

Joint U.S.-Korea Academic Studies

**NAVIGATING
TURBULENCE**

IN NORTHEAST ASIA:

**THE FUTURE OF THE
U.S.-ROK ALLIANCE**



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THE NORTH KOREA CHALLENGE

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I. Introduction

In the spring of 2009, North Korea's second nuclear test, its long-range missile tests, and its provocative rhetoric once again threatened stability in Northeast Asia. Once again, North Korea engaged in bluster designed to project strength and resolve in the face of international disapproval. The North Korean nuclear issue has been the most important security issue in the region for almost two decades, and, despite new developments such as the reputed illness of North Korean leader Kim Jong-il and new leaders in both South Korea and the United States, the underlying issues remain depressingly the same: how to rein in North Korea's nuclear programs and entice North Korea to open its markets and borders to greater foreign interactions (Cha and Kang 2003). North Korea itself has been one of the most enduring foreign policy challenges facing the United States during the past half century. From a bitter and divisive war in 1950–53, through the Cold War, and now to the successive nuclear crises, the United States has made little progress over the years.

North Korea itself may be at a major turning point: Kim Jong-il has reportedly suffered a stroke or has pancreatic cancer (or both), and in the near future a new leader may emerge. North Korea also faces recurrent food and energy shortages, and its economic system is barely functioning. The opportunities and dangers of rapid regime change or collapse in North Korea are immense. Yet North Korea may yet again find a way to muddle through, with its basic ruling regime and leadership intact. If there is continuity in the North for the time being, the underlying task will remain the same: how to draw North Korea into the world and away from its dangerous, confrontational stance.

In the United States, most observers across the political spectrum agree on the goal: a denuclearized North Korea that opens to the world, pursues economic and social reforms, and increasingly respects human rights. Disagreement occurs only over the tactics: Which policies will best prod North Korea on the path toward these outcomes? These debates over which strategy will best resolve the North Korean problem remain essentially the same as they were decades ago (Park 1994–95): Is it best to engage North Korea and lure it into changing its actions and its relations with the outside world? Or is it better to contain the problem and coerce North Korea into either changing or stopping its bad behavior?

Furthermore, the questions and debates surrounding North Korea tend to center on discrete and identifiable challenges: Can the United States contain the North Korean nuclear problem? Can the United States change Pyongyang's behavior on human rights and encourage economic reform in North Korea? Can the United

States coordinate the diverse interests and priorities of its allies and counterparts in Northeast Asia and still retain a focus on solving the numerous North Korea challenges? These are all difficult issues in and of themselves; jointly they make the North Korea challenge exceedingly difficult to manage.

Underlying all these questions is an even more fundamental question to which there is no clear answer: Is the United States willing to coexist in a long-term relationship with North Korea and grant it equal status? This question is actually much more difficult to answer than any of the preceding questions, and, indeed, how one answers this question may condition the responses to the other questions. That is, the United States is certainly willing to normalize diplomatic relations with North Korea if it changes completely by abandoning its nuclear weapons programs, opening up its economy, and respecting human rights. But this is also essentially pointing out that the United States is willing to live with regime change in North Korea. The real question is whether the United States can live with North Korea if it changes just enough to pose little threat to U.S. interests but remains essentially the same in character, outlook, and other policies. As Robert Litwack (2008) has pointed out, historically the United States cared about other states' behavior. Recently, however, the United States has been concerned with their character.

This paper will explore the nuclear, economic, and coordination challenges that North Korea poses to the United States, arguing that a "mainstream" consensus has emerged that a strong preference for engagement coupled with consistent responses to provocation is the preferred strategy. This approach, however, faces numerous obstacles in its specific implementation. The paper will then turn to a discussion of whether the United States can actually grant North Korea the status of an equal partner and legitimate nation-state in international relations, and it poses a much more ambiguous answer. The paper will conclude by exploring the future in North Korea and, in particular, the question of leadership succession and what it means for each of the challenges the United States faces.

II. Nuclear Challenge

North Korea is a nuclear weapons state. Although the DPRK has not yet managed to place a nuclear device on an intercontinental ballistic missile and prove that it can deliver that missile with any accuracy, it has successfully detonated a nuclear device. Thus, the challenge is what to do about it, and the Barack Obama administration is determined to "break the cycle" of crisis escalation with North Korea. As President Obama (2009) said: "there has been a pattern in the past where North Korea behaves in a belligerent fashion and, if it waits long

enough, is rewarded. . . . The message we are sending them is that we are going to break that pattern.” Within this broad approach, the Obama administration’s North Korea policy emphasizes a desire for diplomacy and the desire for close coordination with its allies.

