

Unha-3 Rocket Launch and Kim Jong-un's Strategy of Regime Survival

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North Korea launched its Unha-3 long-range rocket on December 12 in defiance of strong opposition from the international community. Then, what is the reasoning behind this? It is due to the fact that the North Korean regime's key survival strategy involves demonstrating its capabilities in weapons of mass destruction (WMD), including nuclear weapons and missiles, and implementing its diplomacy based on those capabilities. This article aims to determine the Kim Jong-un's regime survival strategies and review the significance of development of weapons of mass destruction.

North Korea's Strategies for Regime Survival

Let us review the strategies of regime survival that North Korea has or is currently implementing. There are five elements that are most important to survival strategies. First, North Korea's main priority is to expand its nuclear as well as missile capabilities and to be recognized as a nuclear power from the international community, including South Korea and the United States. Second, it aims to establish a peace regime on the Korean peninsula and normalize relations with the United States as a recognized nuclear power. Third, it seeks to establish vertical relations with South Korea in which the South will provide political and economic support to the North Korean regime. Fourth, it aspires to secure the necessary funds to maintain its regime by actively developing diverse foreign-currency earning projects (mineral exports, influx of foreign aid, etc.), while striving to contain any reform measures that will increase productivity of

domestic economy. Fifth, North Korea strives to maintain political stability and secure the hereditary succession of power through preferential treatment of loyal groups and strengthening multiple public security organizations.

The Significance of the WMD Diplomacy for the Influx of Foreign Assistance

Among others, the core of Kim Jong-un regime's survival strategy is its demonstration of WMD capabilities, the first element mentioned above. The success or failure of achieving this objective will determine the achievement of the other four objectives. Through the utilization of WMD diplomacy, North Korea aims to build a new order in Northeast Asia, which would establish direct dealing between itself and the United States. There are two essential points that North Korea strives to achieve in terms of its direct dealings with the United States. First, it aims to convert South Korea into a junior partner in the inter-Korean relations. Second, it seeks to acquire sufficient foreign aid in order to ensure the Kim regime's survival. In reality, it is indisputable that South Korea is potentially the largest supplier of external assistance to the North. Thus, if North Korea were to be able to convert the South into a junior partner, then it is likely that the Kim regime would receive more assistance from its southern counterpart under more favorable conditions. In this way, Kim's regime can maintain the public security strong enough to rein in society despite continued economic hardships and secure sufficient funds to remunerate the regime's loyalist groups. Throughout this process, North Korea can minimize domestic changes and acquire a permanent guarantee for the regime's survival.

The ultimate reasons why North Korea has vital interests in receiving external foreign aid through implementing a WMD diplomacy are as follows. In case of North Korea, the budget for maintaining regime survival cannot be sufficiently procured from its domestic economy, which is facing serious difficulties. Thus, the regime needs to procure additional sources of foreign income, and one of the key tools is through the WMD diplomacy.

Let us examine this more closely. The bottom line for the Kim Jong-un regime's survival depends on whether or not its efforts to raise funds for regime maintenance are successful. As long as procuring those funds remain successful, then the Kim regime will maintain its stability and prosperity in the long-term, even if North Korea's national economy were to collapse. Although severe famine among North Koreans remains permanent, the regime can persevere, provided that it secures those funds to buy the loyalty of groups, expand the public security organizations and develop weapons of mass destruction. The problem is that the money used to secure Kim's regime is not based on an increased productivity of the domestic economy or tax increase, but fundamentally depends on the continuous inflow of external rents as well as the internal expropriation of the North Koreans. In this process, external rents are defined as income that originates from foreign aid, mineral exports, operation of closed special economic zones (SEZ), exportation of the workforce and promotion of tourism, which can all potentially be acquired without measures that include an increased productivity of the domestic economy (de facto domestic reforms). The domestic expropriation indicates a direct or indirect confiscation of property and wealth instead of

