North Korea: Challenges, Interests, and Policy

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Key Points

North Korea poses two distinct but interrelated challenges. The first is external: the challenge posed by its nuclear weapons program and the threat of proliferation off the Korean Peninsula. The second is essentially but not wholly internal: the challenge posed by the pending transfer of power in Pyongyang and potential for instability as the process plays out. This complex reality underscores the need for balance and strategic patience if the twin dangers of proliferation and instability on the peninsula are to be successfully managed.

U.S. national security interests on the Korean Peninsula are focused on deterrence of North Korea, defense of the Republic of Korea (ROK) if deterrence should fail, and support for Korean unification under the ROK. The United States also has a national security interest in North Korea’s stability. This interest should not be mistaken as support for the Pyongyang regime, but given the risks posed by its nuclear weapons program, instability could result in the loss of command and control over those weapons and increase the risk of proliferation.

The Six-Party Talks aimed at the denuclearization of North Korea are currently suspended. Nevertheless, diplomacy with North Korea will likely resume at some point but be protracted in nature. The policy challenge is what to do while the diplomacy plays out. The United States, the ROK, and Japan are acting correctly by maintaining close and effective policy coordination.

The goal of U.S. diplomacy remains denuclearization. This will take time, and our security strategy must deal with the world as it is. The commitment of the administration of President Barack Obama to extended deterrence is critical in supporting both U.S. diplomatic and security strategy and its allies.

Change and Continuity

On April 14, 2009, Pyongyang, in response to the United Nations Security Council (UNSC) statement condemning North Korea’s April 4 rocket launch, ended its participation in the Six-Party Talks aimed at the denuclearization of North Korea and added that it “will no longer be bound to any agreement” of those talks. Pyongyang also declared its intent to “strengthen our self-defensive deterrent in every way.” On May 25, North Korea conducted its second nuclear test. On July 4, North Korea test fired seven missiles into the Sea of Japan.

A month later, Pyongyang unexpectedly shifted gears. Kim Jong-il received former President Bill Clinton and agreed to the release of two American journalists sentenced by North Korea to 12 years of hard labor for illegal entry in March 2009. Shortly afterward, Kim met with Hyun Jeong-eun, the chairwoman of the Hyundai Group. The Kim-Hyun meeting resulted in an agreement to resume tourism to Mount Kumgang, which Seoul had suspended since the 2008 shooting of a South Korean tourist; to restart operations at Kaesong Industrial Complex, a collaborative North-South economic development; and to resume reunions of separated families. On August 22, a North Korean delegation attended the state funeral of former South Korean President Kim Dae-jung.

In this rapidly evolving and complex environment, North Korea continues to pose two distinct but interrelated challenges that cannot be lost sight of. The first is external: the challenge posed by its nuclear weapons program and the threat of proliferation off the peninsula. The second is essentially but not wholly internal: the challenge posed by the pending transfer of power in Pyongyang and the potential for instability as the process plays out. This complex reality underscores the need for balance and strategic patience if the twin dangers of proliferation and instability on the Korean Peninsula are to be successfully managed.

U.S. Interests

Since the end of the Korean War, U.S. national security interests on the Korean Peninsula have focused on deterrence of North Korea, defense of the Republic of Korea (ROK) if deterrence should fail, and support for Korean unification under the ROK. In addition to deterring North Korea, U.S. policy since the early 1990s has defined the denuclearization of North...
North Korea and elimination of other weapons of mass destruction (WMD) and missile programs as a national security interest. At the same time, policy has been directed toward preventing the proliferation of WMD and related technologies from the peninsula. Former Secretary of Defense Donald Rumsfeld defined North Korea’s proliferation of WMD as the greatest threat posed by Pyongyang to U.S. interests.

The United States also has a national security interest in the stability of North Korea. This interest should not be mistaken as support for the Pyongyang regime. But given the challenges posed by North Korea’s nuclear weapons program, instability could result in the loss of command and control over nuclear weapons and material and increase the risk of proliferation. Indeed, it is the threat, if not the reality, of instability that ranks among the most complex of contemporary challenges to international security.

