# Kim Jong-il's Clenched Fist

The Democratic People's Republic of Korea (DPRK) is yet again on the U.S. policy radar screen. Despite President Barack Obama's declared intention to "extend a hand" to adversaries who would unclench their fist, Kim Jong-il decided to challenge rather than reciprocate. In a series of orchestrated, disproportionate actions justified as retaliation for the United Nations Security Council's condemnation of an attempted satellite launch in early April 2009, North Korea walked away from every denuclearization measure painfully and incompletely negotiated during the Bush administration's second term in office. On April 13, 2009, only hours after a non-binding Security Council presidential statement was issued, the DPRK described the statement as "an unbearable insult to our people and a criminal act never to be tolerated," asserted that it would never return to the Six-Party Talks, and that it would "boost its nuclear deterrent for self-defense in every way." Pyongyang declared that it would convert its entire inventory of plutonium into weapons, resume operations at its Yongbyon nuclear complex, and test intercontinental ballistic missiles. It again expelled inspectors from the International Atomic Energy Agency (IAEA) as well as U.S. personnel facilitating the disablement process at the reactor and associated facilities. The North also announced that it would accelerate pursuit of an enriched uranium capability, a program whose existence it had long denied.<sup>3</sup>

North Korea's second nuclear test on May 25, 2009 was the centerpiece of its policy retrogression. According to preliminary U.S. estimates, the test had an explosive yield appreciably greater than the first nuclear test of October 2006.<sup>4</sup> Though the explosion did not constitute definitive evidence of a deliverable

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weapon, Kim Jong-il had unambiguously tethered North Korea's long-term security to nuclear weapons development, not to any presumed benefits that denuclearization might provide.<sup>5</sup> By invalidating all prior agreements, by pledging to expand and diversify its extant capabilities, and by conducting a nuclear explosion again, the DPRK returned denuclearization to square one, but with Pyongyang possessing meaningful nuclear capabilities that it did not have at the outset of the Bush administration.<sup>6</sup> In the aftermath of the test, on June 12, 2009, the Security Council unanimously passed resolution 1874, which imposed additional sanctions designed to prevent or interdict nuclear, missile, and proliferation transactions involving the DPRK.<sup>7</sup> Two weeks later, Pyongyang fired different versions of short-range missiles (including seven tests on July 4, 2009), though it has yet to carry out its threat to launch longer-range missiles. The North also renewed its pledges to augment its stockpile of plutonium and to pursue a dedicated enrichment program.

Pyongyang's actions mark the end of the latest phase of a three decade long effort to prevent irreversible nuclear weapons development on the peninsula. North Korea contends that any future diplomacy must acknowledge its declared status as a nuclear-armed state, thereby challenging a fundamental premise of the nuclear negotiations. According to Pyongyang, international condemnation of its April 5 rocket launch justified its actions, but its reactions to the Security Council statement had larger purposes in mind. Moreover, evidence of a strategic shift in Pyongyang had surfaced well in advance of its escalatory steps of April and May 2009. Since first testing a nuclear device in October 2006, the DPRK had assumed an ambiguous strategic position, claiming the right to retain its nuclear capacities while asserting that it was still prepared to forego them. But this ambiguity had dissipated in private and public comments in the latter half of 2008 and early 2009, presaging the escalatory actions of subsequent months.8 Pyongyang's decision to walk away from the Six-Party process and resume its weapons development also suggests that the North's interest in a binding, negotiated denuclearization agreement had been tenuous at best.

What explains North Korea's recent actions? Is there any realistic prospect for renewed negotiations? What policy options exist in light of North Korea's claims to nuclear weapons status?

#### Welcome, President Obama, Here's a Test ...

The prospect of the DPRK's renewed estrangement from Washington was evident even before the 2008 presidential election. As the tenth anniversary of Pyongyang's first satellite launch attempt of August 31, 1998 approached, North Korean media began to hint at the possibility of another launch, perhaps timed to coincide with the 60th anniversary of the DPRK's founding on September 9.

Though no test occurred at that time, a spate of reporting on the peaceful uses of outer space highlighted Pyongyang's diminished expectations of closer relations with the United States. Commentaries on the nuclear issue were far less oblique. In the late summer and early fall of 2008, continued tensions between the United States and North Korea over fulfillment of the commitments signed at the Six-Party Talks led

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Pyongyang to question its continued participation in the talks. The DPRK declared that it had no interest in bargaining over its nuclear deterrent and was actively weighing the resumption of operations at its Yongbyon facility "to their original state as strongly requested by its relevant institutions."

These warnings were reinforced in the waning months of the Bush administration. A *Rodong Simmun* commentary noted in late October, "There is nothing more stupid if we remain helpless without reinforcing [our] war deterrent ... when we are living under the grave missile and nuclear threats from the United States ... we will further consolidate [our] war deterrent for self-defense, not caring what others say."<sup>10</sup> A press statement issued by the Foreign Ministry on November 12, 2008 contested U.S. claims about North Korea's verification obligations under the Six-Party accords: "The DPRK pulled out of the NPT and the IAEA and conducted a nuclear test outside the NPT, declaring its access to nukes."<sup>11</sup> In mid-December 2008, the Korea Central News Agency (KCNA) expropriated language from U.S. policy documents alluding to the North's 2006 nuclear test, characterizing these U.S. statements as "official documents recognizing the DPRK as a nuclear weapons state."<sup>12</sup>

Pyongyang was thus intent on consolidating its position as the Obama administration assumed office, conveying minimal interest in renewing the Six-Party Talks. Detection of preparations for a long-range missile launch reinforced this judgement. In early February, Japanese and South Korean media disclosed that North Korea was readying a longer-range rocket launch, but these plans were almost certainly underway well before January 20, 2009. The DPRK argued that its ratification of the treaty on peaceful uses of outer space weeks prior to the launch provided the requisite political cover for its test. He But North Korea understood that testing a long-range ballistic missile, even if employed as a satellite launch vehicle, directly contravened Security Council resolution 1718, which demanded that North Korea not conduct any further nuclear test or launch a ballistic missile and abandon its nuclear and ballistic missile program "in a complete, verifiable and irreversible manner." Though Pyongyang had strongly contested the legitimacy of the resolution, which had been passed on

October 18, 2006, it had refrained from overtly challenging it until now, when the regime decided to renew long-range tests.