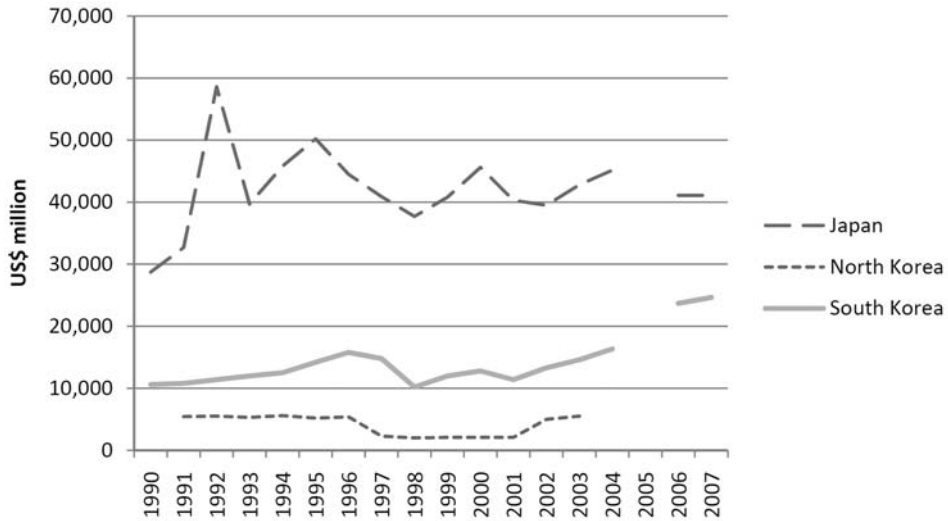
There has been much controversy over how North Korea ended up in 2009 with a nuclear weapons program. This paper will not review that history but rather will ask what options are now available to the United States for dealing with a North Korean nuclear challenge (Chinoy 2008; Pritchard 2007; Sigal 1998). Unfortunately, the range of possible policies is fairly slim.

Although North Korea spends up to 20 percent of its entire gross domestic product on defense, this amounts to little more than \$5 billion each year. By comparison, South Korea has been spending \$20 billion or more for the past two decades (*Figure 1*). However, the United States and South Korea have no realistic military option. Although the United States and the ROK would eventually prevail in a war with the DPRK, the potential costs of a war are prohibitively high, and they deter each side from realistically expecting to start and complete a major war without utter devastation to the peninsula. Seoul and the surrounding environs hold almost 18 million people, and they lie fewer than 50 miles from the Demilitarized Zone that separates North and South Korea. The risk that North Korea would retaliate against Seoul is too great, given that North Korea has conventional artillery and short-range missiles within range of Seoul.

Former commander of U.S. forces in Korea, General Gary Luck, offered a sober but succinct estimate (Loeb and Slevin 2003) of the bottom line if war does break out on the Korean peninsula: one million and one trillion. That is, the costs of going to war over North Korea’s nuclear program would amount to one million casualties and one trillion dollars in estimated industrial damage and lost business. Mike Chinoy (2008, 161) quoted a Pentagon adviser close to George W. Bush administration discussions about U.S. military options against North Korea as saying that “the mainstream view was that if any kind of military strike starts against North Korea, the North Koreans would invade South Korea, and they will cause enormous destruction of Seoul. And we are not prepared to handle all this.”

Even surgical strikes to take out the Yongbyon reactor would have a limited impact. As of September 2009, the Yongbyon reactor had been voluntarily dismantled by the DPRK as part of the 2007 six-party process, and it is not operational at this time. Even if the reactor were operational, destroying it would limit only the extent of North Korean proliferation and would not necessarily

Figure 1: Defense Spending by Japan, North Korea, and South Korea, 1990–2007, in millions of dollars



Source: National Bureau of Asian Research, “Strategic Asia Online,” <http://strategicasia.nbr.org/Data/CView/>.

Note: Neither the Central Intelligence Agency, the International Institute for Strategic Studies, the Stockholm International Peace Research Institute, nor Jane’s Defense has published North Korean data for 2005 onward.

remove any nuclear weapons from North Korea’s arsenal. The outside world has very little idea of where the actual nuclear material and weapons are stored or hidden, and so it is unlikely that a targeted strike against the Yongbyon reactor would actually impair North Korea’s military options.¹

Sanctions are another option for putting pressure on the North Korean regime, and the Obama administration is following the Bush administration by punishing North Korea with sanctions after its 2009 nuclear and missile tests. The United States is currently cooperating with United Nations resolutions 1718 and 1874 (both of which apply various sanctions on the DPRK), and the U.S. Proliferation Security Initiative is aimed at interdicting any transport or exports of North Korean weapons or nuclear technology and arms to other countries.