At least three broad alternatives to the present strategy toward North Korea of diplomacy through the Six-Party Talks may be considered. The first alternative is a military strategy that would involve a preemptive strike aimed at terminating North Korea’s nuclear weapons program. At present, such a strategy would seem unwarranted, though it could appear more reasonable under circumstances of a perceived imminent threat from North Korea. Even so, success in such a strategy would require comprehensive and near-perfect intelligence. Unfortunately, intelligence on North Korea is exceedingly limited.

Given the likelihood of North Korean retaliation, opposition to a military strike should be anticipated from Six-Party partners South Korea, Japan, China, and Russia. Even with a favorable military outcome, one that damages but does not eliminate North Korea’s nuclear weapons program, the risks in terms of retaliation are significant, in particular for South Korea and Japan and potentially for Guam and Alaska. A U.S. failure to prevent North Korean retaliation could strain, if not rupture, the alliance structure in Northeast Asia, result in a breakdown of U.S. relations with China, and generate Korean and Japanese acquiescence in a China-dominated East Asian order.

A second strategy, based on the assumption that denuclearization is not achievable under the Kim dynasty, would be aimed at regime change to effect resolution of the nuclear issue. Policy would be directed to bring intense external pressures, economic and financial in particular, to bear on Pyongyang in the hope of forcing regime change, if not collapse.

Success would require the complete cooperation of China but would run up against its strategic interests and priorities on the peninsula: avoiding instability and a potential collapse of the North Korean state and unification under a South Korean government allied to the United States. Absent truly egregious behavior on the part of Pyongyang—and after two nuclear tests and several missile tests, it is difficult to imagine what Beijing’s definition of egregious behavior might be—it is unlikely that China, at the risk of destabilizing North Korea and inviting potential unification, will fully utilize the economic leverage that it enjoys to pressure North Korea to end its nuclear program. Even in the aftermath of the May 25 nuclear test, China has made clear that force should not be used to enforce UNSC Resolution 1874, which imposed sanctions on North Korea.

This approach would also exacerbate the deep and longstanding political divide in the ROK over policy toward North Korea, and wholehearted support from Seoul should not be expected. And should North Korea collapse, the United States would not be able to disengage itself; the liability for sorting things out on the peninsula would fall on Washington.

Finally, in the event this strategy resulted in the destabilization of North Korea, it could leave South Korea and Japan in particular open to a götterdämmerung-like response by whatever remains of the North Korean leadership.

A third strategy is diplomatic in nature. This would involve a U.S. decision to withdraw from the Six-Party Talks on the premise that they are hopelessly deadlocked and not likely to result in the denuclearization of North Korea. At the same time, Washington would make clear that it is prepared to normalize diplomatic relations upon Pyongyang’s singular decision to surrender its nuclear weapons and allow the United States to verify termination of the program.

Given the chasm of mistrust that exists between Washington and Pyongyang, the chances for success in such an approach...
are minimal at best. Moreover, such a go-it-alone strategy would come at great cost to U.S. standing in Seoul, Tokyo, and Beijing. Among other things, it could undermine the momentum behind the Barack Obama administration’s strong support for diplomatic engagement as a major facet of international relations.

Leaving the Six-Party Talks would also end diplomatic constraints, however tenuous, on North Korea’s behavior and invite (if not encourage) various forms of bad conduct, such as additional missile and nuclear tests. In short, it would hand the initiative to North Korea, and it is altogether likely that the United States would wind up paying a very high price just to get Pyongyang to cease and desist. Getting North Korea back to the negotiating table would entail an even higher price.

**Obama and North Korea**

In her February 13 speech to the Asia Society in New York, Secretary of State Hillary Clinton defined North Korea’s nuclear program as the “most acute challenge to stability in Northeast Asia” and made clear that the Obama administration is “committed to working through the Six-Party Talks” to resolve the issue. At the same time, she cautioned North Korea “to avoid any provocative action and unhelpful rhetoric toward South Korea.”

