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Session III: Stability for Northeast Asia

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Stability for Northeast Asia: North Korea Issues

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I. North Korea After Death of KJI

KJI’s Death

- KJI’s death on Dec 17th, announced on Dec 19th 2011
- Funeral progressed with no abnormal activities
  - Similar process during KIS’s death

Succession of KJU

- Became Commander in Chief by the decision of the Political Bureau on Dec 30th
- Became 1st Secretary of KWP Representative Meeting and 1st Chair of National Defense Commission in April
I. North Korea After Death of KJI

Domestic Political Situation

- KJI’s death just before 2012, year of a “Powerful and Prosperous Nation”
- Currently, domestic conditions seem to be stabilized
  - KJU – Royal family – Power elite group
  - NK power elites as a joint interest group
    - seemingly united under insecure circumstances
  - Low probability of civil uprising
- Emphasizing KJI’s necrocracy through the NK media
  - Inducing loyalty from the people, promoting internal stability
- Strengthening the Party’s role can be noticed
  - Revitalizing party’s role through KWP representative meeting
  - Important Issues were announced by the Party’s Central Committee or its Political Bureau
I. North Korea After Death of KJI

Change in Power Structure

• Former power structure was established by KJI, not by KJU
  - Party: JST, CTB (Peoples’ Assembly), KKN(KWP)
  - Military: LYH(JCS), KYC(Defense Ministry), KJK(Political Bureau), UTC(Security Service)
  - But, early Promotion of KJU’s people (maybe CST’s?)
I. North Korea After Death of KJI

New Power Elites

- KWP’s Representative Meeting/People’s Assembly of Mid April
  - Sorting out process: new power elite emerged
- Party
  - CST holds Great influence, CYH is rising
- Military
  - Downfall of KYC, Rise of KJK, KWH
Economic Situation

• Currently, not Good, but not the Worst
  - Trade volume with China: 5.5 billion USD in 2011, 40% increased this year
  - Remittance from NK laborers abroad
  - 8.5% increase of food production in 2011

• Inherent chronic problems
  - Backward industrial structure, less than 50% industries operate
  - Chronic food shortage continues (report of famine this year in Hwanghae-do)

• BUT overall economic situation is improved due to the rise of China and NK’s expanding cooperation with China
  - China’s import of natural resources from NK
  - China’s investments in Hwanggumpyong and Rajin-Sonbong
  - Economic aid (food and oil)

• KJU’s choice: YHS, “KJU studies economic reform of other countries”
  - Can KJU choose to open and reform? → most important issue in the future
I. North Korea After Death of KJI

Long Range Rocket

- NK launched Long range rocket on April 13, but turned out a failure
- NK argues satellite launch, but evidences show that it was a missile test
  - 2006 launch KMS 1 (July) and 1<sup>st</sup> nuclear test (October)
  - 2009 launch KMS 2 (April) and 2<sup>nd</sup> nuclear test (May)
  - Why launch satellite before nuclear test if it has nothing to do with missile?
- The launch was a direct violation of Art. 2 of UN SCR 1874
  - “DPRK not conduct.. any launch using ballistic missile technology”
  - But, SC shows its limit: only legally non-binding ‘presidential statement’
- Possibility of a 3<sup>rd</sup> nuclear test?
  - Yes: historical experience, no teeth to stop NK (maybe China’s pressure?)
    * Considering NK’s Constitution, which articulates Nuclear Power, NK is unlikely to give up its nuclear weapons program
  - No: the launch was merely a celebration of KIS’s 100<sup>th</sup> birthday
- Cast a dark cloud on the security of Northeast Asia
II. North Korea’s Future Scenario

Managed Succession

- As intended by KJI, KJU regime continues: long live the Kim?
- Stabilizing Korean Peninsula in the short-term, but will cause insecurity in the mid- to long-term

