

## Chairman Kim Jong Il's "Business Tour": An Evaluation

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NDC Chairman Kim Jong Il recently completed a one-week (5.20~26) "business tour" of China. This most recent unofficial China visit is Kim's seventh such voyage in the new millennium, and marks his first China visit in 9 months, following two summits last year in Beijing and Changchun. His itinerary followed the same 6000-km course taken by Kim Il Sung twenty years earlier (Oct 1991), starting at the Chinese city of Tumen and passing through Mudanjiang, Harbin, Changchun, Yangzhou, Nanjing and Beijing before finally crossing the Amrok River at Dandong and returning home by train.

Presently North Korea is facing a very difficult situation in which it must make a deal in order to escape from the overlapping internal and external issues that are plaguing it simultaneously. There are three major problems which North Korea must resolve. These are △ establishing support for the succession system; △ the nuclear issue; △ acquiring economic cooperation. North Korea has been under various UN and international sanctions for quite some time, and on top of that it has drawn intense pressure from South Korea and the US over its provocative attacks on the Cheonan warship and Yeonpyeong Island. Having raised the banner of "a strong and prosperous nation" in advance of Kim Il Sung's

100th birthday next year, North Korea must now devote its every effort to economic construction and particularly to resolving its problems in light industry and agriculture, but it has long ago reached the limits of what it can accomplish through domestic mobilization. Thus, it must depend on a revitalizing transfusion from an external source.

## An Empty-Handed "Business Tour"

Under these conditions Kim Jong Il had little choice but to immediately embark on an "aid diplomacy" mission to China. This "business tour" of several thousand kilometers drew global attention, but ultimately "China lost nothing, and Chairman Kim came away with nothing."

Under the current political situation in Northeast Asia, it is no exaggeration to say that North Korea's regime stability and economic recovery depend on China's strategic orientation and aid. Faced with a fretful North Korea that must be growing restless within this structure, China appears to be formulating a strategy to "tame" Kim Jong Il. North Korea, having cut off its ties with South Korea and the US, has found itself in a very difficult position since last year and has been hoping to gain a generous influx of aid via a big deal with China. But China is in no rush. The political situation in Northeast Asia is being managed under a framework of US-China cooperation, and the North Korean nuclear issue is a card that China can use as appropriate. Furthermore, North Korea's reliance on China is only likely to increase.

North Korea desperately needs aid from outside, as well as of course an external environment conducive to its regime stability and economic recovery. At his meeting with President Hu Jintao, Chairman Kim was relatively frank in describing the DPRK's position. "North Korea is presently focusing its efforts on economic construction, for which a very stable surrounding environment is required," Kim remarked, adding, "We hope for political détente between North and South, and we are still committed to upholding the goal of denuclearizing the Korean peninsula. We desire an early return to the Six Party Talks. Our side has made sincere efforts to improve relations with the South." (*Xinhua*, 5.26)

### ① Building Support for the Successor

At the China summit (5.25) Chairman Kim made several appeals for support for the succession system. However in return President Hu offered only statements of principle, making no clear, direct declaration of support. Kim made various preparatory efforts to consolidate support for the succession, even going to meet the

"Godfather of the Shanghai Clique," former Premier Jiang Zemin. At the summit Chairman Kim made various attempts to provide an opening for a statement of support for the succession, speaking of the need to "pass our friendly and cooperative Korea-China relations on to the next generation" and to "pass on the baton of friendship from generation to generation." President Hu responded, "The CPC and the PRC government will creditably discharge the historic responsibility for steadfastly carrying forward the baton of the traditional Sino-Korean friendship." (KCNA, 5.26)

Actually China has no intention of getting involved in or interfering with North Korea's succession plan. Moreover it would be unbefitting the dignity of the Chinese leadership to grant an "expression of support" such as Chairman Kim desires for a hereditary succession unparalleled among socialist countries and the enthronement of a "fledgling" successor who has garnered the world's mockery. It would be difficult to reconcile such a statement with Chinese public opinion. Therefore Kim had to be satisfied with President Hu's toned-down message of "carrying forward the baton of ... friendship."

