures for the two Koreas. One promising option is joint fishing ventures. Bilateral fishing arrangements already manage fishing resources between China, South Korea and Japan. The October 2002 inter-Korean ministerial talks included discussions about the establishment of a joint committee that would handle fishing cooperation and possible ventures. Although most discussion has focused on the East Sea, a high-value blue crab fishery straddles the NLL and may provide an economic incentive for cooperation.

Success would depend on separating border disputes from fisheries exploitation and management. The ROK has designated a "red line" approximately 5.6 km south of the NLL as a boundary to prohibit ROK fishing vessels from getting too near the NLL. Establishing joint access to a zone between the ROK red line and an area north of the NLL could be economically beneficial to both sides.

A designated fishing zone could be the starting point for an ROK-DPRK joint fishing venture, similar in principle to the joint manufacturing projects in the DPRK's free trade zones. Since DPRK fishermen normally sell their catch to China and can't reach a wider international market, they could benefit from South Korea's marketing capabilities. South Korea would gain access to areas previously off-limits. A joint venture would also ensure sustainable resources and profits. Coordinated enforcement operations would require frequent communications between ROK and DPRK vessels and additional experience maneuvering in each other's presence, decreasing the possibility of clashes or misunderstandings.

A second option is joint search and rescue operations (SAR). The DPRK and the United Nations Command recognized the importance of SAR in an August 2002 meeting in Panmunjom. The two countries could move from visits to a ROK Rescue Coordination Center to demonstrations of SAR procedures to a SAR exercise with experts from both sides. SAR telecommunication links could lay the foundation of an infrastructure for a wide range of future maritime security-based interactions.

A third option is oil spill response. Although North Korea imports most of its crude oil overland from China, it would still be punished by a major oil spill in the West Sea. That is not a remote possibility: both Inchon and China's Dalian port host hundreds of medium-sized tankers annually. Moreover, as North Korean West Sea oil reserves generate commercial interest, the DPRK may require expanded pollution control capabilities. ROK-DPRK cooperation might focus on coordinated responses to oil or hazardous chemical spills.

A fourth option involves sea-borne inter-Korean trade. Currently, 500 South Korean companies have North Korean factories for manufacturing and over 90 percent of inter-Korean cargo trade uses the maritime shipping route between Inchon and Nampo. Transportation costs to North Korean ports remain high partly because vessels must detour to avoid restricted zones. The South and North could cooperate to expedite customs procedures, ensure record compatibility, and decrease the possible risks of fraudulent documentation. In addition, tracking commercial vessel movements along the West Sea corridor would allow vessels to take more direct routes, reducing shipping costs while maintaining DPRK coastal security. Similar proposals exist for the eastern coast.

Persistent tensions along the Korean Peninsula make confidence building measures both more difficult and more imperative. Recent efforts to open rail and road lines prove they are not impossible, however. Maritime cooperation is an equally promising option. The key is making Pyongyang appreciate the value of such efforts. Economic advantages have a remarkable way of influencing North Korean thinking; maritime cooperation could change North Korea's calculus and take some of the danger out of the blue crab season.

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