With Pyongyang rejecting international appeals to forego or defer the rocket launch, it squelched any possibilities for early high-level diplomatic interactions with the Obama administration. Pyongyang proceeded with plans for the attempted satellite launch. But domestic imperatives, not relations with the United States, dictated Pyongyang's timetable and actions. The early April test coincided with the first session of the 12th meeting of the Supreme People's Assembly (SPA), the DPRK's legislative body, a quinquennial political event. The SPA had originally been scheduled for the previous September, but Kim Jong-il's recovery from a reported August 2008 stroke necessitated the delay. (His absence from the September 9 celebrations marking the 60th anniversary of the state's founding furnished the first public evidence of his declining health.) Kim Jong-il's appearance at the SPA included the first video footage of the ailing leader since his stroke, and signaled the urgency of leadership succession to politically attentive audiences in the North. His reappointment as chairman of the National Defense Commission (NDC) and the expansion of the commission's membership conveyed the NDC's growing centrality to decisionmaking in the DPRK. But the meeting begged two equally consequential issues: how could Kim Jong-il best ensure the longevity of the system, and what policies would be bequeath to his successor?

# To My Successor, I Leave ...

Disquieting possibilities loom in the wake of the DPRK's altered nuclear stance. Despite differences in policy, China, Japan, the Republic of Korea (ROK), Russia, and the United States had achieved a nominal consensus on the Six-Party Talks, convened episodically in Beijing since the fall of 2003. All had concluded that bilateral understandings between Washington and Pyongyang, when paired with a mix of validation, assurance, and political and economic compensation proffered at the talks, might induce the North to limit if not fully dismantle its nuclear weapons program. All five states were animated more by what they sought to avoid, than by abiding shared interests on the peninsula. Though progress in the talks proved fitful and incomplete, multilateral diplomacy was sustained for a half decade, and an acute crisis was averted. But past policy assumptions are no longer credible. Though the United States and others continue to urge North Korea's return to the talks, few entertain much hope for renewed Six-Party negotiations anytime soon, let alone for Pyongyang to undertake irreversible steps to forego weapons development.

Moreover, well before North Korea renewed its nuclear defiance, Pyongyang's external policies had already shifted. Relations with Japan had long since

deteriorated, amidst protracted controversies over the fate of Japanese citizens abducted by the North and as Tokyo sharply restricted economic ties following Pyongyang's first nuclear test. Relations with Seoul declined precipitously in 2008, as the North's acute dissatisfaction with the newly elected government of President Lee Myung-bak continued to mount. Tensions culminated with Pyongyang's late January 2009 declaration nullifying all prior inter-Korean political-military agreements. The fate of the Kaesong Industrial Zone—the showpiece project of South Korea's engagement strategy with the North—also seemed in increasing jeopardy. <sup>16</sup>

Though a dominant actor in the system from its outset, the North Korean military leadership played a highly visible role in these policy shifts. Kim Jong-il's leadership over the past decade has been heavily dependent on support of the armed forces, with his rule characterized by a *songun* ("military first") policy. The policy is more than a slogan. It speaks directly to the organization of state power, with Kim Jong-il seeking to strengthen his leadership atop the system, buttressed

by the unquestioned loyalty of the armed forces. Since Kim Jong-il's stroke in August 2008, the Korean People's Army (KPA) has assumed an enhanced public role. Though some from outside the military ranks are also part of his inner circle (most particularly, his brother-in-law Chang Song-taek), the support of senior military leaders is crucial to his political calculations. He has consented

Since Kim Jong-il's stroke, Pyongyang's military leadership has assumed a pivotal role.

to the military's increased role in policymaking, including domains where its overt role was less evident in the past. Nuclear capabilities attest to the KPA's decisive power within the system, and helps ensure its fealty to the succession arrangements.

Several examples of a heightened military role warrant mention. It was during a November 2008 visit to the Kaesong Industrial Zone by senior military leaders (including a member of the National Defense Commission) that the threats to close the zone were first broached. <sup>17</sup> Military spokesmen have been unusually prominent in authoritative pronouncements on inter-Korean relations (including the most hostile threats directed at the ROK in more than a decade) and in statements on future nuclear policy. In one revealing statement issued five weeks before the nuclear test, the spokesman of the KPA General Staff argued: "Now that the [Lee Myung-bak] group officially declared confrontation and war against the DPRK, its revolutionary armed forces will opt for increasing the nation's defense capability including nuclear deterrent in every way, without being bound to the agreement adopted at the six-party talks. The army of the DPRK has never

Emphasizing nuclear weapons development is a natural corollary of internal policy shifts.

pinned any hope on the six-party talks from their outset but closely followed the moves of the U.S. and Japanese aggressors and the Lee group of traitors."<sup>18</sup>

The heightened emphasis on nuclear weapons development is a natural corollary of these shifts in internal policy. Kim Jong-il had concluded that his successor or a collective leadership would be better

prepared for the future with nuclear weapons than without them. There is no persuasive evidence of acute differences atop the system or of an impending leadership crisis, nor did the state appear headless in the immediate aftermath of Kim Jong-il's stroke. But Kim Jong-il's impending passage from the scene introduces increased uncertainty into the North's longer-term prospects. Kim Jong-il understands he is running out of time, and he deems continued nuclear weapons development integral to the system's viability.

The DPRK has thus defined national strategy in profoundly threat-driven terms. But the insecurity reflects domestic circumstances, not an external threat. North Korea is a severely damaged society and economy. The public distribution system largely ceased to function over the past decade or more and growing numbers of citizens rely on what analysts Stephan Haggard and Marcus Noland describe as "marketization from below," entailing informal barter trade, reliance on private economic exchange, and related activities not overseen by the state. 19 The leadership has pulled back from its modest experimentation with market-based activities, which it had announced in 2002. Despite the pervasiveness of bottom-up economic change, the state is again emphasizing a top-down, largely autarkic economic strategy, and a renewed emphasis on heavy industrial development. Authoritative statements link the changes in national strategy "to the magnificent goal of opening up the gate to a powerful state in 2012," coinciding with the centenary of the birth of Kim Il-sung.<sup>20</sup> But this metaphor posits economic autarky and severe inhibitions on the involvement of foreign governments in any economic revitalization. North Korea has also sharply curtailed the activities of various international relief agencies, including expelling a consortium of U.S. nongovernmental organizations that had achieved quiet but meaningful progress in food distribution since the summer of 2008.<sup>21</sup>

Kim Jong-il seeks to keep the outside world at bay, the military leadership loyal, the populace compliant, China on edge, and South Korea and Japan at risk. The North Korean system has experienced acute privation throughout Kim Jong-il's tenure in power, but to what end? A fledging nuclear arsenal, a political system unambiguously dominated by military priorities, and an utterly broken

economy constitute Kim Jong-il's dubious legacy. The leadership is relying on heightened nationalism and external threats to maintain its unquestioned power and prerogatives atop the system, but these cannot be an answer for what ails North Korea. Scuttling nuclear diplomacy also reveals little about what the next leader could do to revive the DPRK's economic fortunes, and whether a successor might revisit Kim Jong-il's nuclear legacy and the possibilities for normal relations with the outside world.

