



Transcript

North Korea and its Neighbours: A Region on the Brink?

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Charles Scanlon:

My name is Charles Scanlon, I'm the BBC East Asia editor at the moment. I'm a former correspondent in Tokyo and South Korea. I covered North Korea on the rare occasions they were kind enough to give me a visa.

Obviously North Korea has been very prominent in the news the last few months – I think the North Koreans have got all the headlines they could have wished for. What we're going to try and do today is to put the whole North Korea issue into a sort of broader regional context. We'll be looking at the implications for Japan, China and the American position in East Asia as well.

Without further ado, I'll introduce John Swenson-Wright, Chatham House's very own and of Cambridge University, who specializes in Japan and Korea. We have Nigel Inkster from the IISS, who has a distinguished background in British intelligence and currently focuses on transnational issues and security threats. Then we have Alessio Patalano from the War Studies Department at King's College London. Each of the participants will give a seven-minute or so introduction and then we'll throw it open to questions. We should have a good half-hour or even longer for questions from the floor – keep this as interactive as possible. John, go ahead – John's going to talk a little bit about North Korea itself at the moment.

John Swenson-Wright:

Thank you, Charles. I thought what I might begin by doing is giving you a sense of why North Korea represents, in the words of Chuck Hagel, the American secretary of defense, a 'clear and present danger to the region'. Some of this is very, in a sense, self-evident. If one thinks back to perhaps the two proximate causes of the concern of the United States: most recently, in February, the nuclear test – the third of North Korea's nuclear tests, preceded in 2006 and 2009 – a test which we know a little bit about. We know that the seismic activity surrounding the site where the device was detonated suggests that this was in fact, as the North Koreans have boldly claimed, a nuclear test. But it's also worth emphasizing that there's a lot that we don't know. We don't know whether this was a plutonium-based device or a uranium-based bomb. If the latter, then we have added reasons to worry about the nature of North Korea's strategic threat within the region, in part because the North has been attempting covertly since certainly the early 1990s to develop that HEU (highly enriched uranium) capacity.

As a country which has access to significant stockpiles of naturally occurring uranium, there's a very real worry that if it continues to develop this resource

it will be able to significantly expand its nuclear stockpile. At present, most informed, conservative estimates suggest that the North has anywhere between six and 12 crude nuclear devices. This latest development, coupled with the North's own ballistic missile programme, suggests that the North may be moving incrementally but very significantly closer to presenting a danger to its neighbours.

The other reason why we need to be worried about North Korea is when we try and assess its intentions. Certainly the rhetoric coming out of Pyongyang in recent months has been very alarming: talk of a willingness to use nuclear weapons against its neighbours and perhaps even as far afield as the United States for very obvious reasons is a source of concern. But I think we also have to be somewhat dispassionate in analysing the nature of those claims because for now at least – again, I think this is a conservative estimate – the North is probably somewhere between three and five years away from being able to really significantly marry its ballistic missile programme with its nuclear capabilities, in a way that materially allows it to threaten countries as far afield as the United States.

But there have been lots of other things that have been taking place in recent weeks and months. The decision to close down the Kaesong Industrial Complex – or at least to suspend access from South Korea to North Korea – has been seen as a provocative gesture. We have seen over the last few days, last weekend, a series of short-range ballistic missile launches, all of which I think are in part an attempt on the part of North Korea to say to the outside world, 'we're still here, we still mean business, we're still a country you have to take seriously'. That's partly been in response to the fairly calibrated response from Washington and Seoul to try and lower the tensions surrounding the Korean peninsula and to not really give North Korea what it seems to want.

That leads me into the next section of my presentation, to ask: what's behind these series of provocations? What is the North attempting to achieve? The good news is that I don't think the North is really in a position where it really substantially, significantly, is contemplating any military action within the region.

