

The Korean Peninsula: How much of a problem?

The Six Party Talks

Following several rounds of talks it seemed by September 2005 that progress had been achieved when Pyongyang agreed to abandon its nuclear programme, rejoin the Nuclear Non-Proliferation Treaty from which it had withdrawn three years earlier, and allow IAEA monitors to return to the North. In return North Korea was to receive food and energy assistance. For their part the United States and South Korea both affirmed that they would not deploy nuclear weapons on the Peninsula, and the United States committed to working to normalise relations with North Korea.

A subsequent decision by Washington to impose sanctions on North Korean trading entities and on a Macao bank suspected of money-laundering for North Korea, however, provoked strong condemnation from Pyongyang. The North boycotted the next round of talks and conducted a number of missile tests and its first nuclear test. The UN Security Council passed a resolution requiring North Korea to refrain from further nuclear or missile testing and to return to the Six Party Talks.

Further talks in 2007 resulted in another denuclearisation plan in exchange for aid and the release of the frozen Macao bank funds. The North appeared to be adhering to this agreement when it began disabling the Yongbyon facility which had provided the fissile material for the first nuclear weapons test. In return the United States eased sanctions on the regime and removed North Korea from its State Sponsors of Terrorism list. But Pyongyang failed to agree to a verification protocol for its nuclear programme and restarted that programme in late 2008.

Ignoring signals from the new Obama Administration of its willingness to engage the North, Pyongyang chose instead to conduct further missile tests and another nuclear test that resulted in the United States securing UN Security Council agreement to tougher sanctions in 2009.

Over the last ten years for every action taken against the North Korean regime there is a robust reaction. So in 2010 the North sank the South Korean naval ship Cheonan with considerable loss of life, unveiled a new uranium enrichment facility and light water reactor at Yongbyon, and shelled the South Korean island of Yeongpyeong with further loss of life.

Six Party Talks have not been held since 2009. During bilateral talks with the United States in 2011, Pyongyang indicated it would return to the multi-party talks provided there were no preconditions. This was unacceptable to Washington and Seoul. In February 2012 North Korea now under Kim Jong-un's leadership, agreed to suspend nuclear tests and allow the International Atomic Energy Agency to return to Yongbyon.

But events were once again to take a different course. In December North Korea launched a long range rocket considered by defence analysts to be a test of ballistic missile technology. That triggered a by now familiar sequence of events. The imposition of broader sanctions on North Korea by the UN Security Council was followed by a third nuclear test much more powerful than its predecessors.

In March 2013 the Security Council passed a further round of sanctions on North Korea that imposed tough restrictions on banking, travel and trade. On this occasion China, presumably exasperated by its ally, did not try to water down these sanctions. The Security Council's resolution also reaffirmed the UN's support for the Six Party Talks and called for their resumption. While intended to punish the North for acts that endanger the international interest, the sanctions are not therefore designed to bring North Korea to its knees. Pyongyang may see it otherwise.

Kim Jong-un

When Kim Jong-un came to power there were hopes that his exposure to the West as a teenager at a Swiss boarding school would have influenced him to pursue more liberal policies. His February 2012 agreement to suspend nuclear tests briefly suggested those hopes were not misplaced.

It was a false dawn. Kim Jong-un then fell back on the North Korean habit of highly provocative behaviour aimed at pressuring the international community to provide aid, and at strengthening his power base at home. Even by the standards of North Korean rhetorical excesses, however, his bellicose threats were extreme. While his threat to turn Seoul into a sea of fire was not new, the threat of a nuclear attack on the United States certainly was.

Kim Jong-un also acted counter-intuitively by closing down Kaesong Industrial Park. The Park allowed South Korean companies to employ cheap labour and for the North soon became an important source of foreign currency as wages for the 53,000 North Korean employees were paid directly to their Government. The North had shut down the complex previously but only for brief periods. This year's prolonged closure had the self-inflicted cost of further reducing hard currency inflows to the North, a hammer blow to an economy already in dire straits.

