

A Historical Contingency?: North Korea's New Leadership Meets the Rise of China and the U.S. Re-engagement Policy*

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The new power relations between the United States and China suggest an increasing possibility of conflict due to the U.S. re-engagement policy and China's vigorous rise. From the perspective of the Korean peninsula, this historical transitional period occurs ironically alongside a huge transformation in North Korea, with the death of Kim Jong-il and the emergence of the new Kim Jong-un regime. If North Korea attempts to expand its economic relations with China, improve relations with the United States and the international community, and capture the momentum to transform its relations with South Korea, all these things linked together may provide momentum for an ultimate, albeit unintended, transformation of the entire North Korean society. The diplomatic environment of the G2 relationship may possibly give North Korea a vague hope for the future and lead it to heighten the brinkmanship diplomacy inherited from the previous leadership. Against this backdrop, South Korea must strive to ensure that the only option for North Korea is to embrace the transforming environment in which the United States and China seek increased influence on the Korean peninsula, and accept the momentum for transformation.

Key Words: U.S.-China relations, post-Kim Jong-il North Korea, Kim Jong-un's new leadership, inter-Korean relations, U.S.-North Korean relations

Introduction

The sudden death of Kim Jong-il signifies both continuity and discontinuity of the security order on the Korean peninsula which has persisted

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since the end of the Cold War. On the one hand, Kim's death will certainly cause a transformation of the North Korean regime that has remained firmly in place through the past two decades, and if the international community, including South Korea and the United States, utilizes this momentum, it may have an opportunity to cause the structural collapse of the Korean peninsula security structure. On the other hand, if Kim Jong-un feels the weakness of his grip on power after his father's sudden death and turns to much more aggressive foreign policies, his North Korean regime may well continue to drive the peninsula's security order in the same vicious cycle as it has seen in the past. Kim Jong-un is the second successor to inherit the regime's hereditary power; his succession implies an inevitable change in the future of North Korea, and whether this change is positive or negative, it may lead to a fundamental transformation of the Korean peninsula's security order.¹

Diplomatic relations are determined basically by various combinations of "the structural environment" and "the nature of the issues at stake." In the post-Kim Jong-il era, North Korea's foreign relations will be shaped by combinations of the structural environment (namely the Northeast Asian security order) and the nature of the issue (North Korea's diplomatic policy, which mainly involves the nuclear issue). The year 2012 augurs a considerable transformation for East Asian security, as it marks the passage of two decades since the end of the Cold War. Meanwhile, the "structural conditions" of the future diplomatic environment in North Korea and the "nature of nuclear diplomacy" that has long been pursued by North Korea are both expected to undergo transformations as well. Kim Jong-il's unexpected death ironically coincided with a major transition in the security order of Northeast Asia. Will the post-Kim Jong-il leadership's reaction to the new Northeast Asian diplomatic environment lead to a historical contingency that may change the fundamental security structure of the Korean peninsula? While exploring this question, this paper will

1. Victor D. Cha and Nicholas D. Anderson, "A North Korean Spring?" *The Washington Quarterly*, Vol. 35, No. 1 (Spring 2012), pp. 7-24.

focus on the strategic stance South Korea should take in order to ensure that the new North Korean leadership captures the positive diplomatic momentum from the transforming East Asian security environment, defined by “the rise of China” and “the U.S. re-engagement policy.”²

In the current state of international politics at the beginning of the G2 era, what are the specific implications of the transforming power relationship, and what changes does it bring to the world order and the Northeast Asian security order that have been centered on the United States for the past twenty years since the Cold War? The United States’ declaration of its “re-engagement in Asia” from the year 2011 and “the rise of China” have drawn the world’s attention to the future of Northeast Asian diplomatic environment. Amidst these circumstances, North Korea has signaled the beginning of a new leadership. In other words, North Korea’s foreign relations in the post-Kim Jong-il era will take place within a region where “the rise of China” and “the U.S. re-engagement in Asia” converge. From this point of view, this paper will first analyze how the current international security environment standing of the new U.S.-China power relationship resembles and differs from other “great power politics” in history. It will then explain the significance of new U.S.-China power relationship in the global order and the Northeast Asian security structure. Finally, it will analyze North Korea’s future nuclear strategy from the view of the rise of China and the new U.S. policy toward East Asia and explore South Korea’s strategic options to ultimately ensure that the new North Korean leadership finds a way to transform itself amid the new diplomatic structure of Northeast Asia.

2. Regarding the strategic importance of the rise of China and its reflection on the United States’ Asia policy, see Hillary Clinton, “America’s Pacific Century,” *Foreign Policy*, November 2011.