Kim Jong-il's decision to bequeath nuclear weapons to the successor leadership portends a major divide in the region's strategic future. If North Korea continues to forego denuclearization and to reject normal relations with its neighbors, what are the policy alternatives? What happens if all involved states fail to agree on a shared approach to deny North Korea the status it seeks as a state in possession of nuclear weapons outside the Nuclear Non-Proliferation Treaty (NPT)? What are the potential options to limit the risks of the North's enhanced pursuit of nuclear capabilities? How can the United States reassure regional allies while cooperating with China to forestall heightened security suspicions, and prevent an acute international crisis? What are the potential consequences of the North's leadership transition? These comprise some of the critical issues in the Obama administration's deliberations over North Korea.

### Have We Seen This Script Before?

Three times over the past decade and a half, the DPRK has redefined its objectives and expectations related to nuclear weapons. Each has entailed major actions that overtly challenged the United States and various regional powers. All three instances have also corresponded with the onset of a new U.S. administration. In the early 1990s, following the North's abrupt decision to withdraw from the NPT, Kim Il-sung perceived an opportunity for a diplomatic breakthrough with the United States, predicated on a bilateral nuclear agreement with Washington. Kim Il-sung's unchallenged power and authority within the DPRK ensured full internal support for a nuclear accord. In the early 2000s, Kim Jong-il viewed withdrawal from the NPT and the North's first nuclear test as a means to retaliate for the Bush administration's invalidating the denuclearization agreements negotiated by the Clinton administration, and to achieve unequivocal strategic autonomy from China and Russia. In 2009, Kim Jong-il, having crossed the nuclear threshold in the October 2006 nuclear test, deemed an enhanced nuclear capability a principal legacy to his successor, widely assumed to be his youngest son, Kim Chong-un, though presumably under the guidance of a collective leadership.<sup>22</sup> All three episodes warrant brief elaboration.

On March 12, 1993, with the IAEA insisting upon special inspections of suspect sites in the North, the DPRK announced its withdrawal from the NPT,

the first time a signatory had done so. Pyongyang reversed course only after the initiation of bilateral negotiations with the Clinton administration and President Jimmy Carter's subsequent meeting with Kim Il-sung, culminating in the signing of the Agreed Framework accords in October 1994. On January 10, 2003, three months after the visit of then-Assistant Secretary of State James Kelly to Pyongyang, when he accused the North of undertaking a covert enrichment capability, and after the subsequent suspension of U.S. heavy oil deliveries to the North, the DPRK (having already expelled IAEA inspectors several weeks earlier) renewed its announced withdrawal from the NPT. Following the signing of the September 2005 Joint Statement in Beijing, all six parties reaffirmed the ultimate goal of "the verifiable denuclearization of the Korean Peninsula in a peaceful manner." This statement included the DPRK's pledge to abandon all nuclear weapons and existing nuclear programs, return to the NPT, and to uphold IAEA safeguards "at an early date," without specifying

DPRK leadership has pulled back from its modest experiments with market-based activities.

the timing or conditions of any future actions.<sup>25</sup> The return of IAEA inspectors to Yongbyon in 2007 and the involvement of U.S. government personnel in disablement efforts underway during most of 2008 marked the DPRK's partial resumption of denuclearization, though the North's actions were far more equivocal and conditional than those undertaken in 1994.<sup>26</sup>

The tentative optimism of 2008, as

disablement efforts at Yongbyon continued (albeit with interruptions), peaked with the destruction of the reactor's cooling tower in late June. But any optimism proved short lived. Assistant Secretary of State Christopher Hill's second visit to Pyongyang in October 2008 and another meeting of the Six-Party Talks in December failed to resolve persistent differences over verification of North Korea's nuclear holdings and history. With Pyongyang balking at any written verification agreement, most observers concluded that North Korea had decided to wait out the Bush administration, on the expectation of a better deal from its successor. As the Obama administration assumed office, the immediate challenge was whether differences over verification could be bridged, enabling negotiations to tackle far more contentious issues including dismantlement of the Yongbyon complex and disposition of spent fuel and reprocessed plutonium, and the ultimate elimination of the North's nuclear weapons inventory.

Some initial indications suggested that Pyongyang was receptive to renewed negotiations, with a particular interest in heightened bilateral ties with Washington at the expense of the Six-Party Talks.<sup>27</sup> The DPRK's initial comments on the Obama administration were relatively restrained, and

diplomats in Pyongyang were likely gratified that many individuals appointed to senior positions had been involved in nuclear and missile negotiations during the Clinton administration. North Korean officials acknowledged that it would take time for the new administration to formulate policy, and they conveyed little urgency to an early clarification of U.S. goals.

North Korea, however, was already laying down new policy markers, suggesting that the DPRK had decided to seek explicit political assent by the United States and others that the DPRK would resume negotiations as a state in possession of nuclear weapons. Pyongyang characterized the North's 2006 test and its accumulation of weaponized plutonium as a fundamental strategic turning point that diminished the importance the DPRK had previously attached to diplomatic relations with the United States. <sup>28</sup> According to senior North Korean diplomats, "the denuclearization of the Korean Peninsula" would require the United States to disengage from its security commitments in Northeast Asia, remove its nuclear umbrella from South Korea, withdraw U.S. military forces from the peninsula, and develop a U.S.-DPRK "strategic relationship" paralleling the U.S.-ROK alliance. North Korean officials also asserted that normalization, presumably entailing a peace agreement to supplant the armistice accords of July 1953, would have to precede denuclearization. Moreover, dismantlement and final verification would not be possible unless and until the United States again provided the light water reactors initially pledged under the now defunct Agreed Framework.