In such a hermetically sealed society it is impossible to assess with any accuracy Kim Jong-un's motives. Was timing a factor? Was he trying to intimidate new leaders in Japan and South Korea? Was he sending a message to newly elected President Xi Jinping that he was not beholden to China? Or was he endeavouring to convince the military that he is worthy to inherit the family mantle by standing up the United States, and/or needed to remind North Koreans that they must continue to make sacrifices because of external threats. It could be a combination of all these factors.

Could he miscalculate?

Buoyed by the successful rocket launch and the February nuclear test both of which demonstrated significant technological capability enhancements, Kim Jong-un might miscalculate. He is very light on leadership experience, and has shown no interest in engaging other countries. He has options available to him, short of a nuclear attack, should he decide to move beyond rhetoric. While outmatched by the South Korean military and professionally inferior, the Korean People's Army has significant special force and artillery capabilities. It could launch its Musudan medium range missiles. Or it could revert to terrorism.

Any North Korean attack now would bring swift retribution from the South. There was widespread criticism of what many South Koreans considered a weak response to the attacks that took place in 2010. President Park has emphasised that an attack while she is President would produce a robust and swift response. Retaliation although entirely understandable could have far-reaching consequences.

There is another unwelcome consequence of recent developments as calls grow in the South for the development of its own nuclear deterrent capability, including from a prominent member of the National Assembly. Recent negotiations between South Korea and the United States on a new nuclear cooperation agreement included a request to enrich uranium and to reprocess nuclear fuel originally bought from the United States. Any move towards a nuclear deterrent nuclear capability in the South risks pushing Japan in the same direction. It may be that it is this unpalatable prospect that is behind China's strong opposition to North Korea's nuclear weapons programme.

China and the United States

China's alliance with the DPRK dates back to the Korean War. There are trade ties and close military links. The relationship was once described by the Chinese as "close as lips and teeth". But North Korea is proving an increasingly troublesome ally on two fronts. China remains deeply suspicious of the United States "pivot", convinced it is designed to contain China.

Through its belligerence North Korea very effectively made the case for the pivot. North Korea's actions and bluster reinforced to United States allies the importance of a stronger American military presence in the region.

North Korea's threats also impelled Beijing to consider how it might rein in Kim Jong-un. The United States made it clear that it expected China to use its leverage as North Korea's "economic lifeline and diplomatic partner". Chinese statements had already shown some movement in that direction.

China's Foreign Minister Wang Yi stated on 6 April that China "does not allow trouble-making at the doorsteps of China". President Xi Jinping spoke in similar terms in his address

at the opening ceremony of the Bo'ao Forum the following day in commenting that "no-one should be allowed to throw the region, or even the whole world, into chaos".

It is likely that President Xi had two targets in mind. Professor Cheng, a North Korean expert at Beijing's Renmin University described this as a "slap" at both North Korea and the United States, {which Beijing considered contributed to the North's belligerence through its military exercises with South Korea}, adding that the President's "primary target was North Korea".

Kim Jong-un may not be listening. According to United States officials who accompanied Secretary Kerry to Beijing, Chinese officials had indicated they had not been able to establish the same close relationship they had enjoyed with his father. It is understood that Kim Jong-un has never met President Xi and seems in no hurry to do so.

There are some "red lines" for China that will constrain action against the North. China fears an implosion leading to a flood of North Koreans across its border that would threaten its economic and social development plans. Nor does it want to see a unified peninsula that could place United States troops on or near the border with China. Pyongyang has undoubtedly taken these concerns into its calculations of just how far China will go. A further constraint was explained by another international relations expert at Renmin University. Shi Yinhong, agreed that "theoretically there is more that China can do, but we're very worried that doing so could stimulate Kim to do even more dangerous things".

There is some common ground between China and the United States with respect to North Korea. Neither wants conflict on the Peninsula. In his remarks following his meeting with China's State Councillor Yang Jiechi in Beijing in April, Secretary Kerry noted that the United States and China had underscored their joint commitment to the denuclearisation of the Korean Peninsula in a peaceful manner and that agreement had been reached to have further discussions "to bear down very quickly with great specificity on exactly how we will accomplish this goal".