At the policy level, Clinton emphasized that the United States will continue to hold North Korea to its commitment “to abandoning all nuclear weapons and to return at an early date to the Treaty on Nonproliferation of Nuclear Weapons.” In return for North Korea’s agreement to the complete and verifiable elimination of its nuclear weapons program, the Obama administration would be “willing to normalize bilateral relations, to replace the peninsula’s long-standing armistice with a permanent peace treaty, and assist in the meeting of energy and other economic needs of the North Korean people.”

The Secretary also reiterated her hopes to engage North Korea “in the kind of serious discussion” that would result in the fulfillment of Pyongyang’s commitments to denuclearization and nonproliferation, which would ultimately lead to the normalization of U.S.—North Korean relations. But Secretary Clinton emphasized that “so much depends on the choices they make.”

In early June, the *New York Times* reported that North Korea’s May 25 nuclear test had caused the Obama administration to reexamine the central assumption that has guided U.S. policy since the 1994 Agreed Framework: namely, that North Korea would be willing to bargain away its nuclear weapons program for a package of economic and diplomatic benefits. The reassessment resulted in the conclusion that North Korea is not interested at present in any grand bargain and that its top priority is to be recognized as a nuclear weapons state.

Accordingly, the nuclear test appears to have shifted the administration’s approach to North Korea from persuasion to pressure in its diplomacy, as underscored by its efforts in the UNSC and the adoption of UNSC 1874. At the same time, the administration’s security strategy is focused on reassuring the ROK and Japan of the U.S. security commitment and on the containment of North Korea and the interdiction of any proliferation risk.

Since announcing the end of its participation in the Six-Party Talks, Pyongyang has repeatedly called for direct bilateral talks with the United States on the basis of full equality. On May 20, Gary Samore, the National Security Council Coordinator for Non-Proliferation of Weapons of Mass Destruction, told a Washington, DC, conference that North Korea’s efforts to abolish the Six-Party Talks and deal with the United States bilaterally on the nuclear issue would prove unavailing and that “North Korea will realize that it has no alternatives.” Samore predicted that the talks will eventually resume but also predicted that there will likely be a hiatus of “several months.” North Korea’s nuclear test, however, has likely extended the timeline for their resumption.

**Return to Diplomacy**

At some point, diplomacy with North Korea will resume, but when talks restart, the diplomats will likely be confronted with inherited and enduring structural problems that have marked the Six-Party Talks from the outset.

The first is the reality of shared common interests but different national priorities. The United States and the present ROK government have made the denuclearization of North Korea the primary focus of their diplomacy. Absent the denuclearization of North Korea, there can be no real peace and no peace regime on the Korean Peninsula.

Japan, at the strategic level, seems to understand the critical importance of denuclearization, but at the political level, resolving the abductee issue has served to complicate Japan’s diplomacy toward the Six-Party Talks. The New Democratic Party of Japan coalition government will inherit the issue and its political and diplomatic complications.

China, meanwhile, is concerned first and foremost with the issue of stability in North Korea; second, with the continuation of the North Korean state; and finally, with denuclearization. Concerned with the potential for unrest or instability in North Korea, Beijing will attempt to persuade and may even pressure Pyongyang, but it will avoid strong-arming it. Unless and until Beijing perceives the North Korean nuclear program as setting off a nuclear arms race in Northeast Asia and destabilizing the regional security environment, it is unlikely that China will be willing to exercise the ultimate leverage that it has on North Korea. The leadership in Beijing is wagering that the United States will be able to reassure the ROK and Japan of its security commitment and of the continuity of extended deterrence. In this context, China is free-riding on the strength of the U.S. alliances with the ROK and Japan to avoid its worst-case scenario and to continue its support policy toward North Korea.

Underscoring Beijing’s focus on stability, after signing on to UNSC 1718, which condemned North Korea’s nuclear testing in 2006, China’s trade with North Korea increased at a rate of 41 percent through 2008.
The economic pain resulting from the falloff in trade with China, the suspension of economic assistance from the ROK under the Lee Myung-bak government, and the enforcement of UNSC Resolution 1874, may, in part, account for Pyongyang’s August diplomatic charm offensive.