Yet sanctions are also unlikely to achieve their stated goal of changing North Korean behavior. The problems are threefold. First, even the United States is unwilling to punish North Korean citizens by engaging in blanket economic sanctions against the North that would include basic foodstuffs and other

¹ A South Korean official recently claimed that South Korea is able to preemptively take out North Korean nuclear and missile sites, although it is not clear how accurate that claim is.

materials. Thus, the sanctions have been “targeted” at the regime and focused on luxury goods and the like. But these will have a limited impact. Sanctions rarely force a country to change its ways; they remain more symbolic than practical for changing behavior (Kim and Chang 2007). Stephan Haggard and Marcus Noland (2009) argue, “it is highly unlikely that the sanctions by themselves will have any immediate effect on North Korea’s nuclear program or on the increasing threat of proliferation. Sanctions need to be coupled with a nuanced policy that includes a strongly stated preference for a negotiated solution as well as defensive measures, of which the sanctions are only one part.” As Ruediger Frank (2006) concluded in his study of sanctions against North Korea, “in the long run, [sanctions] lose their impact and become a liability.”

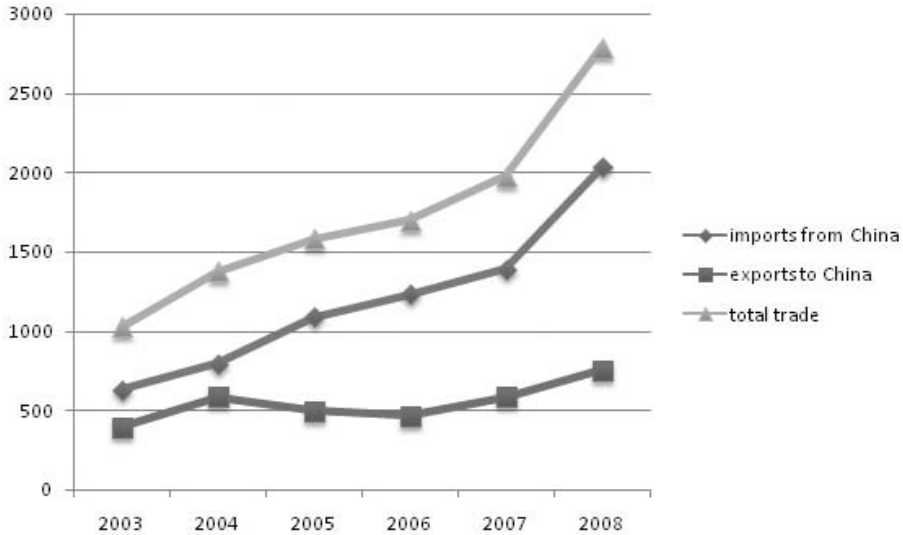
The second difficulty with sanctions involves the coordination problem, which will be discussed later in this paper. Neither Russia nor China is eager to push sanctions too hard on the North; thus, any sanctions the United States puts on the regime are likely to be cosmetic in nature. The only country that could realistically impose severe enough sanctions on North Korea is China. Were China to impose draconian sanctions on North Korea, it could have a devastating effect. The Chinese appear to be fairly angered at North Korea’s latest moves, and the nuclear test in particular has been a real insult to Chinese diplomatic efforts. After the first North Korean nuclear test in 2006, China called the test “flagrant and brazen” and voted with other UN Security Council members for Resolution 1718, which imposed a series of sanctions on North Korea (Sanger, Broad, and Shanker 2006). There has also been intense debate within China about the best way to deal with North Korea and even whether North Korea remains strategically important to China.

Yet Chinese economic and political influence is quite limited. As Adam Segal noted (Bajoria 2009), “The idea that the Chinese would turn their backs on the North Koreans is clearly wrong.” Although China has voted for the various UN sanctions (resolutions 1874, 1718, 1695), the Chinese also reduced the severity of those sanctions, including opposing the use of military action to enforce the sanctions. The Chinese (and Russians) also interpreted the sanctions in a way that rendered them to be essentially ineffective. Marcus Noland estimates that Chinese exports, and even exports of luxury goods, have actually increased 140 percent since the imposition of sanctions.² Indeed, China is North Korea’s main trading partner, and, despite the economic sanctions imposed by UN resolutions 1718 and 1874, trade between the two countries continues to increase. Total trade in 2008 (*Figure 2*) was 41.3 percent greater than trade in 2007, and it amounted

² Russia defined “luxury goods” loosely, as, for example, watches costing over \$2,000 and coats over \$9,000 (Noland 2009).

to between half and two-thirds of North Korea’s total foreign trade (Nikitin et al. 2009, 12–13). In fact, Chinese trade now accounts for between 60 and 80 percent of North Korea’s entire foreign trade (Bajoria 2009).

Figure 2: China–North Korea Trade, 2003–08, in millions of dollars



Source: Mary Beth Nikitin, Mark E. Manyin, Emma Chanlett-Avery, Dick K. Nanto, and Larry A. Niksch, “North Korea’s Second Nuclear Test: Implications of UN Security Council Resolution 1874,” Report no. R-40684 (Washington, D.C.: Congressional Research Service, 2009).