China has since tightened inspections on cross-border trade and its state banks have halted business with North Korea's Foreign Trade Bank suggesting a loss of patience with its troublesome neighbour. It seems likely that a strong message was given to North Korea's Special Envoy, Vice Marshal Choe when he visited Beijing in May about endangering peace and stability on the Peninsula.

Recent developments

In recent years North Korea has pursued what could be described as a three stage strategy. The first is brinksmanship that we witnessed in the first half of this year, the second being a charm offensive designed to secure economic concessions, and the third, renewed provocation.

In a statement issued in mid-June the North Korean National Defence Commission chaired by Kim Jong-un offered to enter into negotiations with the United States, suggesting

discussions focussing on defusing military tensions and replacing the armistice system with a peace mechanism. The statement went so far as to suggest a goal of building a world without nuclear weapons. If this was the “charm offensive” stage it was not accompanied by any gestures to indicate a willingness to take practical steps towards this end.

North Korea does appear, however, to be seeking to lower tensions on the Peninsula, probably with strong encouragement from China. The agreement to re-open the Kaesong Industrial Park on 16 September could be seen as a first win for President Park’s “trustpolitik” approach to North-South relations, an approach that was welcomed during her successful visit to Beijing in June. The question remains, however, whether this is a genuine effort to move to a closer relationship with the South or rather a necessary step to regain access to the hard currency that the Park provides.

The terms of the new Kaesong agreement are interesting. It includes the creation of a Joint Committee to oversee the operations of firms in the industrial Park, including the adjudication of disputes, and compensation for damage to commercial properties. At Seoul’s insistence the agreement states that both Koreas will work actively to attract foreign businesses to Kaesong. The South Korean Unification Ministry has announced that the two Koreas will hold a business fair in Kaesong in October to attract foreign investment. The agreement has significantly boosted President Park’s popularity ratings.

This agreement would not have seemed remotely possible a few months ago and whatever the North’s real motive is still a welcome development. Even though it includes an undertaking by Pyongyang never to close the Park again, the regular abrupt shifts in North Korean policy are likely to make it difficult to attract foreign companies. Chinese companies, however, may find the concept attractive for both economic and political reasons. If the concept does succeed it could be the forerunner of other commercial joint ventures that could help build trust. In other developments a military hot-line has been re-started between North and South, but Pyongyang has already backed away from a very recently concluded agreement to resume reunions of families separated by the Korean War.

North Korea will, however, remain resolute on the nuclear issue. There are reports that North Korea has re-started the 5 megawatt gas-graphite reactor at its nuclear complex in Yongbyon. The reactor had been shut down in 2007 in accordance with an agreement reached at that time in the Six Party talks. Once in full operation it would enable the North to produce 6 kilos of plutonium a year. This could be the only purpose in re-starting the reactor as it would not be an effective producer of electricity. Satellite imagery also indicates that a building housing a gas centrifuge for uranium enrichment has been significantly enlarged. This suggests a dual-track approach to acquire more fissile material in order to increase its nuclear weapons stockpile. An additional concern from an environmental perspective is that reactor is a Soviet-era design of 1950’s vintage.

The easing of tensions with the South evident in re-opening the Kaesong Industrial Park while defiantly re-starting the reactor, are not necessarily inconsistent from a North Korean perspective. Both steps reflect the outcome of the Korean Workers Party Central Committee plenum in March which defined regime priorities as developing both the economy and the nuclear programme.

What lies ahead?

Kim Jong-un's bottom line is regime survival. The development of a nuclear weapons capability is intrinsic to that goal. North Korea seems convinced that only a nuclear capability can deter the United States from trying to topple the regime by force despite Washington emphatically ruling out such an option. The greatest threat to the regime, however, is not external attack but at some point, the threat of implosion if it can't offer its people a better future. A nuclear capability will be of no use in that eventuality.

China is clearly irritated by Pyongyang's determination to continue down the nuclear path. But as already noted, China has its own bottom line which is to avoid any action that might precipitate an implosion in the North with the social, economic and strategic consequences that would follow. That limits Beijing's leverage and Pyongyang knows it.