The Transformation of U.S.-China Relations and the Significance of Northeast Asia

The Significance of the G2 Era and the New U.S.-China Relationship

The following is a brief examination of the significance of the G2 era and the type of relationship that is being formed between the United States and China, based on previous observations of the new structural environment of international politics and the nature of the issue of U.S.-China relations.³

First, as the world has grown increasingly centered on the U.S.-China relationship the Asian region has risen as a global hub. As can be seen from the fact that China's share of the world's GDP is speculated to reach 24 percent by the year 2030, Asia stands to become the center of the world order. As the economic growth during the Cold War in the last century signified a world order evolving around Western Europe, the U.S.-China era may see a world order that revolves around Asia with its China-centric development and growth. Since the beginning of the modern international order in the 17th century, the world order has tended to progress toward Western civilization, but the G2 era implies that Asia will stand at the center of international politics.

Secondly, some see the U.S.-China relationship as one way of balancing the powers. After more than twenty years of the post-Cold War period, China's remarkable economic growth, in connection with the rise of "the rest,"⁴ may lead to a power transition between the United States and China, which in turn may evoke emphasis on bilateralism and the need for a thorough balancing strategy toward China. In the latter half of the 1990s, the prevailing U.S. views of

3. "G2" is not a widely comprehensively academic concept yet. But it is known that the U.S.-China summit of January 21, 2011 marked a historical beginning in terms of sharing global leadership and responsibility. See Simon Serfaty, "Moving into a Post-Western World," *The Washington Quarterly*, Vol. 34, No. 2 (Summer 2011), pp. 7-23.

4. Fareed Zakaria, "The Future of American Power: How American Can Survive the Rise of the Rest," *Foreign Affairs*, May / June 2008.

China were divided between China as a revisionist state and China as a traditional state. But today, it seems the former view has inspired calls for a more aggressive balancing strategy toward China, and the latter has developed into the so-called liberal stance that the U.S. and China can share responsibilities in tackling various issues in the globalized era.⁵

If G2 relations are significant in the ways mentioned above, what is the specific type of relationship being formed between the two states? One suggestion is a “hostile rivalry.” Competition presupposes a wide gap between the two states’ national interests, therefore reducing the matter to a question of whether the United States, as a hegemonic power, can succeed in balancing China, or whether a power transfer will occur between the two states. But in reality, China is not equipped with the institutional leadership for a global confrontation against the United States. Therefore, a more convincing theory than a comprehensive balance of power would be a restricted balance of power or a balance of threats, involving issues limited to the Asian region. If the United States and China compete against each other over a certain core interest, other states, particularly those located in Asia, will experience inevitable harm to their security autonomy. But, in contrast to the traditional sense of rivalry between states engaged in fierce competition to put more states under their respective influence, the United States and China have little possibility of engaging in aggressive power balancing such as the competition between blocs in the Cold War, due to the gap between the practical powers of the United States and China, the development of a networked diplomatic environment in the 21st century, and the post-modern nature of international political issues.

A second suggestion is “great power cooperation.” This is basically an attempt to understand the G2 system as a sharing of leadership between the United States and China. A cooperative system between

5. See Robert S. Ross, “Bipolarity and Balancing in East Asia,” in T.V. Paul et al. (eds.), *Balance of Power: Theory and Practice in the 21st Century* (Stanford: Stanford University Press, 2004).

two great powers is built on mutual understanding and respect for one's counterpart's core interests, and such understanding can translate into a diplomatic mechanism. To establish a cooperative system at a global level or in a certain region, the United States and China must be recognized as great powers distinctive from other states. To use the example of old Europe, two states must have institutionalized conference diplomacy for various issues and at multiple levels, and the results from such conference diplomacy must be backed by authorities at a very high level. But a question may arise as to whether it is possible to hold mutually exclusive interests in clearly distinguished fields, considering the character of the globalized era. For instance, territorial disputes involving China, human rights issues, and ethnic minorities are not the sort of issues where the United States can easily conform with China's exclusive national interests.