Contested Succession

- Challenging the power: unconditional challenge by an ambitious individual, KJU’s failure to revitalize the NK economy, reform and open policy, abandoning nuclear options
- Major motivations: Power struggle in the short term, or KJU’s policy failure in the mid- to long-term

Failure of Succession

- Succession is challenged and failed: actual contingency
- NK cannot but face a failure if it does not eventually reform and open
II. North Korea’s Future Scenario

- **KJU**
  - Power Elite Support
    - Yes: KJU Unipolar Leadership
      - Yes: Stable KJU Regime
      - No: Peoples' Support
    - No: Power Elite United
      - Yes: Collective Leadership
        - Yes: Stable Col-Leadership
        - No: Peoples' Support
      - No: Third Person Leadership
        - Yes: Stable 3d person Regime
        - No: Peoples' Support
    - No: Third Person
      - Yes: Stable 3d person Regime
      - No: Contingency
III. North Korea’s Foreign Relations

Outlook

- Stability of NK
- Continuing Economic Development
- Enlarge Influence
- Seeking Economic Cooperation
- Prevent NK’s Military Provocation
- Denuclearization
- Preparing Contingency
- Peaceful Reunification
- Denuclearization
- Stopping NK’s Military Threat
- Denuclearization
- Considers Potential Threat from China
III. North Korea’s Foreign Relations

Foreign Relations : US

• North Korea’s position: Dilemma
  - Improvement of relations is crucial, but cannot give up nuclear weapons

• Current U.S. position
  - Frustration from failed negotiation of ‘2.29 agreement’ & the launch of long range rocket
  - Tries to coordinate international pressure to stop NK’s nuclear ambition

• Presidential Election
  - If Obama wins, probably the end of ‘strategic patience,’ bigger carrot and bigger stick is expected. But the US is likely to focus on negotiations
  - If Romney wins, likely to coerce NK to give up nuclear weapons
  - But no option but to return ‘management & control’ or ‘diplomatic coercion’

• Prospects
  - Future US-NK relations rely on NK’s response
  - Suspending 3rd nuclear test will lead to re-vitalizing the 2.29 agreement and resume the 6PTs
  - 3rd nuclear test will lead to long standing confrontation
III. North Korea’s Foreign Relations

Foreign Relations : China

- North Korea’s position
  - Biggest sponsor to the KJU regime, China’s support is critical to its survival
  - Tries to maintain good relationship, but try to escape from China’s influence

- Current China’s position
  - Make all efforts to stop NK’s 3rd nuclear test
  - Consider NK’s strategic importance, tries to maintain NK’s stability
  - Provide not only economic but also diplomatic aid, requesting neighboring nations not to provoke NK

    * Provide diplomatic protection to KJU’s regime which, however, is a headache of China’s foreign Policy (Hurt Chinese effort to be a peace loving country)

- Result of Party Congress: continuing its NK policy
  - With the rise of China, strategic interests coincide between China and NK
  - New leaders will advise Chinese-style reform (mid- to long-term period)

- Prospects: Close relations will continue even after NK’s 3rd nuclear test
  - However, if NK continues its outrageous behavior, e.g. fishing boat abduction, the relation would face a serious outcome in the end
III. North Korea’s Foreign Relations

Foreign Relations : Japan

- North Korea’s position
  - Relations got worse since Japan’s economic sanctions in 2006
  - Seemingly does not care much about improving the relation, no meaningful economic relationship with Japan

- Current Japan’s position
  - Relations hardened since the kidnapping and nuclear problems
  - Try to engage but unavoidably raise the issue of nuclear and kidnapping

- Prospects
  - Not optimistic because NK has already recovered the damage from Japan’s economic sanctions through its trade with China
  - If NK does not modify its position on nuclear and kidnapping issues, less possibility for improvement
III. North Korea’s Foreign Relations

Foreign Relations: Russia

- North Korea’s position
  - By improving relations with Russia, NK seeks to balance its relations with China and revitalize its economy

