

Kim Jong Il's August Tour: Foreshadowing a Gentle Breeze or a Tempest in Northeast Asia?

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1. Background to the DPRK–Russia Summit

This August Chairman Kim Jong Il embarked on an adventurous tour, meeting with Russian President Medvedev in Ulan-Ude on August 24th, then crossing through northeast China to visit the city of Ji'an, before finally returning to North Korea at Manpo in Jagang Province on August 27. From his departure point at Hasan station, on the Russian side of the Tuman River, the trip covered some 20,000 li (7855km) in six nights and seven days. During the Korean War, the Manpo Bridge across the Apnok (Yalu) River was a key route for the Chinese Volunteer Army's infiltration of the North (1950.10.25), and Chairman Kim crossed by this bridge on his second visit to visit China last year(2010.8.26).

Ulan-Ude, formerly known as Verkhneudinsk, was given its current name in 1934 when it became the capital of the Soviet Union's Buryat Mongol Autonomous Region. Verkhneudinsk was deeply connected with the history of the Korean communist movement; in November 1922, with Moscow's encouragement, 150 early communist activists held a historic 6-day convention in the city. In North

Korea, there is no such thing as "history." There is only "his story" – the story of Kim Il Sung. Only events related to Kim Il Sung are stored in the collective memory. Since North Koreans are taught nothing except anecdotes of Kim Il Sung, it would be foolish to hope that they might know anything of the history of Verkhneudinsk, a.k.a. Ulan-Ude.

This DPRK–Russia summit, the first in 9 years, was aimed at "joint establishment of a cooperative structure for Northeast Asia." KCNA reported that the summit saw agreement on unconditional re-opening of the Six Party Talks and expanded economic cooperation, stating, "At the talks the top leaders reached a consensus of views on resuming the Six Party Talks at an early date without any precondition and implementing the September 19 Joint Statement on the principle of simultaneous action and thereby accelerating the denuclearization of the Korean peninsula." Additionally, "The talks discussed a series of agenda items on boosting relations of economic cooperation in various fields including the issue of energy including gas and the issue of linking railways and reached a common understanding of them. It was decided at the talks to organize and operate working groups to put the above-said issues into practice and the two countries agreed to continue cooperating with each other in this direction."

Two days later, on August 26th the Chosun Shinbo reported that at the summit both sides agreed that the tasks of setting up gas lines and linking railways would not be a simple matter of economic cooperation, emphasizing that "The 'tri-party plan' of the two Koreas and Russia is built on the precondition of improvement in North–South relations and is entangled in the vested interests of the various countries concerned with the situation on the Korean Peninsula." The DPRK–Russia "strategic dialogue" further emphasized the "tri-party plan" as an important step in the process of reaching a peace treaty, viewed as the major task of US–DPRK talks. Thus it appears that the North also intended to display the closeness of the DPRK–Russia relationship and use it to influence inter-Korean relations and discussion of a peace treaty with the US.

At this summit, both sides reaffirmed their commitment to the existing DPRK–Russia agreements, although there has been little progress in implementing them thus far in spite of Putin's visit to North Korea 11 years ago (2000.7) and the Moscow Joint Declaration (2001.8.4). We can identify 3 underlying reasons why the relationship made no progress in the intervening years: first, Russia's stagnation and Euro-centric focus; second, Russia's defensive posture in response to the Bush administration's hard-line foreign policy after 9/11; and third, North Korea's

emphasis on its South Korea policy in anticipation of obtaining aid from the South.

2. Significance of the DPRK–Russia Summit: The Six Party Talks and Economic Cooperation

The significance of this DPRK–Russia summit can be viewed from three dimensions. The first is North Korea's position with regard to the nuclear issue and the resumption of the Six Party Talks. In the final analysis, Chairman Kim Jong Il has not budged from his basic position up to this point. The emphasis on "resuming the Six Party Talks at an early date" and "denuclearization of the entire Korean peninsula" is nothing new; these are both elements that the North has emphasized in the process of discussions among South Korea, the US and China about a three-stage plan for resuming the talks. The problem is that the emphasis on resuming the Six Party Talks as soon as possible "without any precondition" leaves an opening for misinterpretation. This is not intended to mean that the North Korean side has no preconditions, but rather implies that the US and South Korea must rescind their own preconditions, such as the demand that North Korea must take "steps to demonstrate its good faith, including allowing IAEA inspectors to return" prior to restarting the talks.