A further complication is that attempts to find a way forward are taking place against a backdrop of China's suspicions about United States motives, an uneasiness mirrored in Washington about Beijing's ambitions; tensions between China and Japan over the Diaoyu/Senkaku islands and between South Korea and Japan over the Dokdo/Takeshima islands.

Despite these other preoccupations, the international community needs to focus as a matter of urgency on devising ways of reducing the risk of miscalculation on the Korean Peninsula. Ever tougher sanctions on the North may convey a sense of resolve on the part of the international community. But they have heightened rather than eased tension as has the deployment of more United States troops to the region. As J Michael Cole, deputy editor of the Taipei Times argued recently, "while such actions can act as a deterrent against North Korea, they only postpone – and render less likely – the resolution of the conflict and its underlying causes".

To have any chance of succeeding a way ahead must alleviate the North's concerns, however misguided they may appear, that the international community wants to dismantle the regime by force if necessary. What is also needed is a creative means of appealing to the self-reliance philosophy that is the regime's driving force.

As noted earlier the Six Party Talks have not taken place since 2009. Perhaps they carry too much baggage to be considered a viable option for tackling problems on the Peninsula unless they resume without preconditions. That would require the setting aside of the nuclear issue for the time being. There appears to be no other viable option that would

bring the North back to the table. Returning to the talks would provide a timely opportunity for the United States to reaffirm yet again that it has no intention to attack or invade North Korea, that it will provide a security guarantee to this effect and work to normalise ties {as it was prepared to do in the set of agreements reached during the fourth round of talks in 2005}.

North Korea's top diplomats held talks in Beijing on 16 September with China's chief nuclear envoy on the resumption of the Six Party Talks. Unsurprisingly the North Koreans urged that the talks resume but without pre-conditions. They also put forward a proposal for four party talks that would omit Japan and Russia. Two days later China's Foreign Minister, Wang Yi, ahead of a visit to the United States for discussions with Secretary Kerry, echoed Xi Jinping's April comments in a further veiled criticism of the DPRK. The situation on the Peninsula was high on the agenda for the Kerry/Wang talks.

If the "no pre-conditions" hurdle cannot be overcome should we look for alternative mechanisms? Perhaps a joint China/United States partnership offers a more effective option at this time. As noted above both share the objective, if not for identical reasons, of a denuclearised Peninsula.

There are other options worth considering. In an article published by Brookings on 20 August, James Goodby and Mankku Heiskanen propose a new approach. It would take the form of four different forums with membership reflecting the subject matters being discussed. One forum would deal with inter-Korean relations, a second with creating a peace regime on the Peninsula, a third with nuclear issues, and a fourth with a regional mechanism for promoting peace and security.

The last-mentioned might then evolve into a permanent and very desirable mechanism for security and cooperation in North-east Asia. Encouraging North Korea to participate in such a dialogue would give it a stake in attempts to resolve strategic issues. That would require a sea change in approach on the part of Pyongyang, but it may be persuaded to see merit in participation rather than remaining a belligerent outsider resorting to threat and bluster. A dialogue would also mesh with President Park's North-east Asian Peace and Cooperation Initiative. Goodby and Heiskanen further suggest that periodic meetings of the Foreign Ministers of the six countries represented in the Six Party Talks could coordinate this process.

I would add a fifth forum which would examine ways of helping North Korea rebuild its economy through carefully targeted investment and economic assistance. The previous practice of providing food aid, although that is needed, carries the heavy baggage of dependency in the North Korean mindset. Were the North Koreans to gain confidence that they can build an economic model that would improve the lot of its citizenry this might over time diminish the importance of a nuclear weapons capability. Such an approach might also reduce the huge cost of an eventual reunification.

There can be no guarantees that the suggested approaches posited in this paper will succeed. Some of the six parties will find unappealing the idea of giving less emphasis to the nuclear issue for the time being. They will see risks in that. But there are mounting risks in staying with the status quo. Unless we help North Korea to help itself the risk is that the situation on the Peninsula will slide into conflict whether through calculation or miscalculation. That would have profound consequences for the whole Asia/Pacific community.

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