- Current Russia’s position
  - Interest in NK has decreased in the post-Cold War era, but, recently Russia tries to recover its influence in Northeast Asia and NK
  - Forming an independent voice and balancing between ROK and NK, and between U.S. and China
  - Interested in ROK-Russia gas pipelines and the railway project

- Prospects
  - NK is seeking to lessen its dependency on China while Russia seeks to expand its role in Northeast Asia
  - Russia may take more active position if China’s influence in NK becomes excessively enlarged
  - But, Russia is also a nuclear power, does not want another nuclear power
IV. ROK-North Relations

NK’s Strategy

- **Causing Military Tension**
  - To maintain hereditary dictatorship and to justify regime succession, military provocation is inevitable
  - Try to make excuses that can blame ROK and US
  - To use military tension to suppress people’s demands

- **Expanding Political Influence**
  - Try to expand its influence over ROK’s politics
  - To affect ROK’s presidential election in December
  - Seeking more favorable new government in ROK

- **Seeking Economic Support**
  - If ROK returns to Sunshine Policy, NK will try to maximize economic gains
  - But would not take *Open and Reform* process
  - Only limited opening of border areas (NW/NW/SW/SE)
IV. ROK-North Relations

NK’s Military Provocation

• KJU’s Risk
  - Military Provocation causes damages in foreign relations: China and US
  - Defeat might cause instability in NK and damage KJU’s leadership
  - ROK forces’ preparedness will be a burden to KJU

• KJU’s Dilemma
  - Needs some tension to stabilize the regime, but if it backfires, then KJU himself will be in danger
  - KJU will try to seek weak points of ROK

• KJU’s Approach
  - Focuses on non-collisional measures: continuous cyber attack and psychological warfare
  - For domestic purpose, if necessary, NK can choose collisional measures
North Korean Nuclear Threat

• Nuclear Material
  - NK has approximately 40 kg weapon grade plutonium
    * enough to make 6 – 12 nuclear warheads
  - NK might have produced 20-40k of weapon grade HEU if it has secret facilities

• Nuclear Warhead
  - Not clear whether or not NK downsized nuclear warheads less than 1 ton
  - But, NK has tested long range rocket 3 times and nuclear weapon two times
  - Should not underestimate

• Delivery Vehicle
  - Deploy AN2 to infiltrate and to bomb ROK
  - Deploy Rodong/Musudan Missile to strike ROK and Japan
  - Develop ICBM
IV. ROK-North Relations

ROK’s Strategy

• To Maintain Peace and Security
  - Prepare deterrence: conventional threat (Defense Reform)
    WMD threat (Extended Deterrence)

• To Build Peace Regime: Suggest Grand Bargain
  - Economic support → confidence building → denuclearization/peace regime
  - Support 6PTs to solve the nuclear problem
    * September 9.19 agreement: includes peace building measures

• To Reunify Korean Peninsula
  - Goal: Free Democratic, Market based Unified Korea
  - Procedure: National Community Unification Measure
    * exchange → confidence building → unification

• To Seek International Cooperation at Every Step
Presidential Election

- Confrontation Expected between Ruling Party and Opposition Party
  - Ruling Party: principle oriented NK policy
  - Opposition Party: sunshine oriented NK policy
- Expected Reconciliatory NK Policy
  - Even the ruling party seeks more engagement (Trust Politick)
  - Opposition party emphasizes engagement, criticizing MB’s NK policy
  - Thus, no matter who wins the election, more engagement is expected
- Variables
  - Issues of pro-NK politicians: make ruling party more conservative
  - NK’s military provocation or 3rd nuclear test: negotiation breaker
V. North Korea’s Nuclear Problem

Dealing with the Dilemma

- Optimistic View: Condition can be met
  - Provide economic support (oil, food, light water reactors)
  - Security guarantee such as normalization of diplomatic relations and peace agreement
  - Negotiation is the only measure to solve the nuclear problem including UEP