North Korea: No Mention of a Moratorium

North Korea, the US, and South Korea have separately stated various preconditions for restarting the Six Party Talks. The US demands that North Korea take concrete preliminary and necessary steps, including Δ cessation of uranium enrichment activities, Δ restoration of IAEA inspection teams, Δ a moratorium on missile test launches, Δ no additional nuclear tests, and Δ improvement of inter-Korean relations. In turn, North Korea's demands on the US include Δ removal of UN Security Council sanctions against North Korea, Δ humanitarian food aid, Δ immediate DPRK–US contacts and talks, Δ initiation of discussion of a peace treaty, and Δ initiation of discussion of normalizing DPRK–US relations. At this DPRK–Russia summit North Korea demanded that the respective conditions of itself and the US be de-emphasized and that the Six Party Talks be started regardless. If the Talks are reconvened North Korea will be able to cover up its failure to carry out agreements and begin negotiations under new conditions.

According to overseas sources, Russian Press Secretary Timakova said that at the summit "Chairman Kim made clear that he is prepared to reconvene the Six Party

Talks without any preconditions," and "In the process of the Talks North Korea can begin tentative preparations to cease production of nuclear material and nuclear testing." Thus the afore-mentioned talk of subjective delivery and "provisional cessation" were put into a "composition" and their wishful thinking was presented as fact. By connecting Chairman Kim's words with their own wishful thinking, they have given rise to the misconception that North Korea's statement represents an about-face. North Korea did not clarify whether it is prepared to impose a moratorium on production of nuclear material and nuclear testing.

Russia is not in a position to influence North Korea on the nuclear issue or reopening the Six Party Talks, and Kim Jong Il has no reason to discuss its "fundamental problems" with Russia, so their discussion did not go beyond a mere reaffirmation of the principled position North Korea has consistently upheld up to now. Nevertheless Russia needs to show that it has a not-insignificant role in the North Korean nuclear issue and the Six Party Talks issue. At any rate, aside from expressing the desire to restart the Six Party Talks at an early date, there were no concrete statements regarding the nuclear issue. The issue of North Korea's "conditional cessation of WMD testing" is a card that can only be used at the talks themselves, not in the pursuit of restarting the talks.

Resurrecting the HEU Program?

In its statement on the DPRK-Russia summit, the US expressed its position that it would be possible to resume the Six Party Talks only if the North agrees to certain "preconditions" including discarding its highly-enriched uranium (HEU) and improving inter-Korean relations. At a regular press briefing on August 26th, in response to a question about preconditions for the Six Party Talks, US State Department Spokeswoman Victoria Nuland stated "We don't see any reason for (HEU) to meet civilian needs." She added that the US has already expressed its concerns on the issue. With regard to improving inter-Korean relations, she stated "(North Korea) made commitments in 2005 to the international community," and even if they have shown some progress on some of the steps required at the present stage, this is "insufficient." (Victoria Nuland, "Six-Party Talks," Daily Press Briefing, August 25, 2011).

The key phrase that stood out from this press briefing was not "Uranium Enrichment Program" (UEP) but rather the re-emergence of the phrase "Highly Enriched Uranium" (HEU), which was the catalyst for the second Korean nuclear crisis. This issue first cropped up in October 2002 when then-Assistant Secretary of State James Kelly, on a visit to North Korea, confronted the North about their HEU program and received their acknowledgment; consequently the US condemned North Korea for

violating the terms of the October 1994 Basic Agreement, launching the "HEU row." Later the HEU program itself was de-emphasized and sank into the background, but in November of last year North Korea unveiled its modernized uranium enrichment facility, to the considerable shock of the US. But since the HEU issue was included in the preconditions cited the US State Department spokeswoman for resuming Six Party Talks, it appears that uranium enrichment has once again emerged as a key concern.

Second, Russia's "pipeline politics," i.e. the issue of connecting a gas pipeline, has emerged as a core agenda item. After the summit President Medvedev expressed optimism about the prospects of reaching an agreement on construction of a gas line passing through North Korean territory and into South Korea. "There was progress in the area of gas cooperation. In particular we agreed to create a special trilateral commission to supply gas to South Korea via North Korea," Medvedev explained, "North Korea is interested in this project and plans to install approximately 1100km of gas lines for the purpose," adding, "Using this gas line we will be able to supply 10 billion m³ of natural gas annually." Actually, bringing up the gas pipeline project was one of President Medvedev's main goals in consenting to Chairman Kim's request for a meeting. He probably is hoping to establish a successful legacy as president by setting up opportunities for economic development in the Far East in advance of the presidential election in March of next year and the APEC summit in Vladivostok the following September. To advance this gas pipeline project aimed at South Korea, they will need to ensure a stable and peaceful situation on the Korean peninsula. This will inevitably require progress on the North Korean nuclear issue, and so Russia had to hope that North Korea would show a forward-looking stance on the issue and try to persuade it to move forward.