## ② The Nuclear Issue and the Six Party Talks

China's current Korea policy prioritizes North Korean regime stability. It has set the period from now until 2020 as a "period of strategic opportunity," making the formation of a regional environment conducive to internal growth a major foreign policy goal, but the North Korea problem stands in the way of that. In mid-July 2009 the CCP Central Standing Committee convened a meeting of the Foreign Affairs Leading Group (headed by President Hu Jintao) to consolidate a policy position toward the Korean Peninsula. As a follow-up measure an internal meeting on North Korea policy was held during China's foreign ambassadors' conference. Soon afterward at a joint meeting of the CCP and the Foreign Ministry, the Chinese government decided to place higher priority on "war prevention, peace and stability on the Korean Peninsula" and "denuclearization of the Korean Peninsula."<sup>1)</sup> Later in Washington D.C. at the 1st US-China Strategic and Economic Dialogue (SED, 2009.7.27~28), Vice Foreign Minister Wang Guangya conveyed to the US China's position on the North Korean nuclear problem. In this regard China pursues two major ideas: eliminating the "reasonable security concerns" of North Korea and enabling direct DPRK-US talks.<sup>2)</sup> Even though China supported the UN resolution condemning North Korea after its 2nd nuclear test, shortly

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1) ICG, *Shades of Red: China's Debate over North Korea*, Asia Report No 179 (2 Nov. 2009).

2) "China urges U.S. to accommodate DPRK's 'reasonable security concerns,'" *Xinhuanet*, July 29, 2009.

thereafter they seem to have undergone a strategic debate about the North Korea problem and concluded that it would be best to focus on North Korea's regime stability.

Early this year at the US-China summit (1.19), as both countries emphasized security, China appeared to work particularly hard to assuage US concerns about North Korea's uranium enrichment program (UEP). At the 3rd US-China Strategic and Economic Dialogue (Washington D.C., 5.9~10) the two sides reaffirmed the positions expressed at the January summit. Clearly China's Korea policy has shifted toward maintaining North Korea's regime stability and easing the pressure placed on it by the US and the rest of the international community. China's strategy for "training" Kim Jong Il can be interpreted as part of China's policy of managing the North within the strategic architecture of the Korean Peninsula.

There is still no sign of a way forward in unlocking the Six Party Talks. But why are these talks so terribly important to China anyway? Out of consideration for the positions of South Korea and the US, China has proposed a gradual "step-by-step process" to restart the Six Party Talks. Specifically, China's proposed course to North Korean denuclearization follows the sequence "talks between the Six Party representatives of both Koreas ? DPRK-US contacts ? Six Party Talks. South Korea and the US have accepted this as a matter of course. China has made a show of having "consideration" for the US and ROK positions by recognizing South Korea as a direct player in Korean peninsula issues and respecting the principle of "inter-Korean dialogue," while emphasizing "direct dialogue" between the US and North Korea as the two states most directly involved in the nuclear issue.

Last November North Korea unveiled its uranium enrichment facility and an "ultra-modern control room." At that point the "nightmare scenario" that the US had been dreading effectively became a reality, and thus the US, facing a considerable shock, shifted to a new approach to the North Korean nuclear issue. Since its inauguration the Obama government had been handling this issue under a policy of "strategic patience." This strategy reflected an expectation that the North Korean regime would not be able to last much longer, but it also carried the implication that the US "just didn't have any better ideas." Now the US has no choice but to enter a new phase in the North Korean nuclear standoff while privately harboring confusion about how to move forward. And the "amateurs in Washington" are looking only to China.

If we consider the North Korean nuclear issue as mainly a problem for South Korea and the US, it would seem that the more entrenched this problem becomes the more advantageous it is for China's national interests. China is not opposed to resolving the nuclear issue through the Six Party Talks and thus promoting peace and stability in

Northeast Asia. On the other hand, if the nuclear issue is resolved through the process of the Six Party Talks, it will remove a strategic burden from the US, and North Korean dependence on China may be reduced through improved inter-Korean and DPRK-US relations. There is no guarantee that such changes to the strategic architecture of Northeast Asia will be beneficial to China. In short, China has no reason to oppose a resolution to the North Korean nuclear problem, but it does not have any pressing need to find a solution. In other words, China has no desire to encourage a stalemate in the Six Party Talks, but it does not have any real drive to find a solution either; thus for China this issue is like something that "is not demanded outright, but is steadfastly hoped for."