These statements revealed a DPRK-centric view of the world. Pyongyang's expectations posited the negation of U.S. Asia-Pacific security strategy and the outright marginalization of long-term U.S. allies. North Korean officials were claiming that nuclear weapons provided the DPRK essential equivalence with the United States and other nuclear powers, while relegating the ROK and Japan to lesser political and strategic status. Though broached in a track-two context, the North's new stance was inherently unacceptable to any U.S. administration. Pyongyang was signaling its intent to consolidate its nuclear status, not to pursue a credible negotiated deal. In addition, Pyongyang's extraordinary public and private hostility toward Seoul and Tokyo begged the issue of whether the DPRK could even envision normal relations with either country. Indeed, the North's new strategic formulation suggested that Pyongyang believed that the prospects for normal relations with Washington had also dwindled. It is impossible to know whether the North's new position constituted test marketing for future negotiations, since Pyongyang's subsequent actions rendered renewed nuclear diplomacy impossible. The North sought to justify its decision to roll back all prior agreements by allusions to the "hostile policy" of the United States, but the DPRK never gave the Obama administration even a remote opportunity to demonstrate otherwise.

North Korea's military and diplomatic defiance constitutes a sobering moment for the United States and all of the DPRK's neighbors. The Obama administration has voiced these concerns in an unequivocal fashion. In the administration's view, Pyongyang's negation of all prior nuclear restraints and its declared intention to enhance its weapons capabilities represent a critical inflection point in regional security and nonproliferation policy. The United States and other states are engaged in deliberations and consultations *about* North Korea, not negotiations *with* North Korea. The pivotal question is whether the Obama administration can fashion a cooperative strategy among all five states that addresses the risks and uncertainties created by North Korean actions, yet leaves open the possibility of meaningful diplomacy at a future date.

Seoul and Tokyo undoubtedly welcome the Obama administration's readiness to enhance collaboration and communication, but both capitals have new security expectations that the United States will need to address. The larger questions concern U.S. understandings with China and Russia, especially with Beijing. Despite China's acute dissatisfaction with North Korean actions, it does not want to close the door to Pyongyang. It perceives risks to its own vital interests, should estrangement degenerate into confrontation or crisis. Beijing understands that Pyongyang's defiance cannot remain unchallenged, but it is also pondering the political objectives and consequences of any shift in strategy.

Speaking in Singapore only days following the second test, Defense Secretary Robert Gates asserted that the United States was "tired of buying the same horse twice." But the secretary's remarks presume that Pyongyang's calculations are tactical rather than strategic. What if the horse is no longer for sale? The DPRK asserts that the policy bookends of much of the past decade—the Six-Party Talks in Beijing and the engagement strategies pursued by the last two ROK presidents—are no longer viable. With China, a principal advocate of both policies, the reversals of recent months hit Beijing especially hard, compelling the Chinese to rethink their prevailing policies toward the Korean peninsula.

# Beijing's Agonizing Reappraisal

Throughout North Korea's troubled two decades since the collapse of the Union of Soviet Socialist Republics, China has voiced repeated wariness about the possibilities of disruptive change in the DPRK and about the parallel calls by others, especially the United States, to impose costs on Pyongyang for its actions. The unknowable risks and consequences of internal upheaval in the North are intrinsically disconcerting to Beijing, though officials, especially in northeastern China, acknowledge concerns about social disorder and refugee flows emanating from the North. 30 China's concerns have led it to buttress the DPRK, but not out of any presumed fraternal loyalty or affection for its erstwhile ally. China's unease

in part reflects the risk aversion prevalent in Chinese policymaking. It has swallowed hard, frequently tolerating behavior by the North that has clearly damaged Chinese interests. Few leaders in Beijing continue to see North Korea as an asset, but none can deny the North's capacity to undermine China's predominant policy objectives.

After Pyongyang's second nuclear test, China is revisiting its prevailing assumptions toward the North.<sup>31</sup> There is evidence of increasing debate in Beijing about the longer-term prospects for the North Korean system and the implications of a continued nuclear weapons program. Concerns about possible stress and instability within the North Korean system, however, could reinforce Chinese support for the DPRK, rather than diminish it. No matter what Beijing's policy choices, its relationship with the North will entail major costs and risks. The first nuclear test, for example, also generated internal policy reassessment, and sobered officials who believed that Kim Jong-il would not frontally challenge China. This led Beijing to heighten cooperation with the United

States in the post-test period, including passing Security Council resolution 1718. But Beijing subsequently reverted to a "centrist" position that avoided any additional stigmatization of the DPRK. The initiation of bilateral negotiations between Washington and Pyongyang during 2007 and 2008 as well as forward movement at the Six-Party Talks reinforced China's return to a "pre-test" policy.

The DPRK seeks to resume negotiations as a state in possession of nuclear weapons.

But the second nuclear test and the succession to Kim Jong-il have reopened earlier debate over long-term Chinese interests in North Korea. Even as senior Chinese officials insist there will be no major adjustment in Chinese policy toward the DPRK, there is mounting disquiet in Beijing.<sup>32</sup> Though Chinese officials are nowhere near closure in their internal deliberations, Beijing now appears more willing to cooperate with outside powers, especially with South Korea and the United States, provided that Beijing believes that Chinese political and security interests will be protected.

Chinese officials and analysts routinely assert that maintaining peace and stability, denuclearizing Korea, and upholding nuclear nonproliferation are Beijing's three fundamental objectives on the peninsula. But these *pro forma* characterizations reveal little about policy priorities, or about Beijing's calculations of risk, gain, and potential loss. China has sustained an irreducible commitment to the DPRK's existence as an autonomous state and to avoiding a major crisis. Beijing's supposed aversion to Korean reunification, its continued wariness over U.S. strategic intentions on the peninsula, its ongoing anxieties

about the potential spillover of internal upheaval in the North into contiguous border regions in northeast China, a continued belief that internal political and economic change (i.e., a "soft landing") in the DPRK is more conducive to Chinese long-term interests, and (to a dwindling number of officials) a historic commitment to the existence of a Communist Party-led "buffer state" in the North all reinforce this basic judgement.