South Korea is a major "consumer" of Russian natural gas, and since the gas pipeline must pass through North Korea, the project cannot proceed unless a degree of trust is restored between the two Koreas. North Korea can also benefit from transit fees, and thus by continuously suggesting that this will all be mutually beneficial Russia hopes to persuade North Korea. In other words, Russia's role is to seek fundamental progress in trilateral economic cooperation among South Korea, North Korea and Russia by granting North Korea concessions on strategic issues like nukes and security in exchange for improvement of inter-Korean relations. President Medvedev gave the impression of one looking over Kim Jong Il's shoulder and sending a message to the absent South Korea, while Chairman Kim came to the table fretting over the task of receiving immediate material aid from Russia.

Gas Pipeline Politics and Trust Issues in the South–North, South Korea–Russia Relationships

Russia is pursuing separate agreements with South and North Korea on the gas pipeline project spanning the three countries, while acting as a mediator to enable cooperation between the two Koreas. In the future the three parties will likely be able to formulate more concrete plans, but if the gas line project is to proceed there will have to be progress on resuming the Six Party Talks and improving inter–Korean relations, and the three parties must reach an understanding on the validity and profitability of the project.

Meanwhile, we must bear in mind the past examples of Russia's "pipeline politics" by which it has used its pipelines as a tool for threats, such as when it shut down its pipeline to the Ukraine in 2006 and again in 2009 in order to extract concessions from the EU. This behavior has resulted in a loss of trust internationally and has taught the world a lesson about the need for caution when considering new pipelines with Russia. This gas pipeline must not enable Russia to use South Korea's security and economy as a strategic asset. If we give Russia a leash to hold us by the neck, it will only cause problems down the road. This is no reason to refuse to sit come to the negotiating table over the gas line issue, but it does provide reasonable grounds to exercise caution and restraint.

Improved relations and restored trust between the two Koreas are important for the future prosperity of all of Northeast Asia, but precedence must be given to demonstrating Russia's respect for international norms in pursuing its natural resource strategy and building trust with South Korea through cooperation in various fields. With trust–building as a precondition we must actively draw Russia into the Korean peninsula, while acquiring new leverage on the North Korean nuclear issue as part of a win–win arrangement for both South Korea and Russia. The Far East region of Siberia is the "blue ocean" of the South Korean economy. The time has come to carve a pathway out of our economic problems, by strengthening South Korea–Russia relations and pursuing a "northern strategy." This is where we must focus our North Korean strategy.

Third, North Korea urgently needed to extract significant DPRK–Russia economic cooperation (i.e. Russian aid) from this summit. In particular, the choice of the power plant in Bureya as the first stop of the tour was suggestive of Kim Jong Il's hopes for energy aid. Construction of the Bureya plant began in 1979 and was completed in October 2007; this massive hydro–electric plant has a total production capacity of 2,000 megawatts, equivalent to the planned capacity of the two light–water reactors

at Shimpo and five times the capacity of the Chungju Dam in South Korea. Since its capacity far exceeds the total energy demands of the Russian Far East region (1,500 MW), it would be entirely feasible to export the excess to North Korea. Bureya is connected to Vladivostok via a 1530 km power line, and it is another 380 km from Vladivostok to the North Korean city of Chongjin; the 130 km section passing through North Korean territory would have to be constructed at an estimated cost of 2~3 hundred million US dollars.

If progress is made on the nuclear issue and inter-Korean relations, Russia will advance its proposal for sending electricity to North Korea while also beginning negotiations on the issue of dividing the costs. Russia has already unofficially spoken to South Korea on the subject of energy exports from the Bureya plant; if the Six Party Talks are resumed, when the subject of providing heavy fuel aid arises among the participating countries, at that point Russia will probably bring up the idea of supplying energy from Bureya. Of course, as it plans on selling energy to South Korea, Russia may connect this proposal to the item in the "9.19 Joint Statement" of 2005 stating that "The ROK reaffirmed its proposal of July 12th 2005 concerning the provision of 2 million kilowatts of electric power to the DPRK." In light of this, Kim Jong Il's visit to the Bureya plant may have been a calculated response to the ROK government's proposal.