- Pessimistic View: Condition cannot be met
  - Intention of NK: a nuclear weapon state (now articulated in NK’s constitution)
  - For NK, negotiation is a mean to earn money and time, and thus, 6PT cannot solve the nuclear problem

- Whenever NK insists non-negotiable conditions, new negotiation will end without any result
  - Remember 9.19/2.14/10.3 agreements in 6PT
V. North Korea’s Nuclear Problem

**Fundamental Problem**

- **NK will/can not Give up its Nuclear Program**
  - To unstable KJU regime, nuclear weapon is more valuable than any other negotiation chip (Egypt & Libya probably have negative impact on KJU)
  - Yet, KJU never faced strong & united international sanctions, which only hurt ordinary people in the North
  - Mislead KJU that he can achieve both nuclear weapons and regime survival

- **Succession: Negative Impact on Nuclear Issue**
  - KJU is likely to have less power than his father for a while
  - KJU, not fully control the military, cannot give up nuclear weapon

- **Limitation of International Pressure**
  - Exclude military option
  - Only Options between engagement and diplomatic coercion
  - Less possibility of China’s participation in stronger sanction
V. North Korea’s Nuclear Problem

Prospects

• 6PT will Resume in the end
  - After some trouble, even after NK’s 3rd nuclear test, or stronger international pressure, new negotiation is inevitable
  - New negotiation will includes UEP

• But, Difficult to Solve the Coordinating Dilemma
  - NK is not likely to give up the nuclear weapon
  - International community will ask NK to take practical steps instead of rhetorical actions
  - Differences in views regarding new report, verification, dismantlement of Nuclear program

• Stitching up the Program rather than Solving it for a while
  - Only way to solve the problem is China’s active participation
  - But, China’s position will not be easily changed
V. North Korea’s Nuclear Problem

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How to Solve

- **Key Issue 1: Assurance for KJU**
  - Let him know both that “you can survive without a nuclear weapon” and that “you cannot survive with a nuclear weapon”
  - Provide both clear and detailed list of economic aid and respond with united voice, “regime change in case of non-compliance”

- **Key Issue 2: Cooperation between U.S. and China**
  - Strategic cooperation, Joint approach (in both negotiation and sanction)
  - Lead KJU to open and reform its political and economic system similarly to those of China
  - Establish peace regime on the Korean peninsula, supported by U.S. & China

- **Steps toward Denuclearization**
  - If no 3rd nuclear test → back to 2.29 → restart 6PT → grand bargain
  - If 3rd nuclear test → international sanction and pressure → NK’s compliance
VI. Conclusion

Summary

• KJU’s current status (Domestic + External) : seemingly stable
  - Domestic politics & external environment are favorable to KJU’s survival
  - KJU’s necrocracy → continuation of KJI’s politics for the first year
  - Need to be different from KJI’s policy in the long run
    * Economy and military are the most crucial issues for the survival of KJU
      but, KJU faces dilemma how to balance

• Prospects: Leadership Change in ROK, U.S., China will not affect much
  - If NK suspends 3rd nuclear test, China’s active support can be expected, and U.S. will go back to negotiation
    * KJU might pursue negotiations, but will not go beyond the level of freezing the existing program
  - Military tension: KJU might seek unity and get rid of insecure factors by maintaining some level of tension
  - Possibility of contingency cannot be excluded
VI. Conclusion

What Neighboring Countries Should Do

- **ROK**
  - Prepare Comprehensive Plan including flexibility, engagement
  - Work closely with the international community
- **U.S.**
  - Give priority to NK nuclear issues, lead international cooperation
  - Prepare bigger carrot and bigger stick
- **China**
  - No “black cat, white cat” regarding NK; Say “no” to wrong behaviors
  - Active participation in the efforts for nuclear non-proliferation
- **Russia**
  - Show more interest in NE Asia issues
  - Play as a creative cooperator
Discussion

- Thank you -