Thus, China retains considerable economic leverage over North Korea. It is unlikely, however, that China would use such economic pressure or that such pressure would work. China has continued to build economic relations with North Korea over the past few years, and, to a considerable degree, Chinese economic policies toward North Korea have been designed to prevent instability through expanded economic assistance. That is, China faces the same problem that other countries do—how to pressure and persuade North Korea to take a more moderate stance, without pushing so hard on North Korea that it collapses. In this way, North Korea’s dependence on Chinese aid limits China’s ability to pressure North Korea—North Korea is so vulnerable that China needs to be quite careful in its policies toward it. Thus, the prospects of China putting any significant pressure on North Korea are dim.

Finally, some have argued that long-term financial sanctions could weaken the regime and slowly degrade North Korean capabilities. The problem with this approach is that it requires concerted effort on the part of the United States and needs to be done in a quiet manner. Any public knowledge of this degrading of

North Korea's capabilities would provoke a North Korean response, leading to the same problems that accompany more overt pressure. That is, some believe that coercion will eventually cause the North to capitulate and that "just a little more" pressure on the regime will force it to submit. Unfortunately, history reveals that this appears unlikely. North Korea has little history of giving something for nothing, but the leadership in Pyongyang has a consistent policy of meeting external pressure with pressure of its own (Sigal 2008; Kang 2003). There is little reason to think that applying even more pressure will finally result in North Korea meeting U.S. demands and a de-escalation of tension.

The sad fact is that the range of policy options available to the United States and other countries involved in the six-party talks is quite thin. Few countries would consider military action to cause the regime to collapse, given that Seoul is vulnerable to North Korea's conventional weapons and that war or regime collapse could potentially unleash uncontrolled nuclear weapons and also potentially draw all the surrounding countries into conflict with each other. At the same time, the United States, South Korea, and Japan are unwilling to normalize relations with North Korea and offer considerable economic or diplomatic incentives in the hopes of luring Pyongyang into more moderate behavior. As a result, the United States and other regional governments are faced with the choices of rhetorical pressure, quiet diplomacy, and mild sanctions.

The United States has consistently stated that a range of political and economic relationships and initiatives is available to North Korea, provided that the North first resolves the nuclear problem. This basic policy has spanned the administrations of Clinton, Bush, and now Obama. For example, former secretary of state Condoleezza Rice (2005) said, "the first step is to have, from the North Koreans, a clear indication to the rest of the world and a plan for the dismantling of those programs. Much is possible after that." U.S. Special Representative for North Korea Policy Stephen W. Bosworth (2009) stated:

President Obama came into office committed to a willingness to talk directly to countries with which we have differences and to try to resolve those differences. This commitment to dialogue was communicated directly to North Korea in the President's first days in office. . . . It is North Korea that faces fundamental choices. . . . We will welcome the day when North Korea chooses to come out of its cave, and we will be prepared to receive them.

Dealing with the nuclear challenge, then, will most likely require more than the coercive components of sanctions and potential military strikes. This will include engagement, inducements, and hard negotiating from the United States. The willingness by the United States and other countries to engage in consistent negotiations with North Korea has wavered, and talks have been sporadic at best. The mood for such negotiations is often described as “appeasement” or “blackmail,” and, thus, U.S. administrations are hesitant to appear too soft on a regime such as North Korea’s. As such, the situation has incrementally deteriorated over the years.

As this process has dragged on for almost 15 years, the beliefs of both sides may have changed. Although in the mid-1990s North Korea may have been willing to exchange nuclear weapons for normal diplomatic relations with the United States, leaders in Pyongyang may very well believe that events over the years have shown that the United States and South Korea will never choose to live with a North Korea. As for South Korea and the United States, although it was previously possible to imagine that North Korea might give up its nuclear weapons under certain conditions, many observers now believe that will never happen. Thus, the leadership in all three countries may now believe that no real solution is possible.

As a result, the real issue facing these countries may not be how to denuclearize North Korea but, instead, how best to manage living with a nuclear North Korea, contain the problem, and, ultimately, how to enhance political change in the North that is peaceful. This is a much more difficult problem, especially given that putting too much pressure on North Korea could very well cause either a devastating war on the peninsula or regime collapse that threatens stability throughout the region.

III. U.S. Economic and Human Rights Policies vis-à-vis North Korea

To some, economic and human rights issues are as important as nuclear weapons to the security of the peninsula. In many ways, the challenge of encouraging change in North Korean economic or social policies is seen as a result of the nuclear policy—solve the economic and human rights issues by solving the nuclear issue. The U.S. Congress passed a North Korean human rights bill in 2004, and there is a U.S. human rights commission; however, U.S. administrations in their North Korea policies have consistently ranked economic and human rights issues as a lower priority than solving the nuclear issue. Although this has

led to criticism from some quarters, it reflects U.S. national security interests and appears unlikely to change under the Obama administration.