As a process for returning to the Talks, China has proposed a 3-step plan consisting of "inter-Korean denuclearization talks, DPRK-US talks, Six Party Talks." This implies a course "departing from Seoul, passing through Washington, and arriving in Beijing." In short, they offer the rather rosy suggestion that all six members "enjoy the party" while sipping champagne in Beijing. At first glance, this seems like a very fanciful plan, but even from the departure point it is no easy course. It would not be a bad thing for China if this phased method is executed well and brings the parties together in Beijing, but conversely if the process grinds to a halt at the first stage that would not be so bad for China either. In reality at the present phase the latter seems much more likely.

Presently the two Koreas are engaged in a game of "chicken," in which neither side can afford to back down. The South demands an apology from the North for its rash provocations before any inter-Korean talks can begin, and says that there can be no dialogue without an apology. But it would be foolishly optimistic to expect an apology from the North. The North has previous experience in suffering an unforeseen degree of international condemnation as a result of admitting to its actions, producing the opposite of its intended result.

In September 2002 at the DPRK-Japan summit, Chairman Kim Jong Il admitted that the North had previously abducted Japanese citizens, a confession that provoked horrendous blowback against the regime. As a result, the progressive pro-Pyongyang groups in Japan led by the Socialist Party were almost completely annihilated, and DPRK-Japan relations have not advanced an inch to this day. Thus Chairman Kim's "confession diplomacy" produced disastrous consequences. In October of that same year, in response to US accusations about the existence of a uranium enrichment program, the North gave a "vaguely affirmative" reply which set off the 2nd Korean nuclear crisis. Through these experiences the North has gained a thorough education

in the unpleasant consequences of confessions. North Korea has declared itself innocent of any involvement in the Cheonan incident. If it were to apologize, thus affirming its guilt, the result might be uncontrollable socio-political blowback from South Korean society.

South Korea naturally has to demand an apology from the North, but that apology will probably never happen. It will not be easy to break out of such a deadlock in the zero-sum game between South and North. In this situation, it will be a challenge to get past even the initial step of China's three-step plan to restart the Six Party Talks, inter-Korean dialogue. Even if the two Koreas manage to get through this first step, the current lack of faith between North and South along with the almost rock-bottom level of trust between the US and the DPRK offers little guarantee that the Washington-Pyongyang negotiations will go smoothly.

What is needed is a "bold new approach" to persuade the North to give up its nukes. But the US and South Korea have not yet started a discussion about finding such an approach. Certainly China has no good reason to roll up its sleeves and produce a plan. Under the circumstances China has a "take it or leave it" attitude about restarting the Talks. Its strategy is to let South Korea and the US untangle their problems first. Plus, the current situation contains some potential seeds of discord between South Korea and the US. While Washington waits its turn, if inter-Korean dialogue does not proceed smoothly in spite of the North's charm offensive, then the US is likely to perceive Seoul's hard-line attitude as the cause for the lack of progress. Such a scenario could create a rift in ROK-US cooperation. This hints at the depth of China's prudence and foresight. If South Korea is unable to hold on to its role as a principal player in the Six Party Talks, then a multi-lateral deal may take place regardless of its wishes.<sup>3)</sup>

With its proposal of a step-by-step approach to the Talks, China has taken care of its moral obligations and also gained practical benefits. In this way it has shown off its respect for the positions of South and North Korea as the principal actors on Korean peninsula issues, and those of the US and North Korea as the principals on the nuclear issue, and it can sit back and enjoy a period of stagnation over the nuclear issue while taking advantage of the situation.

### ③ DPRK-China Economic Cooperation and Najin Port

One of Chairman Kim's most urgent motivations in dragging his various retainers

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3) Kim Jin Ha, "Reopening the Six-Party Talks: Prospects and Structural Limitations," KINU Online Series CO 11-15 (May 25, 2011).

along on a "business tour" of China was probably the need for Chinese aid to the North, especially economic cooperation. At his summit meeting in Beijing last year, Chairman Kim reportedly submitted an order for "several tens of modern fighter jets, about \$30 billion in economic cooperation assistance, plus 1 million tons each of petroleum and rice per year as emergency relief aid." One report has revealed that there was also a recent request for 30 bomber jets. It appears that the aid offered by China in response to North Korea's requests at these two summits has not been entirely satisfactory.