legitimate tax revenues. There are several cases of such confiscatory measures in recent years: the money exchange measures in November 2009, the introduction of hyperinflation via a surge of money supply in 2009-2012, confiscation of foreign currency, and the excessive confiscation of provisions from the farmers for the army and Pyongyang. Because the excessive internal confiscatory measures could provoke overt political discontent, the North Korean regime has strived to avoid them whenever possible. Nevertheless, internal confiscation would occur at any given time when the influx of foreign capital is inadequate. One of the key points in understanding North Korean politics and economy in the past five years is that with the significant reduction of foreign assistance, the North Korean authorities have significantly increased endeavors to earn foreign currency through diverse measures (mineral exports and so on, in addition to an influx of foreign aid). Along the same vein, domestic expropriations, which include currency exchanges, confiscation of foreign exchanges and commandeering of provisions for the army, have noticeably increased as well.

Since the funds for regime survival are not guaranteed through the taxation of the domestic economy, North Korea needs to increase their supply by continuously accepting foreign assistance. In case an autonomic influx falls short, the North needs to implement diplomacy of extortion. This is equivalent to resorting to domestic confiscation when tax revenues are insufficient in securing finances for regime survival. When the extortion diplomacy for getting foreign aid becomes successful, then it is more likely that an increase in risky domestic expropriations will be avoided. In regard to the expropriation of foreign aid, the following two points are crucial: first, to what extent can the regime increase inflow rates and second, how will the regime establish favorable terms and conditions while receiving foreign assistance. In relation to these two points, the North Korean regime's political leverage is its WMD capabilities. It is likely that a volume of direct aid, which the North can acquire via WMD diplomacy, will be not so great; however, North Korea's success or failure in WMD diplomacy will be a decisive factor in establishing the terms of relations for the diverse political negotiations that the North develops with its neighbors. In short, the success or failure of the WMD policy will be a key factor in determining the success or failure of the other negotiations with its neighbors. Exhibiting its WMD capabilities is a vital leverage in fostering foreign relations and remains an essential factor in determining the conditions for the negotiations on the overall inter-Korean relations.

In regard to implementing the aforementioned survival strategy, it is highly probable that the Kim Jong-un regime will stabilize or prosper in the mid- or long-term if North Korea's strategy is successful over its neighbors. However, should the North fail, then it is likely that the regime's internal crisis will deteriorate. As is generally known, the Kim Jong-un regime has internally many weakness as well as strengths regarding regime survival. Depending on the success or failure of the Kim Jong-un regime's survival strategy that relies heavily on WMD diplomacy, it will determine whether the regime can hide its internal weakness and capitalize on its strengths.

Prospects

The successful launch of the Unha-3 rocket is expected to strengthen Kim Jong-un's internal standing and

to exert major influence on shaping North Korea's policy on the new leadership in South Korea, the U.S., China and Japan. Ultimately, North Korea has launched the Unha-3 long-range rocket with the intention to take a position of strength in international negotiations regarding the regime's weapons of mass destruction, which will likely commence in the year 2013. If the North Korean authorities succeed in implementing its WMD diplomacy, then it is more probable that the regime will be able to establish the terms and conditions of the inter-Korean relations in accordance to its preferences. As this scenario becomes a reality, the North Korean regime will be able to increase its capacity to address the diverse domestic challenges. Of course, the reverse also applies.

It is probable that North Korea's policy of expanding its WMD capabilities and its intention to utilize them as political leverage will not change within the next five years. It is also likely that the North will closely adhere to its current policy of expanding its national capacity on nuclear and missile weapons as well as implementing this policy in order to gain recognition as a nuclear power from the international community. Amid this policy, North Korea's most vital challenge is to offer the neighboring countries with no other option than to recognize the regime as a nuclear and long-range ballistic missile power through demonstrating its nuclear and missile capabilities worldwide. If it all come to this stage, then it is highly likely that North Korea will be able to take charge of the agendas when negotiating with its neighbors. Of course, it is likely probable that the North will face backlash from the international community if the North Korean forces' display of power falls short of receiving recognition. © KINU 2012

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