President Lee Myung-bak of South Korea has not backed away from emphasizing the plight of North Korean citizens, the vast majority of whom lead impoverished and miserable lives. This is a change from the previous two South Korean administrations, which were relatively silent on the issue. Japan's concerns about its abducted citizens are well-known (Morris-Suzuki 2009). Nongovernmental organizations of various stripes have been working publicly or quietly to help North Korean refugees along the China border and in North Korea itself (Flake and Snyder 2003).

North Korea's human rights abuses are well-known: there exist between 100,000 and 200,000 political prisoners; there are forced abortions; and there is an absence of basic political, economic, and social rights (Haggard and Noland 2005). The agricultural sector remains unstable, and food production is barely sufficient in good years to provide sustenance for the population. Adequate access to medical services is almost completely absent, and the population continues to lack almost completely the basic political, economic, and social freedoms.

As with the nuclear issue, most agree on the goals regarding economic and human rights, yet few agree on the means. And, as with the nuclear issue, the debate about how best to change North Korean economic and human rights tends to fall into either of the two general approaches of pressure or engagement. That is, the South Korean and Western approach to human rights is not monolithic, and the various groups and individuals that have human rights as their main agendas have a limited range of options in actually affecting conditions in North Korea. Some groups and individuals have worked quietly along the China–North Korea border or even within China itself, helping to alleviate the medical or agricultural problems of North Korean citizens. Other groups are more public, aiming at shaming the North Korean leadership into reforming its ways. As with the nuclear issue, it is unlikely that external pressure alone can force North Korea to change its behavior. An isolated regime concerned about its survival and control of the population places little value on international opinion or approval. As Katharine Moon (2008, 267) concludes, “Neither U.S. threats and hectoring, nor an attempt to impose a rights agenda on the six-party talks, holds much promise for improving human rights in North Korea.”

As to encouraging economic changes in North Korea, although a decade ago North Korea began to experiment with limited opening of its markets and small adjustments to the centrally planned economy, that process largely stalled with

the second nuclear crisis of 2003. On 1 July 2002, North Korea significantly adjusted the public distribution system (PDS) that had been a major element of the centrally planned economy. North Korea also adopted monetized economic transactions and changed the incentives for labor and companies (Yoshikawa 2004). North Korea also adopted a number of policies and strategies designed to increase foreign investment and trade. Although the reforms were centrally planned and administered, they were not comprehensive. As a result, there emerged a multilayered and partly decentralized economy, where prices were allowed to float and private ownership and markets were permitted but the state still owned most of the major enterprises and workers were controlled in many other ways.

Yet these changes were partial, conditional, and hesitant, and North Korea has been ambivalent at best about the introduction of markets. After initial surges of prices, particularly of grains, in 2005 the government partially reintroduced the PDS in grains. Although this ostensibly gave the government more ability to distribute food to the most needy, it also exacerbated the difficulties of creating true price incentives in the markets. Grain prices appear to be somewhat more stable in the most recent years, but North Korea annually remains precariously close to another famine (Haggard, Noland, and Weeks 2008). Without the full introduction of markets and the creation of alternative commercial sectors that can export goods to earn foreign exchange with which to import food from abroad, the domestic agricultural sector by itself is unlikely to ever have the capacity to feed North Korean citizens.

For its part, overall U.S. strategy toward the North Korean economy has generally emphasized isolation, although the United States has occasionally made attempts to open markets in North Korea. Pursuing economic reform in North Korea is complicated by the fact that North Korea is one of the most heavily sanctioned states under U.S. law, and removal of North Korea from the sanctions list is much more difficult than it appears. Myriad laws and regulations affect U.S.-DPRK economic, cultural, and political relations, and each of them needs to be dealt with individually. In fact, at least 42 different laws restrict economic activity between the United States and the DPRK (Kang 2008).

Some believe that North Korea is most hesitant about opening its market because of the political challenges that would pose to the ruling regime. Others argue that opening economic relations would actually strengthen the regime, and they argue that the United States should continue to isolate North Korea. In either case, U.S. policy across administrations has been that removal of sanctions and opening of normal trade relations will come only after North Korea denuclearizes

and that this policy is not a means to influence the nuclear talks. In that way, the United States has not consistently pursued economic relations as an active policy tool with which to influence North Korea.

IV. The Coordination Challenge

North Korea also presents the United States with a major challenge in terms of coordinating its policies and relations with states within the complex strategic geometry of the region. The United States wants better relations with its traditional allies, South Korea and Japan, yet coordinating policies toward North Korea with these allies has proven difficult.