Two of the most major issues in DPRK-China economic cooperation are the development of the Rason Economic and Trade Zone and Rajin port. Rajin port was developed during the Japanese occupation and is a strategic bridgehead connecting the continent with the sea at the northern part of the Korean peninsula. Soviet warships made use of it during the Cold War era, and Russia has reserved rights to a portion of the piers. Japan is very apprehensive over the question of who might gain control of Rajin port. Meanwhile China has been showing considerable interest in securing access to the East Sea off the Korean peninsula, in connection with its Changchun-Jilin-Tumen plan for shipping and development in its three northeast provinces. In addition, the Rason zone is a long way from Pyongyang and the effects of its development can be controlled, making it a likely hub of DPRK-China economic cooperation.

If Rajin port falls into Chinese hands, China will gain a key strategic beachhead. Several years from now Japan, Russia and the US may see Chinese warships moving in and out of Rajin. Japan in particular is loathe to contemplate such a scenario. The strategic value of this port is far greater than the economic dimension. North Korea would lose a great negotiating asset if it were to hand over to China this port which so stirs the interest of Russia, Japan, and even the US. Far beyond merely repairing the short stretch of road from Wonjong-ri to Rajin, China hopes to establish a direct expressway and have piers extensively rebuilt or newly constructed.

North Korea will have a hard time accepting such a massive renovation of its port facilities at Rajin. This is because in its dealings with China, it does not really have another card as valuable as Rajin port. The development of Hwanggeum-pyeong area of the Amrok River is not an issue vital enough to demand a strategic decision from Pyongyang. Thus it appears that Chairman Kim has used the Rajin card to demand some sort of extensive aid package or "big deal" from China. Chairman Kim's suggestion to President Hu to "open a new phase of economic and trade cooperation for both sides" can be interpreted along these lines. At his meeting with Chairman Kim, Prime Minister Wen Jiabao suggested, "Let us make concrete plans for cooperation in

the areas of economics and trade," leaving open the possibility of continuing negotiations.

North Korea is demanding large-scale economic assistance and aid measures before it will agree to guarantee China access to the sea and rights to undertake extensive new construction and renovation work at Rajin port. Refusing to fall into the structure imposed by Chairman Kim, China is seeking to create a situation that will enable it to take the lead.

Having held three consecutive summits with the North, China is keeping a tight rein on Kim Jong Il through its effort to "train" him. Thus the tug-of-war over Rajin port will be a point to watch for in future DPRK-China cooperation.

## We Must Seek a New Bold Approach

Let us return to the issue of the Six Party Talks. In his busy travels back and forth, Chairman Kim seems to have grasped China's intentions and strategy. Thus in response to China's step-by-step proposal, he has called for a "straightforward return" to the Six Party Talks. At the May 2009 DPRK-China summit Chairman Kim said, "We are ready to provide conditions favorable to restarting the Six Party Talks," and at the August summit he further stated "We wish to reconvene the Six Party Talks at an early date," both times essentially saying what China wanted to hear. This time once more he did as China hoped, calling for "an early return to the Six Party Talks." But there is still no sign of a change in the North's stance, and the circumstances are not right for the US and South Korea to break free of their dilemma, so what need is there for China to set the table in Beijing?

Each of the Six Party member states has a different position: the US, with its talk of "strategic patience" and its actual lack of any real strategy; South and North Korea, stuck in their game of chicken; Russia, trying noncommittally to intervene in peninsula affairs; Japan, left out in the cold and peering in through cracks in the door; and China, who keeps close watch over everyone while endeavoring to "watch its wording"! All the other players are trapped inside China's game plan.

In that case, who can unravel the Gordian Knot of the North Korean nuclear problem? The answer is obvious. Those states who have a real need to solve this problem must find a bold new method of approaching it. As Alexander the Great undid the proverbial knot with a single stroke of his blade, so too the North Korean nuclear problem can only be solved through a dramatic "change of concept." This first step of this process is to break out of China's frame of Korean peninsula strategy.