There have been a lot of competing interpretations to explain why the North has been using this type of rhetorical provocation. Part I think is explained by the simple desire to shore up the leadership of Kim Jong-un, who in the year or so that he's been in office has moved fairly swiftly – together with the support from his older colleagues within the government – to solidify the

power of the party in North Korea. But at the same time, even though this is an authoritarian regime in which public opinion as we understand it doesn't really have much purchase, it still is important for North Korea's leadership to be able to demonstrate that it can, in a sense, unify the country. Perhaps the most effective way to do that is by generating, perhaps in an exaggerated way, a sense of opposition with the outside world. Therefore there is a logic behind this kind of provocation, because it's perceived by the North as a means of generating precisely that pushback that allows the young leader to present himself as the credible defender of the nation in arms.

Part of it must be also, I would say, a sense of irritation that the effort by the United Nations – through UN Security Council Resolution 2094 – has been seen as directly targeted at the senior leadership. There is I think a desire to demonstrate that the North is not in a position to be pushed around, in their view, by the international community.

A third possible reason is an attempt to create divisions between the United States and its allies. It's very characteristic that every time a president takes office in South Korea, it's quite customary for the North to use some form of engineered crisis as a means of putting pressure on a new, relatively inexperienced leader. If that's been their intention, I think the record so far demonstrates that they've not been successful. Park Geun-hye has been quite adept in presenting a forceful position to North Korea, in keeping with her credentials as a conservative leader, and also because in light of past crises – the sinking of the *Cheonan* in 2010 and the shelling of Yeonpyeong island – in the wake of those crises, it's been very important on the part of South Korea's political leadership to show that degree of resoluteness.

Then a third possible reason, which is borne out by the historical record. Some interesting documents that were declassified from the 1970s, going back to the Nixon administration, demonstrate that as far back as then, American officials were quite conscious and aware that the North has a deliberate and – I think it's important to emphasize – rational strategy, quite in contrast to the image of a somewhat farcical, comical regime; a deliberate strategy of using these sorts of provocations as a means of extracting economic resources from the international community.

So all of those factors I think help to explain what the North is doing. But there is one other factor which I think is perhaps most persuasive, at least in my judgment, to explain what's going on here. What the North wants more than anything is to persuade the Americans to sit down and talk to them – not just about the nuclear issue but about a whole range of issues to do with

diplomatic recognition, the establishment of some framework for providing a route out of the conflict in the region, the establishment of a peace treaty, and maybe eventually the establishment of some form of peace regime that would involve closer contact and, in a sense, legitimate recognition of North Korea as an independent, sovereign state.

How has the international community fared so far in their response? My colleagues will talk about other countries in the region. Just a couple of points perhaps, to get us thinking.

First, I think it's fair to say that the United States had little choice but to stand shoulder-to-shoulder with its South Korean allies and emphasize the importance of deterrence. That again helps to explain the resolute language coming out of Seoul. In that sense, I think it's very easy to understand why American politicians have been saying recently that they see the US–South Korea relationship as particularly strong at present, and South Korea being described as the linchpin in America's regional security strategy.

Where I think there is more room for debate about the merits of the American approach is this emphasis on conditionality. Secretary of State Kerry, on his visit to the region, made it very clear that the United States is willing to talk to North Korea but only under circumstances where the North makes good on its prior obligations and demonstrates a willingness at the very least to freeze its nuclear assets, with a view ultimately to dismantling them. There are, however, countervailing voices in the United States, particularly from the former Bush administration – Bush Senior – people like Brent Scowcroft in the past and now Donald Gregg and others, who have been saying with some persuasiveness that the United States needs to take a more ambitious step forward and talk about talks in a wider sense. In that sense, accommodating that last demand that I outlined – shaping North Korea's behaviour.

Whether other states are in a position to help that process – perhaps most importantly, Japan, and we've seen very interesting overtures in the last few days from the Abe administration – remains to be seen. But I think the urgency of the North Korean challenge, both in terms of the North's actual capabilities and the fact that perhaps is most relevant from North Korea's point of view at the moment – the asset that is so often misunderstood – the time that they have given themselves to continue to develop their capabilities, is a powerful reason for why I think the Americans and their allies need to be more flexible and more imaginative in developing a response to this challenge. I'll stop there.