The last suggestion is so-called "strategic cooperation" between the United States and China. This type of relationship basically develops on the foundation of a narrow gap of interests between two states regarding core issues or, in the case of a wide gap, China's recognition of the international order institutionalized by the United States. Therefore, in this case, the United States and China would follow the logic of a "balance of interests" in which both would gain increased common interests on regional issues, not to mention global issues. Strategic cooperation between the United States and China is basically a coexistence of competition and cooperation at the regional and global levels, but it also requires communal efforts to prevent from one side gaining excessive benefits or being burdened by excessive losses. In the reality of international politics, where power is fluid, the problem is of course that strategic cooperation cannot be maintained at the institutional level. But considering that the differences between the two civilizations are greater than we have seen in the history of "great power politics," and considering the complex power relations among states in the environment of network diplomacy, strategic cooperation may have more practicality than "hostile rivalry" or "great power cooperation."⁶

6. For the consequences of "networked diplomacy" in power politics, see Joseph

Transformation of U.S.-China Relations & Northeast Asian Security Structure

In the new global power relations of the U.S.-China era, two aspects differ from the past. One is the complex nature of China's rise, and the other is the idea that G2 relations can be viewed as a sort of choice made by the United States, the existing global power. To support the first point, China has what is called "duplicity of ability," meaning China is a poor state with great economic power and a powerful state with many problems. Such aspects can be explained by the complexity of global influence that derives from China's national identity. As can be expected from the phrase "the age of non-polarity," the global influence of any state other than the United States is likely to be limited.⁷ In regard to the second point, the Concert of Europe and the U.S.-Soviet bipolar system can hardly be viewed as the result of one side's choice. The global influence of the Soviet Union was not a result of the U.S.' strategic choice (though the revisionists' contribution is recognized in the opposite way). On the other hand, in the case of G2 relations, although it has no choice but to accept China's rise, the United States still has several strategic options including management of China through the U.S.-Japan alliance and a full-scale power balancing strategy.

The transformation of the world order with the coming of the U.S.-China era is a vital issue to South Korea because this transformation will develop most prominently in the Northeast Asian region and will have an enormous influence on South Korea's reunification strategy. During the post-Cold War period, as in the Cold War period, the United States has constantly gained benefits in the Northeast Asian region through reinforcement of relations with existing allies, a diplomatic partnership with China, an extensive security network in

S. Nye, *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004); Joseph S. Nye, *The Power to Lead* (Oxford: Oxford University Press, 2008).

7. Richard N. Haass, "The Age of Nonpolarity," *Foreign Affairs*, May / June 2008.

the Pacific including Australia and New Zealand, and participation in the East Asian regional discussion through APEC (Asia-Pacific Economic Cooperation). The United States has proceeded to build “America’s East Asia” at three overall levels. First, the United States has made strategic use of the absence of multilateral security mechanism in East Asia by continuously promoting the logic that East Asia needs the presence of the United States. Especially in the post-Cold War period, the United States has established a new, loose, multilateral security cooperation system that adds to the previous security alliance structure, building future-oriented security cohesion between the United States and East Asia. Second, the United States expects that steady economic growth and economic integration in East Asia will strengthen the region’s multilateral diplomatic relations, and as a result, lead the region to observe international norms and accept American ideologies and values. Intensified economic integration in the East Asian region will heighten the need for economic openness, liberalism, and fair trade, and such transformations are expected to ultimately lead East Asia to accept the global standards promoted by the United States with more enthusiasm. Third, the United States is promoting “transformational diplomacy” to maintain its unipolar status which has continued since the end of the Cold War and to create a new global leadership. The U.S.’ transformational diplomacy, based on public diplomacy, non-governmental diplomacy, and reinforcement of the knowledge basis for foreign relations, is expected to actively contribute to focusing the East Asian order on the United States.⁸

To sum up, U.S. interests in East Asia consist of the security and economic benefits it has acquired during the Cold War era and the continuance of its role as the active “regional balancer” has been seen in the post-Cold war period. Specifically, the general interests promoted by United States include “management of proliferation of weapons of

8. Regarding the U.S. national interests in East Asia in the post-Cold War era, see G. John Ikenberry, “America in East Asia: Power, Markets, and Grand Strategy,” in Ellis S. Krauss and T.J. Pempel (eds.), *Beyond Bilateralism: U.S.-Japan Relations in the New Asia-Pacific* (Stanford: Stanford University Press, 2004).

mass destruction," "deterrence of emergence of a regional hegemonic power," "maintenance of stability among great powers in Eurasia," "securing peace in the Middle East and influence on the region," "U.S.-centered economic growth," and "propagation of democracy and liberalism."⁹ To translate these interests into East Asian terms, they can be described as "steady management of China's growth," "reinforcement of relations with regional allies including Japan and South Korea," "steady role of the United States as the heart of the world economy," and "active propagation of democracy in the region." These interests show certain distinctions from U.S. interests in other regions, reflecting the geopolitical nature of the Northeast Asian region.