The second structural issue is verification, the issue on which the Six-Party Talks foundered in December 2008. It remains the sine qua non of any politically viable denuclearization regime.

At the same time, it appears that diplomacy is stuck on issues relating to the September 2005 Joint Statement: for example, on what is covered under “existing” nuclear programs and the definition of the “appropriate time” when discussions will take place with North Korea regarding the provision of a light water reactor. Also, it is not clear if diplomacy has yet determined whether “mutual consent” will govern inspections beyond the Yongbyon nuclear facility.

A third structural issue is the almost complete lack of trust among the parties, and in particular, between the United States and North Korea. After all the years of mistrust—beginning with the implementation of the 1994 Geneva Agreed Framework and extending through the 1999 Perry process and missile negotiations at the end of the Clinton administration, the October 2002 Beijing meeting, the termination of the Agreed Framework, and the Three-Party and subsequent Six-Party Talks—bridging this chasm is perhaps the most daunting challenge of the Six-Party Talks.

A fourth structural issue is North Korea itself. The current regime is intensely focused on its own survival, as any successor regime likely will be. This does not imply that the United States, the ROK, and other powers need not be vigilant for a regime crisis; on the contrary, preparation for a full range of contingencies—the breakdown of internal order, refugee outflows, dealing with or disarming the Korean People’s Army, and securing WMD—is imperative. That said, the guiding assumption for U.S. policy over the next 4 years should be that of regime and policy continuity in Pyongyang.

Underscoring its survival-centric reality, Pyongyang has resisted opening itself up and initiating market-based reform, viewing such steps as potentially and dangerously loosening political control. In response to food shortages, Kim has reluctantly allowed a degree of marketization, but overall, the regime remains firmly in control. And the regime’s track record makes clear that its preference is not to build on successes, such as marketization and the Special Economic Zones, but to pull back reforms once the initiatives have gained some breathing room. In the absence of a cataclysmic event, political control is likely to remain a priority over economic benefit for the near to mid term.

North Korea’s commitment to its nuclear weapons program should be viewed in the context of regime survival. In a world in which the United States, over the past two decades, has undertaken a series of unilateral military initiatives to address its security interests, it is not improbable that Pyongyang sees its nuclear weapons program as the regime’s ultimate insurance policy—a deterrent against U.S. unilateralism. Over the first 6 months of 2009, Pyongyang reiterated its intent to be recognized as a nuclear weapons state and its demand that dealings with the United States are to be based on the principle of full equality (that is, with North Korea treated as a nuclear power).

Realistically, this speaks to the degree of difficulty in achieving complete denuclearization in the Six-Party Talks. Optimistically, this means that the talks are in for a period of protracted diplomacy. The policy challenge, then, is what is to be done during this long timeout.

**Protracted Diplomacy**

A period of protracted diplomacy will affect the interests of the United States and its allies in a number of ways.

First, the longer that North Korea continues to assert its status as nuclear state, the more difficult it will be to realize complete denuclearization. This does not mean that the United States and its diplomatic partners should abandon the objective of complete, verifiable denuclearization in favor of accepting a cap on North Korea’s nuclear weapons program. The costs in terms of U.S. credibility in the ROK and Japan, and with respect to the global nonproliferation regime, would be incalculable and complicate the diplomacy of the pending Nuclear Non-Proliferation Treaty review conference.

Second, the risks of proliferation from the peninsula will continue. North Korea’s cooperation with Syria cannot be considered a one-off case. The risk factor will only increase should a succession crisis result in Pyongyang’s loss of control over its nuclear arsenal.

Third, increasing tensions and growing security concerns will test alliance relationships. The April missile test and May nuclear test have heightened Japanese security concerns and raised questions over the U.S. commitment to extended deterrence. At the same time, issues related to the development of conventional strike capabilities have surfaced in Japan’s political debate. While a distinct minority, some Japanese political figures have called for the development of an independent nuclear capability. In the ROK, similar concerns regarding the U.S. defense commitment and extended deterrence have also surfaced, accompanied by calls to extend the range of South Korea’s missile arsenal to allow Seoul to bring all of North Korea within range.