Even as Beijing voices ever more open disdain for the domestic policies and external behavior of the DPRK, and a greater stake in close relations with the ROK, China continues to emphasize regime preservation in the North. But this effectively prolongs North Korea's pursuit of nuclear weapons: the longer Pyongyang retains and enhances such capabilities, the less likely North Korea will forego these weapons at a future date.

Throughout the protracted North Korean nuclear crisis, Chinese officials have been unwilling to undertake serious discussions of the peninsular future with either Washington or Seoul. Beijing's sponsorship of the Six-Party Talks and its brokering role between Pyongyang and the outside world (two roles explicitly endorsed by President Hu Jintao) provided clear incentives for Beijing to sustain efforts at denuclearization and at normalizing the North's relations with its neighbors. China also plays an economic role in the North that far exceeds that of any other power. It provides the DPRK indispensable energy and food assistance, and now accounts for nearly three quarters of Pyongyang's trade with the outside world, a percentage that could increase even more in light of the deep freeze in inter-Korean relations.<sup>33</sup>

North Korea, however, no longer demonstrates serious interest in renewed negotiations, except on terms wholly unacceptable to the United States and others. It insists that it will never bargain away its nuclear capabilities. Pyongyang is also seeking to reassert central control over the economy. China's presumed comparative advantage in the North therefore seems somewhat suspect at present. Beijing also recognizes that the ROK and Japan will strengthen their defense plans and programs in light of the DPRK's open hostility and threats, developments that are clearly not in Beijing's interests.

Evidence of changing Chinese calculations includes open debate in authoritative Chinese media, including *Shijie Zhishi* (World Knowledge), a major biweekly journal published by the Ministry of Foreign Affairs. Cai Jian of Fudan University in Shanghai has argued that "North Korea's possession of nuclear weapons would undoubtedly become a permanent constraint on or even pose an eternal threat to China's core national interests." Though published several weeks prior to the nuclear test, Cai openly chastised North Korea for its "extreme adventurist behavior" that China "cannot tolerate or accommodate." He also posed a question seldom broached in Chinese writings: "Based on our historical experience and the current development trend, reunification of the

Korean Peninsula is unavoidable. We must therefore ... [ask]: Who will play the leading role in the reunification, South Korea or North Korea? In what way will reunification be achieved?" Zhang Liangui of the Central Party School, a widely published and particularly caustic critic of North Korea, chastised "China's academic circles" for their "very mistaken" views of the DPRK. He also noted that certain government departments had ignored the immediacy and direct risks posed to China by the North's nuclear testing as well as the long-term implications of any major peninsular crisis.<sup>35</sup>

Although Zhang has been a frequent contributor to *Shijie Zhishi* and other publications, the bounds of permissible discussion have clearly broadened. Chinese analysts are also engaged in vigorous discussion in *Huanqiu Shibao* (Global Times), a publication sponsored by the party newspaper, *Renmin Ribao* (People's Daily) as well as a wide array of online publications and party-controlled Hong Kong media. These commentaries have ventured into highly sensitive topics, including Kim Jong-il's health, the North Korean leadership succession, and the potential

liabilities for China in open-ended support for the DPRK. Academic opinion does not necessarily reflect official policy, but the open sanction for such views reflects a heightened search for policy alternatives. Chinese policymakers have concluded that Pyongyang must pay a cost for its recent actions, even if they do not yet agree on how high this cost should be, or with what policy objectives in mind. But the increasing frankness

Can the Obama administration fashion a collaborative strategy among all five states?

of leading Chinese analysts in authoritative Chinese media imparts more than a change in tone: they convey that China must be prepared to act far more decisively and unequivocally to protect Beijing's long-term interests. They also openly acknowledge the failed assumptions underlying previous Chinese strategy.<sup>36</sup>

China's policy assessments are also influenced by shifts in U.S. policy, including Washington's leadership in passing UN Security Council resolution 1874. Beijing understands that the Obama administration is not prepared to repeat past policy missteps with the North, and that it will not react to every tactical shift in North Korean policy. U.S. officials have concluded that Kim Jong-il is intent on retaining the North's nuclear capabilities and long-term weapons potential, not on negotiating these capabilities away. The August 2009 visit of former President Bill Clinton to Pyongyang may well have been highly validating to Kim Jong-il in a political sense, but it did not change any of the policy fundamentals or alter U.S. policy objectives toward the North. The United States is seeking to inhibit the North's future weapons development, prevent additional weapons transactions or proliferation to Iran and other potential customers, impose economic costs on Pyongyang for its actions, deny the DPRK

any political compensation for renewed nuclear development, reassure U.S. regional allies in word and deed, and develop a multilateral strategy for the post Kim Jong-il era encompassing the other four participants in the Six-Party Talks.

Some U.S. officials seem persuaded that the North will ultimately broach a return to negotiations upon an orderly completion of the political succession. But the United States also seeks to deny Pyongyang the opportunity to build a more credible nuclear force. It insists on tangible, irrefutable evidence of North Korea's willingness to forego its nuclear capabilities before assenting to renewed negotiations with the DPRK, but knows this outcome cannot be assumed. Washington therefore confronts the possibility of an open-ended nuclear impasse, with Pyongyang no longer subject to any negotiated constraints on its weapons development. Yet, none are ready to concede that extant policy approaches have been exhausted, since this would be a tacit admission of the failure to prevent nuclearization. For all external powers, but especially for China and the United States, there is a palpable sense of increased risk, without a fully developed international consensus on longer term policy.

#### Implications of a Third Kim Jong-il Generation

North Korea's decision to walk away from the nuclear diplomacy of the latter half of the Bush administration and to unambiguously depict its future as a nuclear-armed state has compelled the United States and others to revisit the fundamental assumptions underlying long-term relations with the DPRK. The United States and North Korea's immediate neighbors agree that the North's nuclear capabilities are unacceptable, and none are prepared to confer legitimacy or irreversibility to such weapons. But these capabilities do exist, and there is no realistic means to eliminate them militarily or to prevent potentially horrific consequences for Japan and South Korea in the event of the use of force. Only two possibilities suggest longer-term paths to ultimate denuclearization: either the emergence of a successor leadership which concludes that retaining nuclear capabilities entails too high a cost and foregoes tangible benefits to North Korean interests; or even or the outright end of the North Korean regime (i.e., unification). Both presume profound internal change within the North, but neither outcome is certain or even likely in the near to mid-term. Given these circumstances the Obama administration has revisited long-held assumptions of past negotiating strategies and the larger policy goals underlying relations with DPRK.

