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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



I. North Korea After Death of KJI

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 1st nuclear test (October)
 - 2009 launch KMS 2 (April) and 2nd 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 3rd 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 100th 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

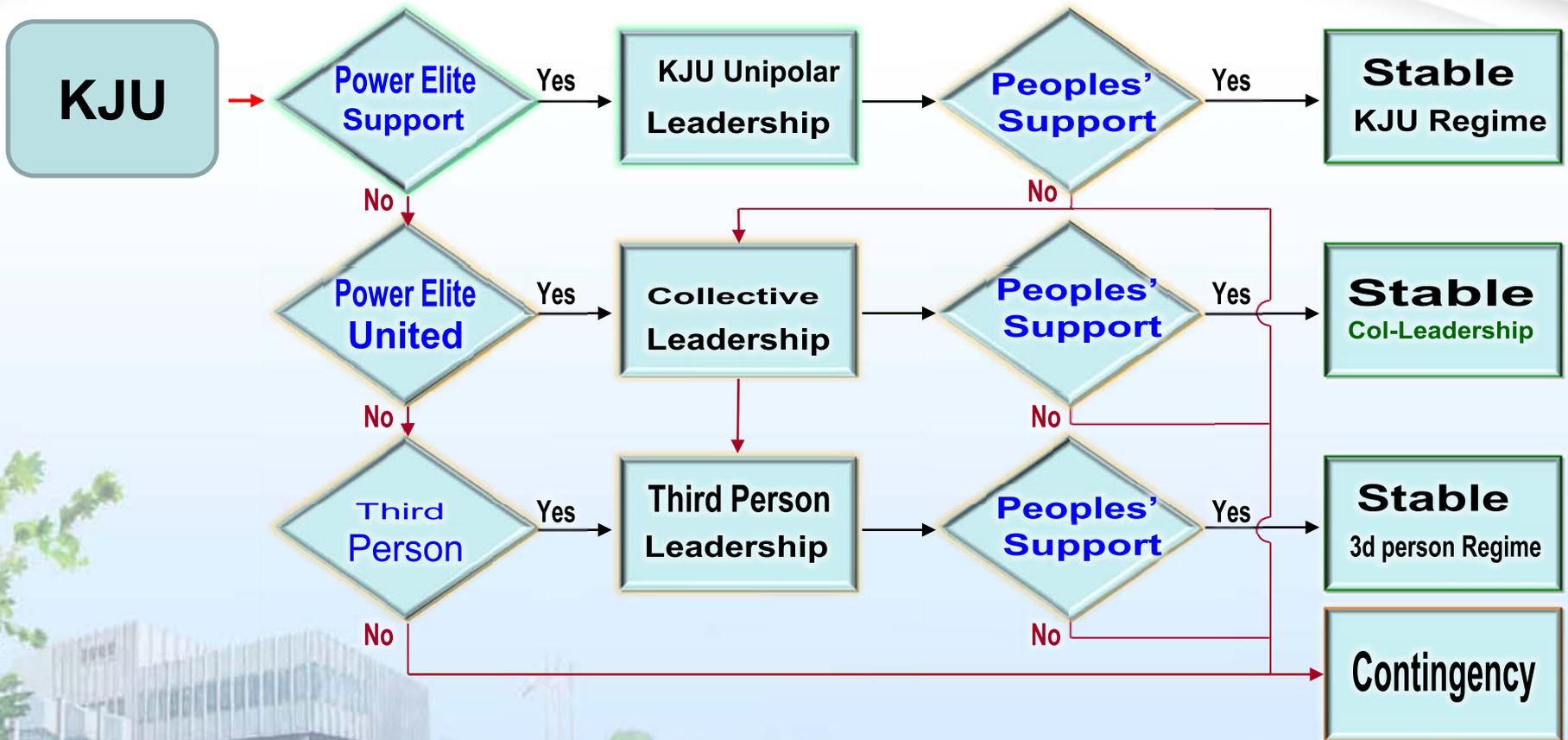
Contested Succession

- 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



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

IV. ROK-North Relations

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

IV. ROK-North Relations

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
- Soft line(2000-2007) → Hard line(2008-2012) → Less Hard or Less Soft Line

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

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 -