To date, the Obama administration has been sensitive to the security concerns of its allies and focused on reinforcing its security commitments and the continuity of extended deterrence. Reacting to North Korea’s missile and nuclear tests, the Obama administration moved quickly to reassure the ROK and Japan. Deputy Secretary of State James Steinberg led
a combined State-Defense delegation to Seoul, Tokyo, and Beijing in early June and was followed a month later by the Undersecretary of Defense for Policy, Michèle Flournoy.

Fourth, protracted diplomacy brings with it greater opportunities for North Korean wedge-driving. For example, the decision of the George W. Bush administration to remove North Korea from the list of state sponsors of terrorism was viewed by many in Japan as an act of political betrayal with regard to Japan’s abduction issue. At a minimum, the Bush administration’s accelerated diplomatic pace during its final months created a public perception in Japan that the United States was reneging on its commitment to uphold Japan’s concerns in the negotiations. Similarly, the failure to produce a sanctions resolution following the April 5 missile test was viewed by some in Japan as a failure of U.S. diplomacy to support Japan’s early call for sanctions.

Also, the increasing direct nature of U.S.-North Korean diplomacy during the last years of the Bush administration raised political concerns in some quarters of Seoul about ROK marginalization. Pyongyang’s present insistence on bilateral talks with the United States represents a continuation of its wedge-driving strategy. At the same time, its current diplomatic offensive, underscored by the agreement to resume Mount Kumgang tours, to open border crossings to allow normal operations at the Kaesong Industrial Park, and to resume family reunions, is likely to stimulate debate in a South Korea deeply divided over policy toward North Korea. The South Korean newspaper Chosun Ilbo welcomed Pyongyang’s decision to send a delegation to the state funeral of former South Korean President Kim Dae-jung as ushering in a “new state in relations.” Calls for a resumption of economic aid should be expected.

A continuation of North Korea’s nuclear challenge is likely to strain China’s relations with the United States, the ROK, and Japan. Political leadership in all three countries has repeatedly asked China to exert its influence on North Korea to move Pyongyang back to the Six-Party table; to date, however, the talks have yet to reconvene. Over time, the risk for Beijing is that China, once seen as being part of the solution, will come to be seen as part of the problem. Unless China is prepared to be more forthcoming in the concerted efforts by the alliance partners to realize the denuclearization of North Korea, it may find itself increasingly isolated and faulted for a failure of diplomacy.

Finally, maintenance of the status quo will adversely affect the development of multilateral security structures in Northeast Asia. Visions of a Northeast Asia Peace and Security Mechanism will have to be put on hold. Absent the denuclearization of North Korea, prospects for a multilateral security structure in Northeast Asia are distant at best.

The Next Steps

The United States, the ROK, and Japan are doing exactly what they should be doing. The U.S.-ROK coordination following the missile and nuclear tests is a case in point. That also goes for trilateral coordination with Japan. The strength of coordinated diplomacy helped to produce UNSC 1874, and coordinated efforts to implement the resolution will bring pressure to bear on Pyongyang and incline it toward reengaging in the Six-Party Talks. To address the risks of proliferation from North Korea, concerted efforts should be made to strengthen the Proliferation Security Initiative. Pressure and persuasion are intrinsic to successful diplomacy.

Policy should make clear that the door remains open to North Korea to rejoin the talks when it is ready to do so. Toward that end, efforts should be made to adopt a trilateral note to Pyongyang, which would reiterate security assurances and pledges of no hostile intent, while making clear that the United States, the ROK, and Japan will never accept it as a nuclear power. China and Russia should be invited to join in the statement. However, the United States should not run after Pyongyang to persuade it to return to the Six-Party Talks. Provocation should not be rewarded.