Charles Scanlon:

Thank you, John. Now Nigel is going to talk about the broader regional repercussions of the North Korean crisis, and in particular focus on China, the relationship with China.

Nigel Inkster:

Thank you very much. I thought I'd start by just reminding ourselves that if we look at the Asia-Pacific region generally, and the north Asian region specifically, what we've seen is a marked increase in development of defence capabilities and defence spending over the last decade or so. If I can be forgiven a shameless exercise in product placement at the beginning of my talk, the IISS publication *The Military Balance* has been meticulously charting these developments. In last year's edition of *The Military Balance* we drew the conclusion that for the first time in the modern era, defence spending in the Asia-Pacific region had outstripped that of the Western countries.

What is driving this? It's a dynamic process driven predominantly by US–China security relationships but also by a lot of subregional competition, and by economic factors. Put bluntly, countries in this part of the world are spending more on defence because they can – they've got the money. And this is all happening in the context of a region which both lacks any institutions for managing or mitigating security threats that may arise, and which is dominated by two powers – the United States and China – both of whom in their own way are in any case reluctant to see their freedom of action constrained by any kind of multilateral or international institutions.

As I said, the key dynamic driving security relationships in this region is a US–China relationship which seems to be acquiring all the characteristics of a classic security dilemma. As each one undertakes certain activities, the other reacts and we get an action-reaction dynamic in which capabilities are ratcheted up. What we are dealing with here is the challenge as between the status quo power – the United States, which has assured regional security for the last 30-plus years – versus the emergence of what I think we can only characterize as an aspiring hegemonic power – China, essentially aspiring to recover the status that it did have before the West appeared in the mid-19th century. Although China itself rejects the use of the terms 'hegemonic' and 'hegemony', I think that is the reality. What we have is a situation in which China feels threatened now by US regional presence and by a string of bilateral US alliances, which it interprets as evidence of a strategy both to

encircle China and to constrain it from achieving its natural position within the region.

Of course, this is not purely military. We also see, for example, the Trans-Pacific Partnership (TPP) that the United States is promoting, regional bilateral commercial and economic alliances which have been characterized by the press as the 'anyone but China' club. The one country that's not involved in this is China, and China interprets this as efforts by the United States to create a regional economic dynamic which China will be driven to accept – and accept the standards that these relationships impose.

China, in this context, is particularly concerned by a number of areas of US activity: very aggressive military, naval and espionage activities along its borders, missile defence capabilities which for China is seen as evidence of a strategy to neutralize China's comparatively small nuclear arsenal. I think in recent conversations with US military officers, some senior PLA officers have argued that China and the US should divide up the Pacific: that the United States should give up its aspirations to being a western Pacific power – which is not, I think, a proposition that is likely to play particularly well with the United States Congress at the moment. But I think one of the key strategic questions about this region generally is whether 20 years from now the United States will still be a western Pacific power.

Moving on to the specific exam question of the Korean peninsula and its role in this. It is, of course, the region where many unresolved historical animosities reside. It is not just the US and China; there is also a whole issue here with Japan and South Korea, but I'll leave my colleague Alessio to talk about that. I'll focus on the nature of the relationship between China and North Korea and what each wants from that relationship.

The Chinese always, when they talk about North Korea, refer to a relationship of 'lips and teeth'. That may be true but in this relationship the teeth are normally gritted very firmly. If you look at the history of China's relationship with North Korea over the last 30 or so years, it has been very on-off and actually more off than on. China has not sought to disguise its frustrations in dealing with a regime – various iterations of a regime – which it has limited capacity to control but in which it is still very invested. Everybody now is saying that China is the key to eliciting changes in North Korean behaviour and that if China constrains the flow of goods and financial services, the North Korean regime will have to come to heel. We have seen evidence in recent weeks of China, as it were, tightening the screw on economic sanctions.