All states need to recognize that the North Korean nuclear issue is symptomatic of deeper questions about the future identity and the longer-term viability of the DPRK. Can a largely autarkic strategy possibly enable a measure of economic recovery? Might there ultimately be increased pressures for internal change in the North? What if North Korea proves able to sustain and enhance

its nuclear capabilities? To be sure, the nuclear program will remain subject to a range of technical and material limitations.<sup>37</sup> But the risks and dangers of Pyongyang no longer inhibited by binding constraints on its nuclear weapons activities are abundantly evident and there are many.

First, in the event that North Korea's weapons development seems irreversible, Northeast Asia will become more nuclearized. Japan and South Korea would heighten efforts to protect their security interests, including enhanced missile defense and longer-range strike assets, either in conjunction with the United States or by building more autonomous military capabilities to respond to a potential crisis. There is already growing evidence of internal debate over these possibilities in both countries, though more in conceptual than definitive policy terms, as well as enhanced expectations from Seoul and Tokyo for more explicit U.S. nuclear guarantees. These possibilities do not foretell a major erosion of the non-nuclear status of either country, but depending on their future defense preparations, the capabilities and policy independence of each could increase measurably.

In turn, either heightened defense integration among Seoul, Tokyo, and Washington, or enhanced indigenous programs could directly impinge on Beijing's long-term pursuit of a stable, more predictable "peripheral security environment." Washington must remain mindful of the security interests of its major regional allies, though an autonomous Japan or South

Few leaders in Beijing continue to see North Korea as an asset.

Korea is not what U.S. policymakers have in mind. Balancing the benefits and risks for U.S. policy and addressing potential differences with China therefore becomes a high priority task.

Second, the persistence of a nuclear-armed North Korea could ultimately trigger larger, profoundly destabilizing repercussions for the global nonproliferation regime. The inability to prevent or reverse nuclearization in the DPRK would furnish ample precedent for other states intent on retaining or pursuing nuclear weapons options, most notably Iran. Should there be appreciably increased sentiment favoring a nuclear weapons option on the part of a major U.S. ally or security partner, this could lead to the ultimate collapse of the NPT regime. Such an outcome would be a strategic disaster both regionally and globally. With the next NPT review conference scheduled for May 2010, the future of the NPT regime must be at the center of any broadened discussion between Washington and Beijing, and also between Washington and Moscow.

Third, enhancement of the North's nuclear weapon and missile capabilities heightens the risks that Pyongyang (perhaps out of acute economic need or tempted by future marketing opportunities) might opt to transfer materials,

technology, or knowhow to third parties. This is a nightmare scenario of an especially acute kind. It mandates heightened efforts to monitor, interdict, or otherwise prevent any transfers. Though resolution 1874 is an important start, it is not sufficient, and lasting results will still depend on how each government carries out its obligations. Until recently, China has remained highly equivocal about measures such as the Proliferation Security Initiative (PSI), whose fidelity to international law it has repeatedly questioned. But Beijing has reiterated its commitment to adhere to the sanctions imposed under Security Council resolution 1874.<sup>38</sup> As in other areas, Beijing must weigh its policy concerns in a more comprehensive context, and the United States must carefully review how to best enlist China in such efforts.

Fourth, there is the potential risk of internal instability in the North whose repercussions would immediately and directly involve China. Though Beijing has long asserted that the United States and South Korea overstate these risks,

Fundamental assumptions underlying relations with the DPRK are being revisited.

China cannot preclude such possibilities. The associated dangers of instability would be much greater if North Korea remains in possession of nuclear weapons. For example, in the event of internal upheaval, the incentives to move quickly to ensure control over weapons of mass destruction assets (quite apart from addressing an acute humanitarian crisis) would be self-evident. Previous efforts by U.S. officials to broach

this issue with Chinese counterparts have proven unsuccessful, with Beijing unprepared to engage in detailed discussions. But the very absence of "rules of the road" ought to worry all involved parties. Should individual states, including China, opt for autonomous action or simply await unfolding events before communicating fully with other directly involved actors, the risks could prove incalculably greater. Some Chinese officials suggest that Track II discussions might be feasible, since they would separate any such exchanges from government policy, while still providing relevant insights to policymakers. Chinese officials may still believe that such upheaval remains very remote, but this is not a reason to totally dismiss the possibilities.

Yet, Beijing worries that its readiness to discuss these issues with Washington or Seoul would almost certainly trigger highly adverse reactions by Pyongyang, potentially denying China opportunities to influence the North's internal evolution in the post-Kim Jong-il era. China at present is the only state that retains a degree of access into the North. Pyongyang may not be heeding Beijing's advice, but to endanger this channel of communication, either prior to or during an acute crisis, is a very risky strategy. At the same time, though

Beijing does not possess a comprehensive understanding of internal conditions in the North, its knowledge is greater than anyone else's. But it does not want to be tethered to U.S. actions or to U.S. contingency planning. Such worst-case possibilities might seem remote, but they define the essence of disruptive change. Will China conclude that it is better served by not undertaking candid discussions before any such events unfold?

Fifth, despite the persistence of peninsular deterrence across the decades, there is an ever present risk of major military conflict. North Korea now openly contests the legitimacy of the July 1953 armistice accords, though this does not mean it is intent on violating them. But the DPRK is both dangerous and endangered. Its vulnerabilities could grow more acute with time, while it remains in possession of nuclear weapons. Though the regime is not suicidal, we know little about what might impel a decision to initiate the use of force, especially as new leadership arrangements are put in place.

An acute political—military crisis on the peninsula that enveloped the United States and all regional powers would be a true worst case scenario. As long-standing allies, the United States and South Korea communicate closely, though operational coordination can always be improved, especially with the impending return of wartime operational control to South Korea in 2012. China is a decidedly different case. It is not an ally of either South Korea or the United States, and the formal security alliance with the DPRK is largely moribund. But renewed warfare would directly affect Chinese strategic equities; it cannot expect to be a bystander or passive observer. The risks of misperception or of inadvertent conflict seem self evident, yet any political-military conversation in this area remains woefully underdeveloped.