After a decade in which South Korea's engagement was at odds with a more coercive U.S. approach, the current South Korean president, Lee Myung-bak, has taken a harder tack. South Korea now has been focusing more on reciprocity, and for the time being the two states' interests are aligned. But this was not the case during the Bush and Roh administrations. South Korea is particularly worried about being left out of any U.S. actions toward the North. First, the Obama administration's emerging Asia policy is based on two basic principles: emphasizing the importance of traditional allies such as South Korea and Japan, and a desire for a cooperative engagement with emerging powers such as China. Assistant Secretary of State for East Asia Kurt M. Campbell has been deeply involved in a security strategy for the Obama administration that has stated, "the U.S.-Japan alliance is the foundation for American engagement in the Asia-Pacific," while also "[re]affirming the importance of the U.S.-ROK alliance" (Cossa et al. 2009). Both Secretary of State Hillary Rodham Clinton and Ambassador Bosworth have called the U.S.-Japan alliance the "cornerstone" of stability in the region and have begun to lay out a plan that moves the alliances past their Cold War focus on deterrence of enemies to include climate change, energy security, and other out-of-area operations (Newcom 2009).

Thus, in the short term, it appears that the Obama and Lee governments hold quite similar views toward the peninsula. There is widespread agreement among all types of analysts in the United States that the current policies are appropriate and that the United States should not be offering concessions to a North Korea that has obviously violated international norms. And this should be cause for optimism that both countries may be able to act in concert with each other and present a more consistent and unified approach toward North Korea. Previously it was possible for North Korea to have one relationship with one country and a different relationship with a different country. So, to the extent that policies and overall strategies are consistent, this is a positive step.

As for Japan, the two dozen of its citizens who were abducted by North Korea in the 1970s have fixated the country and become a major driver of Japanese policy toward North Korea (Morris-Suzuki 2009). The previous Japanese government made progress on resolving the abductee issue a prerequisite for cooperating on the nuclear issue during the six-party talks, which led to difficulties in coordinating policies among the parties. With a new Japanese government headed by Democratic Party of Japan leader Yukio Hatoyama, it is still too early to tell how the Japanese will conduct their foreign policy toward North Korea. The early indications are that the policies will be similar to that of previous governments: attention to both the nuclear threat and the abductee issue (Easley, Kotani, and Mori 2009). How this manifests itself in actual policy decisions remains to be seen.

Just as important is the coordination of U.S. and Chinese policies. China has come to view the North Korea problem primarily in economic and political terms and is more concerned about North Korean weakness: the possibility of its collapse or chaos. Chinese analysts tend to believe that North Korea can be deterred and instead are worried about the economic and political consequences of a collapsed regime. To put the matter in perspective, should North Korea collapse, the number of refugees could potentially exceed the entire global refugee population (USCRI 2004). Even assuming a best-case scenario in which collapse does not turn violent, the regional economic and political effects would be severe.

The current question for China is to what extent its own priorities regarding North Korea may have shifted. If China decides a nuclear-armed North Korea is worse for its own interests than a North Korean collapse, it could begin to shift policy and put more pressure on the regime. Alternatively, if China continues to see instability arising from a weakened North Korea, its policies will remain roughly the same as they have been during the past decade. At this point it is unclear how Chinese officials and policymakers are viewing the current situation, and it is unclear how their policies will evolve in the coming months.

It is unlikely, however, that China would use the economic leverage that it has over North Korea; neither is it clear that such pressure would work. China has continued to build economic relations with North Korea during the past few years, and, to a considerable degree, Chinese economic policies toward North Korea have been designed to prevent instability through expanded economic assistance. That is, China faces the same problem that other countries do: how to pressure and persuade North Korea to take a more moderate stance, without pushing so hard on North Korea that it collapses. In this way, North Korea's dependence on Chinese aid limits China's ability to pressure North Korea: North Korea is

so vulnerable that China needs to be quite careful in its policies toward it. And China, like South Korea, must concern itself with the potential consequences of a North Korean collapse, which could include hundreds of thousands of North Korean refugees; a large and well-armed North Korean military that may not voluntarily disarm; nuclear weapons unaccounted for and uncontrolled by any central authority; and the subsequent social, economic, and cultural costs of dealing with an implosion. Thus, the prospects of China putting any significant pressure on North Korea are dim.

Yet a larger view of the North Korean problem and its affect on both regional and U.S.-PRC relations offers some hopeful signs. The North Korean problem has caused China to play a central mediating role in the region, it has caused the United States and China to cooperate closely even while their interests diverge, and it has caused all the countries in the region to sit down at the same table numerous times to discuss and negotiate their differences. Although the North Korea problem remains as intractable as ever, one fortunate consequence may be greater cooperation and stability among the actors in the region and, in particular, between the United States and China.

The coordination problem arises because not only is there disagreement over the best policies to pursue across diverse goals, but the priorities of the other states themselves are not identical. Although the United States clearly places top priority on denuclearization, China focuses on stability, Japan on the abductees, and, until the Lee Myung-bak administration, South Korea focused on economic engagement. Attempting to forge complementary policies, or at least policies that do not directly undercut each other, has proven a difficult task. This has allowed North Korea more strategic room to maneuver than the United States would ideally like.