But I don't think that this is anything more than a temporary blip. I think that for China the status quo in terms of the relationship with North Korea represents the least bad option available to it. I don't always agree with Henry Kissinger on everything to do with China, but one thing that Henry does say which I think is very relevant in this context is that we in the West tend to look at these issues and look for solutions; for China, what we think of as a solution is often simply seen as an admission ticket to a new set of problems that could prove even more intractable than those that they think they are leaving behind. I think nowhere is this more true than in relation to the Korean peninsula and to North Korea. It's not about large floods of refugees coming into China; at the end of the day, the Chinese state could cope with that. It's about wider strategic concerns, about a not necessarily friendly regime on their southern border.

It's about also – and we shouldn't lose sight of this – the economic potential that the status quo offers China: effectively to strip-mine North Korea's mineral resources without having to worry about competition. This represents quite a significant economic opportunity. It also enables China to use some of this economic activity to help redevelop the northeastern region, which had been the industrial heartland under Maoist China but which is now turned into something of a rust belt.

Furthermore, I think it's important to remember – and our previous speaker highlighted this point – from China's perspective, the ball here is very much in the United States' court. As far as China is concerned, the way out of this problem is for the United States to engage directly with North Korea to address North Korea's security concerns.

I think China is alert to the risks that recent events in the Korean peninsula have had for its own security interests. The much-vaunted US pivot into Asia, up until this point, had been little more than a statement of intent. What has brought additional airframes, additional ships, additional anti-missile radars into the region has been the provocative behaviour of North Korea. I think within the upper reaches of the Chinese leadership and the military, there has been an awareness or a reminder from this latest crisis that the antics of the fat little man in the boiler suit does have the potential to drag China in the direction of an armed confrontation with the United States, which it just isn't quite ready for yet. I'll end there and hand over to Alessio.

Charles Scanlon:

Yes, Alessio is going to talk about Japan.

Alessio Patalano:

In addressing the impact of recent events in the Korean peninsula from a Japanese perspective, I will probably suggest or make two main points. First, as far as Japan is concerned, North Korea represented both a test and an opportunity for policy-makers and defence elites to move forward the national debate on defence policy. I will get back to this point in a moment. The second point is that this process in itself today is one of the factors that is regarded as problematic.

Let's start with the first. What is North Korea to Japan? Ever since 1890, when Yamagata Aritomo, the father of Japan's first grand strategy, was talking about the peninsula – he made this remark: 'The Korean peninsula is a bit like a dagger pointed at Japan's throat.' What he meant by that at the time was that the risk of the Korean peninsula for Japan was that it could fall under some other major actor's influence; he had Russia and China in mind back in those days. So the difference between then and now is that then it was not a Korean regime that represented a threat. It was more Korea as a platform from where external actors could threaten Japanese national security.

So today the situation definitely is different. Even though the Japanese watch carefully the external influence on Korea – and the recent North Korean top official visiting China is a reminder of that – it is perhaps true that it is the North Korean regime itself that over the past decade and a half offered substantial elements for the Japanese defence posture to transform. I will probably have a slightly different view from Nigel, and please forgive me for that, because I would probably suggest that certainly North Korea was not the only factor, but it ranked quite high in the official political discourse about defence transformation.

What do I mean by this transformation? Perhaps the clearest example of this is the 2007 elevation of the former Japan Defence Agency to full ministerial status, which to my mind really speaks volumes on what the substantial transformation is all about. I would say that the notion of a Japanese post-Cold War militarization in terms of hardware remains quite debatable. What is certain is that the North Korean threat offered Japan the possibility to transform the software of its defence policy posture. I will give you two specific examples, both implemented under the 2004 and 2010 defence review processes. They are very directly relevant to today's topic of discussion.

The first concerns the overall enhancement of the operational readiness of the Self-Defence Forces. In particular I would mention here the 2006 empowerment of the Joint Staff Office with the ability to advise directly the prime minister in matters of defence and oversee multi-service operations. Also the 2007 establishment of the Central Readiness Force, which for the first time brings together an airborne brigade and a helicopter brigade under one command, ready to be deployed within very short notice. And of course the restructuring, for example, of the Maritime Self-Defence Forces based on tactical formation, going down from fleet-centred structures to tactical units based around four ships, which increased in a way the flexibility. So altogether, for the first time since the end of the war and the establishment of the Self-Defence Forces, what really changed – and North Korea was at the heart of this change in terms of the justification to promote this transformation – was something of empowering what senior admirals in the Maritime Self-Defence Forces call the coming of the ‘era of working’. So for many years the Self-Defence Forces were there, sitting and waiting for a threat to come, and now they have to become more proactive.