Northeast Asia's latent instability derives principally though not exclusively from the DPRK's isolation, vulnerability, and position as the region's conspicuous strategic outlier. The North's exceptionalism reinforces the urgency of a true strategic conversation, beginning with Beijing, Seoul, and Washington, the states that would most likely to be immediately and directly affected by any use of force. All may hope for renewed negotiations with the North, but (beyond oblique hints from Pyongyang of "a separate method of dialogue") the current prospects remain decidedly bleak.<sup>39</sup> Prospective discussions among the affected parties, however, should not be premised on the end of the North Korean system, as any effort to enlist China in heightened cooperation premised on regime extinction is a non-starter. But a very different strategic discussion is now urgently needed, especially between the United States and China. A new strategy must pay explicit heed to Pyongyang's expressed convictions about the legitimacy and irreversibility of its nuclear weapons program, with North Korea intent on securing the ultimate acquiescence of others to the existence of such capabilities. Without coordinated efforts to forestall such a grim outcome, Pyongyang will not feel pressured or compelled to alter course. But even with such measures success is not guaranteed. North Korea's nuclear defiance has thus deeply sobered the United States and others to the possibility of a strategic future in Northeast Asia where the DPRK's antagonisms toward the outside world could persist or even increase. The stakes for regional peace and development could not be higher, and warrant the urgent attention of the United States and all of Pyongyang's neighbors.

#### **Notes**

- See Barack Obama, "Inaugural Address of Barack Obama" (speech, Washington, D.C., January 20, 2009), http://media.washingtonpost.com/wp-srv/politics/documents/Obama\_ Inaugural\_Address\_012009.html.
- 2. "DPRK Foreign Ministry Vehemently Refutes UNSC's "Presidential Statement"," Korean Central News Agency (KCNA), April 14, 2009, http://www.kcna.co.jp. For a careful technical review on the launch, consult David Wright and Theodore A. Postol, "A Post-launch Examination of the Unha-2," *Bulletin of the Atomic Scientists*, Web Edition, June 29, 2009, http://www.thebulletin.org/node/7320.
- 3. The information on North Korea's enrichment potential remains very limited and is seldom scrutinized with much care. For a useful summary, consult Hui Zhang, "Assessing North Korea's Uranium Enrichment Capabilities," *Bulletin of the Atomic Scientists*, Web Edition, June 18, 2009, http://www.thebulletin.org/node/7257.
- 4. A U.S. intelligence assessment, released three weeks after the reported test, was brief, equivocal, and disclosed minimal information: "The U.S. Intelligence Community assesses that North Korea probably conducted an underground nuclear explosion in the vicinity of P'unggye on May 25, 2009. The explosion yield was approximately a few kilotons. Analysis of the event continues." See Public Affairs Office, Office of the Director of National Intelligence, "Statement of the Office of the Director of National Intelligence on North Korea's Declared Nuclear Test on May 25, 2009," ODNI News Release No. 23–09, June 15, 2009, http://www.dni.gov/press\_releases/20090615\_release.pdf. The ODNI had estimated the yield of the October 2006 nuclear test as "less than a kiloton;" various non-governmental estimates range as low as 200 tons of TNT equivalent.
- For a particularly pointed commentary issued a week prior to the second nuclear test, see Paek Mun-kyu, "A Strong Countermeasure Will Follow Threat and Blackmail," Rodong Simmun, May 19, 2009, http://kcna.co.jp/item/2009/200905/news20/20090520-07ee.html.
- For a detailed assessment of the present status of the North's programs and activities, consult "North Korea's Nuclear and Missile Programs," Asia Report, no. 168 (Seoul and Brussels: International Crisis Group, June 18, 2009, http://www.crisisgroup.org/home/index.cfm?id = 6160.
- UN Security Council Resolution 1874, SC/9679, June 12, 2009, http://www.un.org/ News/Press/docs//2009/sc9679.doc.htm
- 8. "DPRK's Stand on Satellite Launch for Peaceful Purposes Re-clarified," KCNA, March 26, 2009, http://www.kcna.co.jp.
- 9. "Foreign Ministry's Spokesman on DPRK's Decision to Suspend Activities to Disable Nuclear Facilities," August 26, 2008, http://www.kcna.co.jp/item/2008/200808/news08/