V. The Challenge of Status

These discrete policy challenges facing the United States—nuclear, economic, humanitarian, and coordination—are difficult enough to solve. But behind each one of them lies a much more fundamental challenge for the United States: whether the United States should grant North Korea equal status as a normal nation-state. Can the United States live indefinitely with North Korea, grant it diplomatic normalization, and treat it as an equal like all other recognized states in the world?

Social status is one of the most important motivators of human behavior, yet for more than a generation international relations scholars largely ignored it. As

Richard Ned Lebow (2008) noted, scholarly research in international relations has been framed by overarching grand theories that foreground other motivations, primarily fear (security) and appetite (wealth). Yet as Nicholas Onuf (1989, 278) noted two decades ago, “standing, security, and wealth are the controlling interests of humanity. We recognize them everywhere.” Status is “an individual’s standing in the hierarchy of a group based on criteria such as prestige, honor, and deference,” where status is an inherently relational concept and manifests itself hierarchically (Johnston 2007, 82). While it may be intuitively plausible that states value material gains such as economic wealth or military power, it is just as plausible that states and individuals value their social standing and desire social recognition and prestige.³ As Max Weber has written, “A nation will forgive damage to its interests, but not injury to its honor, and certainly not when this is done in a spirit of priggish self-righteousness,” while John Harsanyi has written that, “apart from economic payoffs, social status seems to be the most important incentive and motivating force of social behavior.”

I have spent so much time on the scholarly discussion about status in international relations because it appears that both the United States and North Korea recognize that the status of North Korea is a central—but implicit—element of their relationship. The U.S. reluctance to grant North Korea status similar to other states has been evident across administrations and the political spectrum. Recent informal examples include Secretary of State Clinton’s verbal sparring with North Korea, complaining that North Korea acts “like small children and unruly teenagers and people who are demanding attention” (Witt 2009). Previously, former secretary of defense Donald Rumsfeld (DOD 2002) called DPRK leaders “idiotic,” while the then president George W. Bush was quoted (Powell 2003) as saying, “I loathe Kim Jong-Il—I’ve got a visceral reaction to this guy. . . .” Put that way, it is not at all clear that the United States really does want to live with North Korea. Our hesitancy and skepticism about North Korea are evident across administrations and, thus, render any more specific policy agenda quite difficult. As Victor Cha (2009) has written, “North Korea doesn’t just want the bomb. It wants to be accorded the status and prestige of a nuclear power.”

More concretely, the United States implicitly and explicitly realizes that formal recognition and diplomatic status for North Korea as a sovereign nation-state deserving to be treated equally in the international community would be tremendous honors for North Korea, and withholding them is also a strategic U.S. tool. Although normal diplomatic relations hardly stop nations from going to

³ James Fearon (1998) notes that it is also reasonable to assume that states pursue and satisfy a number of other goals in addition to material power as measured relative to other states.

war if they choose, they do confer legitimacy, prestige, and status. The United States is clearly reluctant to confer such status on North Korea as long as it so willingly violates international norms in so many different areas. As President Obama said in August 2009, “We just want to make sure the government of North Korea is operating within the basic rules of the international community” (Sanger 2009).

The North Korean desire for this status as a nation-state equal to all others runs deep. There is an (in)famous museum in Pyongyang that houses only gifts from foreign dignitaries, attesting to North Korean “greatness.” Although this normally provokes snickers outside of North Korea, it reveals a deep-seated insecurity and desire on the part of the North Korean leadership for recognition. Similarly, Barbara Demick of the *Los Angeles Times*, who wrote “The Good Cook” in the 2 November 2009 *New Yorker*, commented to Avi Zenilman (2009): “North Koreans are obsessed with the United States. They hold the U.S. responsible for the division of the Korean peninsula and seem to believe that U.S. foreign policy since the mid-twentieth century has revolved around the single-minded goal of screwing them over. The cruelest thing you can do is tell a North Korean that many Americans couldn’t locate North Korea on a map.”

The most recent example of North Korea’s intense desire for “normal” status came from the arrest of two U.S. journalists who had crossed the border from China into North Korea. It appears that North Korea’s main purpose in arresting, sentencing, and then releasing the journalists to a major U.S. political figure (former president Bill Clinton) was its desire to be treated as a sovereign nation with its own laws and territory. North Korea’s actions from the beginning of this incident have displayed a heightened desire for recognition of its status as a nation-state like any other. Thus, arresting the two journalists for “illegal entry” was a statement that its borders are sovereign and must be respected; putting them through the judicial process (however maligned) was a performance that emphasized that North Korea also has laws and processes.

Both the United States and North Korea kept the issue of the two journalists quite separate from their other diplomatic and political problems; and Clinton’s visit was aimed solely at getting the two journalists released. North Korea charged the journalists with “illegal entry” and did not charge the journalists with espionage or politicize their arrests in a way that linked them to the nuclear crisis. The United States as well did not attempt to link the two issues. Perhaps most important, releasing the two journalists to a major political figure after the process had run its course was a way of gaining the status Kim Jong-il so clearly craves.