In terms of joint operations, it’s important to underline that the stepping forward of missile defence was at the heart of the concerns of policy-makers in terms of empowering the Joint Staff Office with greater operational capabilities.

The second set of structural changes occurred in the field of multi-agency cooperation – particularly, I would point out here, in the maritime realm. One should never forget that the first shots in anger fired in the post-Cold War era by Japanese assets were those of the coast guard chasing after the North Korean spy boat incident of 1999, which was repeated again in 2001. These events put in motion a rethinking of some elements of internal legislation in Japan, which brought about a higher discretion for onsite commanders to decide how to best react to a particular set of circumstances and use weapons if necessary. Also, guidelines for joint patrolling with the Japanese coast guard were established as a consequence of that. So... shells, machine guns were introduced on board the warships as well as helicopters.

All of this contributed to give the Self-Defence Forces an important consciousness about the more pressing importance of their role in national defence. Simply put, the Japanese Self-Defence Forces and the Ministry of Defence as a whole were coming back into the set of tools of statecraft in a way that had never been before.

Heading toward the conclusion of my remarks, I would suggest that the latest response of Japan to North Korea's provocation is pretty much consistent with the firm stance they expressed in the past, for the very reasons I mentioned at the beginning. What is undeniable, however, is that Prime Minister Abe set out a very different style of premiership from his DPJ predecessors and therefore gave out a very different impression on the way in which he was reacting to North Korea. I think the key element in this story is the type of political mandate he was given last December at the election. It was not about conservative or revisionist politics – it was about strong leadership. I think when we look at the unfolding of events in the past few months, what we are trying to see is an attempt on his behalf to actually show that he has just that. I'm happy to discuss this aspect in greater depth in the Q&A.

One element that I found particularly interesting that connects the role of Japan, the transformation of Japan, to North Korea and the wider regional stability is the fact that it consistently reverted to the use of special envoys – people that were sent by him. These were people that were tasked by the prime minister to engage with counterparts concerning issues that were crucial to the national debate, with China first and North Korea later. In this context, I would say, of this structural transformation: what does the premiership or this strong sense of leadership bring about in a wider sense for the future of defence policy in Japan?

I think this is one controversial aspect that we will have to watch carefully insofar as Japan is concerned: the debate about the constitutional reform, one that would bring about further changes in the software of Japanese military posture. What is essential in this story is that the agenda of this process has not been hijacked by present circumstances. Constitutions are fundamental documents that at least in principle should last longer than a temporary crisis. Part of the problem at the moment is that debate revolving around territorial disputes with China, the legacy of World War II and interpretation of it, visits to Yasukuni, as much as the Pentagon's discourse about the necessity of 'Air-Sea Battle' to contain China. These are all potential contributors to the way in which the debate around constitutional reform could be steered.

In this respect I would say, however, that Japan is sending out quite positive signals in terms of knowing how to make a difference between circumstances and the bigger picture. I would mention two examples. First, even though the tensions with China of late have reduced the political dialogue, at the ministerial level – both between the ministries of foreign affairs and the

ministries of defence – there has always existed an element of communication, of exchange, of trying to set forward, particularly in relation to maritime affairs, a sort of minimum of understanding. It is interesting also that very recently the Japanese government concluded fisheries agreements with Taiwan, which defused *de facto* the Taiwanese side component

So to conclude, history – I would say as a historian – is not always fair. In fact if anything, most of the time it isn't. Most of the time we are not given to choose when to reform and transform. All we can do is to manage how to respond to discord. I think insofar as Japan is concerned, when we look at how the country is responding at the moment to North Korea and to the wider challenges in regional security, that is exactly what one should be looking at: how they manage their transformation, the fundamental essence of it. Thank you.