Nor should the United States and its diplomatic partners, out of concern that not paying attention to Pyongyang will cause in view of the contingencies that could transpire in North Korea, a whole-of-government approach remains sadly lacking

North Korea to take even more provocative actions, attempt to incentivize it to return to the Six-Party Talks. After almost 15 years, Pyongyang knows full well what is on the rewards menu, and its actions have made clear that it has different preferences and priorities at this time. Ordering a smooth succession is at the top of the list. With the prospect of succession in the not too distant future, trading in his nuclear arsenal for diplomatic promises of good will would only serve to weaken Kim Jong-il’s hand in ordering succession. Indeed, it appears that Pyongyang’s preference is for the outside world to put the check under the door and just go away.

However destabilizing, North Korea’s recent actions do provide an opportunity to expand and intensify U.S.-ROK-Japan diplomatic coordination, contingency planning, and security cooperation. This would directly
benefit the alliance partners and indirectly may move China to reformulate its priorities toward North Korea and exert the leverage necessary to make a comprehensive settlement a reality. While U.S.—ROK military plans have been updated, they exist in a political and diplomatic vacuum. From a planning perspective, it is best to get ahead of the curve and let reality catch up. In view of the multiple and complex contingencies that could transpire in North Korea, a whole-of-government approach remains sadly lacking. Such an approach should begin between the United States and the ROK, with Japan brought in on issues that may affect its interests (refugees in particular). Chinese officials, concerned with stability in North Korea, to date have found such discussions to be “premature”—but if China saw the United States, the ROK, and Japan prepared to discuss North Korean contingencies, it might be more willing to participate itself.

Looking ahead, the U.S., South Korean, and Japanese approach to North Korea should be that the Six-Party Talks will continue and that Pyongyang’s return is awaited. The three governments should make clear that they hold no hostile intent toward Pyongyang but that they and the international community are determined to hold Pyongyang to its Six-Party commitments. Recognizing that some problems are not immediately resolvable, the United States, the ROK, and Japan, in effect, are playing for time, for an orderly succession and a new leadership in Pyongyang.

The Obama administration has correctly insisted that North Korea will not be treated as a nuclear power, that Pyongyang return to the Six-Party Talks, that any bilateral negotiations must take place within the Six-Party framework, and that provocative behavior “will be met [with] serious enforcement of the sanctions that are in place.” The current U.S. diplomatic strategy is to keep the door open to engaging North Korea, in the hope that a new leadership in Pyongyang may have a different understanding of North Korea’s security and prosperity. Meanwhile, U.S. security strategy is aimed at deterring the outbreak of war, the use by North Korea of nuclear weapons or other WMD, and preventing the proliferation of WMD from the Korean Peninsula.

This course of action will mean living with a nuclear North Korea for the foreseeable future. But living with is not the same as accepting. The goal of diplomacy remains the complete, verifiable denuclearization of North Korea; this will take time, while security strategy must deal with the world as it is. The Obama administration’s commitment to extended deterrence is critical in supporting both our diplomatic and security strategy and our allies.

Notes
1 On August 13, 2009, North Korea also released a South Korean employee of the Hyundai Group who had been in North Korean custody since March 2009 for remarks critical of the North Korean political system.
2 Available at <www.kcna.co.jp/item2009/200901/new15/20090113-lee.html>.
4 Ibid.
7 From 1977 to 1983, a number of Japanese citizens were abducted by agents of the North Korean government. The government of Japan recognizes 16 nationals as victims of abduction. To date, Pyongyang has admitted to the abduction of 13 Japanese citizens.
9 The Six-Party Joint Statement of September 2005 committed North Korea, the United States, South Korea, China, Japan, and Russia to “the verifiable denuclearization of the Korean Peninsula in a peaceful manner” and set out the respective commitments of the signatories.
10 Although the United States and North Korea were able to engage in and conclude a number of agreements, negotiations and implementation were tendentious and gave rise to suspicions of bona fides.
12 Remarks by President Barack Obama and President Lee Myung-bak of the Republic of Korea, April 2, 2009.

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