3. Results of the DPRK-Russia Summit

At this point let us sum up the outcomes of the DPRK-Russia summit. First, from North Korea's perspective, it extolled the talks as a "strategic dialogue" which achieved security gains by strengthening its rearguard forces. Through this "strategic dialogue" with Russia, North Korea sought to straighten out its policy stance, which had been leaning too heavily toward China, and to show off its strategic position and inherent value by returning to its traditional "equidistant diplomacy." It also took the meeting as an opportunity to recover a measure of confidence by gaining promises of Russian support in various areas. In the short-term, this support will involve such areas as machinery, construction, light industry, agriculture and permission for small businesses to operate inside Russia. North Korea also requested permission from Russia to operate a brewery and some restaurants in Russia in order to earn foreign currency, and proposed agricultural cooperation using North Korean labor in the Russian Far East in order to resolve its food shortages. In the longer term, North Korea raised expectations for large-scale Russian projects on the peninsula involving electric power supply, gas pipelines, and railway links (TKR-TSR), creating an optimistic atmosphere in anticipation of its

"debut year as a strong, prosperous nation" in 2012.

Russia has also made some significant gains. Most important, resolving problems on the Korean peninsula is crucial to its strategy for developing the Siberian Far East, and it particularly needs active participation from South Korea to pursue its natural resource strategy. Through this DPRK–Russia summit it has taken a big step toward establishing a foothold on the peninsula. Russia also fears it may be falling behind China in the race to secure a strategic position on the peninsula, and is rushing to complete repair work on the 52 km railroad connecting Rajin with Hasan by October of this year. Russia is very interested in Chongjin port, with which it maintained close links during the Soviet era. East Sea ports such as Rajin and Chongjin are of vital strategic importance to both China and Russia.

Russia's desire to balance Chinese influence is nothing new, but now it feels a particular need to check North Korea's strong policy inclination toward China. The population of the Far East region has shrunk from 9 million at the end of WWII to 6 million today, and this gap is being filled by Chinese from across the border. Siberia is gripped by an influx of goods and people crossing the border in China's Heilongjiang and Jilin provinces, and Russia is extremely concerned about this Chinese stampede. It has some cause to hope for South Korea's entry into the region; with the combination of South Korean capital, North Korean labor and Russian natural resources, a prosperous "boom town" phenomenon could emerge in the Far East. Furthermore, by joining forces with the two Koreas, Russia can restrain China's influence to some extent.

Kim Jong Il appears to have gained confidence about the power succession. On the premise of confidence in the succession system, he is working to accelerate moves toward China and Russia and attract international attention for the purpose of economic recovery. In foreign policy North Korea seeks to strengthen its rear defenses, and domestically its strategy is to continuously promote the Leader's "ceaseless and energetic activities abroad" as a new 20,000-ri "Long March" for the good of the country, boosting Kim's charismatic image.

US may begin to show limits of its "patience with South Korea"

Without progress on the nuclear issue, North Korea has little chance of improving relations with the US, but the rapid pace of North Korea's HEU development is not something the US can afford to let slide. In anticipation of resuming the Six Party Talks, North Korea is making conciliatory gestures toward the US while reaffirming the favorable stances of China and Russia towards the its position, and increasingly

promoting its vision of establishing a peace regime and stability on the peninsula for the sake of economic cooperation. As this is unfolding, high-level talks occurred between North Korea and the US in New York (7.28~29) to discuss major concerns of the two parties, including the nuclear issue and normalization of relations. Later, in August, US Special Representative for North Korea Policy Stephen Bosworth proposed talks to discuss resuming work on recovering remains of US soldiers from the Korean War, to which the North Korean Foreign Ministry responded positively, showing some signs of gradual progress in bilateral contacts.

At the prospect of resuming the Six Party Talks, South Korea is faced with its inability to actively respond to changes in the dynamics of the Northeast Asian political situation. Recently it seems that the talk of North Korean collapse has subsided, but certain sectors of Korean society refuse to acknowledge North Korea's resilience and the changing tide in Northeast Asia. China and Russia feel a growing need to leverage the Korean peninsula while rehabilitating North Korea. Before the Six Party Talks can resume inter-Korean dialogue must take place, and as we know from the agreements between the US and China, South Korea's determination to succeed within the Six Party framework is stronger than ever. Nevertheless if South Korea is unable to take a more creative and flexible approach it may end up giving the mistaken impression that it is obstructing the Six Party Talks. If it cannot anticipate the changing situation and formulate a forward-thinking response, the US in its desire to restart the Talks may reach the limits of its "patience" with South Korea.

Following his summit meeting with Russian President Medvedev, North Korean NDC Chairman Kim Jong Il showed some consideration and courtesy toward China by choosing a return route that passed through northeastern China. It is difficult to foresee whether Chairman Kim's "strategic dialogues" with China and Russia will stir Northeast Asia like a gentle breeze, or a tempest. What is clear is that the changing situation in Northeast Asia will not wait for South Korea to catch up.