Indeed, much of the criticism that came from the U.S. side focused on the dubious wisdom of sending a former president to North Korea. Despite the fact that the trip was explicitly a private, nongovernmental affair, many U.S. observers were skeptical about sending a former U.S. president to North Korea. The implication is clear: North Korea does not deserve a visit from a man of such stature. Former vice president Dick Cheney commented (Hwang 2009), “I think when a former president of the United States goes and meets with the leader and so forth, that we’re rewarding their bad behavior, and I think it’s a mistake.”

Status as I use it here does not mean diplomatic niceties of being polite and providing “face” for the North. That is an element of status, to be sure. But my point is more fundamental—much North Korean behavior exhibits a clear recognition that the DPRK does not have the formal status as a sovereign nation-state equal to other nation-states in the modern world. Furthermore, the behavior of the United States and other regional states reveals that they, too, implicitly recognize that granting North Korea status as a sovereign nation-state is a tremendous honor, one that can be awarded to the North only after it modifies its ways. There appears to be little room for compromise on this issue, on either side. Would it be possible for the United States and other countries to live with a North Korea that somehow abandons its nuclear programs but remains a totalitarian, closed, militaristic, and repressive regime? Although there is no obvious answer to that question, such a question surely does pose a challenge for other states as they decide how to deal with the reclusive leadership in Pyongyang.

VI. Conclusion: Challenges of the Future

The challenges the United States faces in dealing with North Korea are many and complex, and it appears unlikely that any breakthrough is imminent. Yet these problems are likely to be subjects of speculation as Kim Jong-il increasingly appears likely to pass from the scene. With no clear successor to Kim Jong-il likely complicating the situation, the North Korean regime will either focus on domestic politics and palace intrigue or might have no leader at all who can maintain control and deal with the outside world from a position of strength.

Speculation about North Korean leader Kim Jong-il’s health has begun to surface on a weekly basis: most recently it has been reported that he has pancreatic cancer, and last year he was thought to have had a stroke. Although none of these rumors has been substantiated, photographs of Kim Jong-il reveal that he has aged visibly during the past year. He has even stopped wearing lifts in his shoes to make himself look taller!

Kim Jong-il's health problems have caused outside observers to begin speculating about who may succeed him as leader of North Korea. Although there has been no formal announcement from the North, many suspect that Kim's third son, Kim Jong-eun, has been chosen as the next leader of North Korea. We know very little about Kim Jong-eun: he studied in Switzerland for a few years, he can speak English and German, and he is evidently his father's favorite.

Given the uncertainty surrounding who will follow Kim Jong-il and North Korea's already precarious domestic and international situation, speculation has naturally followed about whether Kim Jong-eun can maintain power on his own and what this might mean for the future of North Korea.

If North Korea can resolve the succession issue quickly, the regime might survive well into the future. A third generation of Kim leadership could mean a more belligerent North Korea that is less willing to negotiate with the outside, as the young dictator proves to his own military and regime that he is strong enough and capable enough to lead the country. This could mean a return to politics as depressingly seen before, with a recalcitrant North Korea yearning for respect and recognition from the outside world.

Yet the odds of a smooth succession may not be high. Kim Jong-il himself was announced as his father's successor 15 years before he actually took office in 1994, and this allowed him time and legitimacy to build support among important internal constituencies, and it also created an aura of inevitability that led North Koreans to accept him as the next ruler. Kim Jong-il also benefited from the era in which he followed his father; this was before the famine of the late 1990s, only a few years after the end of Soviet support for North Korea, and at the beginning of the long nuclear crisis that continues to plague North Korea's foreign relations with the world.

Kim Jong-eun will face a much more difficult situation than did his father. He will have almost no time to build an expectation of inevitability within North Korea, and he will have to manage and placate numerous competing factions, egos, and interests. Furthermore, his young age would make leadership difficult in any country—he has virtually no experience in political posts and has no proven leadership abilities, and respect for age and elders is particularly emphasized in Korea. Furthermore, because the North Korean economy and foreign relations are worse than ever, Kim will have few financial or material reserves with which to buy support or respond to a sudden crisis. While this in and of itself does not mean he will fail, he certainly faces tremendous obstacles to a smooth succession.

What does this mean for the future of North Korea? For years there was little reason to think that the North might actually collapse. And while Kim Jong-eun may rule for the next 20 years, there is also the increasing possibility that he will be unable to manage the competing international pressures and internal factional demands.

That is, we may be seeing the beginning of the internal collapse of the Kim dynasty, and governments, humanitarian organizations, and individuals around the region might begin reviewing their contingency plans for how to deal with the chaos that such a collapse would surely bring. Adding the challenge of collapse or transition to the long list of issues the United States faces with North Korea makes the difficulties even greater for a peaceful resolution to the North Korean problem.

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