- 27.htm. Statements from the Foreign Ministry Spokesman seldom appear in DPRK media, and should therefore be considered highly authoritative.
- 10. Ri Hyon-to, "Brigandish Logic That Can Convince Nobody," *Rodong Simmun*, October 27, 2008,http://dprkmedia.com (in Korean).
- 11. "Foreign Ministry Spokesman Holds Some Forces Accountable for Delayed Implementation of Agreement," November 13, 2008, http://www.kcna.co.jp/item/2008/200811/news13/20081113-18ee.html.
- 12. "Lively Response to U.S. Recognition of DPRK as Nuclear Weapons State," KCNA, December 17, 2008, http://www.kcna.co.jp/item/2008/200812/news18/20081217-16ee. html.
- 13. For an early report, see "U.S. Satellite Confirms North Korea Preparing Taepo Dong Launch, Possibly an Improved Version," *Sankei Shimbun*, February 3, 2009, http://www.sankei.co.jp (in Japanese).
- 14. See Ri Kyo'ng-su, "Right for Peaceful Uses of Space Lies with Anyone," *Rodong Simmun*, February 7, 2009, http://dprkmedia.com (in Korean).
- 15. UN Security Council Resolution 1718, S/RES/1718 (2006), October 14, 2006, http://www.un.org/News/Press/docs/2006/sc8853.doc.htm (hereinafter UNSC 1718).
- 16. The Committee on the Peaceful Reunification of Korea in late January declared: "All agreed upon points concerning the issue of putting an end to the political and military confrontation between the North and South will be nullified." See Choe Sang-hun, "North Korea Scrapping Accord with South Korea," *New York Times*, January 29, 2009, http://www.nytimes.com/2009/01/30/world/asia/30nkorea.html.
- 17. "N. Korea Steps Up Threats Over Kaesong Complex," *Chosun Ilbo*, November 10, 2008, http://english.chosun.com/site/data/html\_dir/2008/11/10/2008111061017.html.
- 18. "KPA General Staff Spokesman Blasts Hostile Forces' Anti-DPRK Racket," KCNA, April 18, 2009, http://www.kcna.co.jp.
- See Stephan Haggard and Marcus Noland, "The Political Economy of North Korea: Implications for Denuclearization and Proliferation," East-West Center Working Papers, Economics Series no. 104 (Honolulu: East-West Center, June 2009), p. 4, http://www.eastwestcenter.org/fileadmin/stored/pdfs/econwp104.pdf.
- 20. See "Joint New Year Editorial Issued," KCNA, January 1, 2009, http://www.kcna.co.jp.
- 21. Blaine Harden, "North Korea Tightening Its Restrictions on Markets, Food Aid," Washington Post, July 14, 2009, http://www.washingtonpost.com/wp-dyn/content/article/2009/07/13/AR2009071303293.html.
- 22. The first published reports of Kim Jong-il's designation of his youngest son as his presumptive successor appeared in mid-January 2009, with Kim Jong-il having purportedly issued a directive to this effect on January 8. Despite widespread reports of a supposed power struggle atop the North Korean system, the succession arrangements (with Kim Chong-un presumably guided by a small group of senior officials) do not seem in serious jeopardy, though as of mid-August there has been no official declaration. For the initial report, see Kim Hyun, "N. Korean Leader Names Third Son As Successor: Sources," Yonhap News Agency, January 15, 2009.
- 23. See Joel S. Wit, Daniel B. Poneman, and Robert L. Gallucci, Going Critical-The First North Korean Nuclear Crisis (Washington, D.C.: Brookings Institution Press, 2004).
- Yoichi Funabashi, The Peninsula Question-A Chronicle of the Second Korean Nuclear Crisis (Washington, D.C.: Brookings Institution Press, 2007); Mike Chinoy, Meltdown-The Inside Story of the North Korean Nuclear Crisis (New York: St. Martin's Press, 2008).
- 25. "Joint Statement of the Fourth Round of the Six-Party Talks," Beijing, September 19, 2005, http://www.fmprc.gov.cn/eng/zxxx/t212707.htm.

- 26. For example, the text of the 2005 denuclearization agreement was published "below the fold" on p. 3 of the party newspaper *Rodong Simmun*, and the texts of the two follow-on agreements signed in February and October 2007 never appeared in the North Korean press. By contrast, the text of the Agreed Framework and Clinton's separate letter of assurance to Kim Jong-il dominated p. 1.
- 27. I served on an expert group that visited the DPRK during February 3–7, 2009, at the invitation of the Ministry of Foreign Affairs. The discussions, primarily with senior Foreign Ministry officials, also included several former U.S. policymakers. Two other groups and one individual visitor were also hosted by the Foreign Ministry during the January–February 2009 period, but the discussion here draws exclusively on the results of the February 3–7 trip.
- 28. North Korean policy statements issued the week before Obama's inauguration underscored the North's strategic recalibration. See "DPRK Foreign Ministry Spokesman Dismisses U.S. Wrong Assertion," KCNA, January 13, 2009, http://www.kcna.jp; "DPRK Foreign Ministry Spokesman Claims Normalization with U.S., Nuclear Issue 'Separate' Issues," KCNA, January 17, 2009, http://www.kcna.jp. Both statements were unmistakable signals to the incoming Obama administration that the DPRK had unilaterally redefined its policy expectations of the United States.
- 29. "Gates: N. Korea's Nukes Point to a 'Dark Future,'" Associated Press, May 30, 2009, http://www.msnbc.msn.com/id/31007296/.
- Drew Thompson and Carla Freeman, Flood Across the Border: China's Disaster Relief
  Operations and Potential Response to a North Korean Refugee Crisis (Washington, D.C.:
  SAIS U.S.-Korea Institute and the Nixon Center, April 1, 2009), http://uskorea
  institute.org/pdf/specialreports/USKI\_FAB\_ExecSummary.pdf.
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- 32. Minister of Foreign Affairs Yang Jiechi, remarks to U.S. Deputy Secretary of State James Steinberg, Beijing, Hong Kong Zhongguo Tongxun She (China News Agency), June 5, 2009.
- 33. Julia Joo-a Lee, "To Fuel or Not to Fuel: China's Energy Assistance to North Korea," *Asian Security* 5, no. 1 (January 2009): 45–72; Zhe Jin, "Economic Relations between China and North Korea: Current Status and Future Prospects," *Research Monograph* 08-11 (Seoul: Korean Institute for National Unification, December 31, 2008), pp. 97–120.
- 34. Cai Jian, "How Should China Respond to the Resurgence of the North Korean Nuclear Issue?" *Shijie Zhishi*, May 1, 2009, pp. 27–29.
- 35. Zhang Liangui, "Reality Starts to Teach Everyone a Lesson," Shijie Zhishi, June 16, 2009.
- 36. For two especially relevant examples of Chinese policy reassessment published in a leading international affairs journal, see Wang Zaibang and Li Jun, "Searching for the Root of the DPRK's Second Nuclear Experiment, and Diplomatic Thoughts," Xiandai Guoji Guanxi (Contemporary International Relations) (July 20, 2009): 38–44; Zhu Feng, "The DPRK Nuclear Crisis After the Second Nuclear Test: The Six Party Talks and 'Coercive Diplomacy,'" Xiandai Guoji Guanxi (July 20, 2009): 44–50.
- 37. Jonathan D. Pollack. "North Korea's Nuclear Weapons Program to 2015: Three Scenarios," *Asia Policy*, no. 3 (January 2007): 105–123, http://www.nbr.org/publications/asia\_policy/ap3/ap3pollack.pdf; Siegfried S. Hecker, "The Risks of North Korea's

- Nuclear Restart," Bulletin of the Atomic Scientists, Web Edition, May 12, 2009, http://www.thebulletin.org/web-edition/features/the-risks-of-north-koreas-nuclear-restart
- 38. See the travel and business bans imposed on various North Korean trading entities and individuals by the UNSC 1718. Chinese media immediately affirmed Chinese obligations to enforce these sanctions following their dissemination by the Security Council.
- 39. "Press Statement by a Spokesperson for the DPRK Ministry of Foreign Affairs," KCNA, July 27, 2009 (in Korean).