Although this may be a simplification, the great power politics surrounding the U.S.-China relationship involve a basic operating principle consistently found in Northeast Asia. More specifically, the core actor in the major power relations of Northeast Asia is the United States. This observation may be viewed as obvious considering that the U.S. has enjoyed hegemonic status in the world order since World War II, but it is not unusual for the security order of a region to differ from the global security order. For instance, in the case of the regional security order in the Middle East, it is hard to say the U.S.' status as a great power has helped it dominate over Israel or other Arab states as a decisive actor. Also, the relations among Japan, China and the United States have continuously exhibited an asymmetrical tendency in the form of "United States and Japan versus China." Of course, it is not easy to conclude that U.S.-Japan adhesion is the result of choices made by either side. Simply in terms of the political and economic systems of Japan and China and their historical animosity, the difficulty of a China-Japan adhesion is convincing, but considering the hostility and confrontation between the United States and Japan during World War II, there is no easy explanation for the successful management of U.S.-Japan alliance.¹⁰

9. See Condoleezza Rice, "Rethinking the National Interest: American Realism for a New World," *Foreign Affairs*, July / August 2008.

10. Christopher W. Hughes and Akiko Fukushima, "U.S.-Japan Security Relations –

Meanwhile, there are two perspectives to consider when speculating about the new U.S.-China relationship that will develop in the Northeast Asian or the East Asian region. One involves a logic known as “balance of power within the region” in theories of international politics. In the case of Europe, the growth and rise of Germany was naturally balanced by developments of a geopolitical nature and curbing efforts by neighboring states, but in the case of East Asia, according to the theory, there is no power capable of keeping rising China in check.¹¹ As a result, from the end of WWII until now, U.S. strategy has constantly been the most important factor at work in Northeast Asian regional security, with the goal of deterring China. Eventually, this has come to mean that to cause a fundamental transformation in the U.S.-centered Northeast Asian security structure, a state must emerge that can counter-balance U.S. power, but such counter-balancing requires participation by China and a group of states that can be transferred to Chinese leadership. However, in theories of international politics, the degree of power gap between a superpower state and a second-ranked state is very important. Considering the serious military power gap between the United States and China and the geopolitical structure consisting of Russia, India, Japan, and Central Asia, there seem to be few Asian states willing to participate in a China-led attempt to counter-balance the United States. Therefore, it is highly likely that the United States will not easily give up its role as a power balancer in East Asia.

Another perspective involves the issue of whether the East Asian security structure provided by the United States is a more peaceful choice than any other alternative. If the states in the East Asian region recognize such a security structure as a way to prevent wars by preemptively blocking competition among major powers and

Toward Bilateralism Plus?” in Ellis S. Krauss and T. J. Pempel (eds.), *Beyond Bilateralism: U.S.-Japan Relations in the New Asia-Pacific* (Stanford: Stanford University Press, 2004).

11. Ihn-hwi Park, “Sino-Japan Strategic Rivalry and the Security of the Korean Peninsula,” *The Korean Journal of Defense Analysis*, Vol. 19, No. 1 (Spring 2007), pp. 79-102.

providing a means to maintain diplomatic relations among competing powers at a certain level of tension, then a transformation in the security structure caused by the rise of China may not be deemed serious. Certainly, U.S. strategy has been gradually shifting from direct intervention to offshore balancing, and the conventional structure of its bilateral alliances is expected to undergo a fundamental transformation to prevent excessive spending and advancement of diplomatic resources;¹² still, the United States' role as a security balancer is not likely to be assumed by China.

The Post-Kim Jong-il Era and the Northeast Asian Security Structure

The Nature of North Korea's Nuclear Diplomacy & the Post-Kim Jong-il Era

At this point in time, the new development of U.S.-China power relations holds a special significance for South Korea because Kim Jong-un's new leadership in North Korea comes at a time of critical transformation in the regional order in Northeast Asia—or East Asia, in a broader sense. How will North Korea's foreign relations be affected by the convergence of Kim's new leadership and the new era of U.S.-China relations that is about to begin? To answer this question, it is important to understand the character of the “nuclear diplomacy” that North Korea has pursued for the past two decades in the post-Cold War period and North Korea's national interests in regard to its diplomacy.

The North Korean nuclear issue has become the most essential matter in North Korea-U.S. relations since the end of the Cold War. In

12. Conceptually, the “offshore balancing strategy” is not compatible with the “re-engagement in Asia policy.” But it is also true that U.S. engagement must be implemented in a different way than of her previous intervention policy. Regarding offshore balancing, see Stephan Walt, “Offshore Balancing: An Idea Whose Time Has Come,” *Foreign Policy*, November 2011.

regard to this issue, there are two preconditions at work. One is North Korea's will to promote its most core value, "the survival of North Korea," through the diplomatic means of nuclear weapons development even at the risk of its other national interests. The other is the United States' most important core value of the post-Cold War international security, which is the stable management and control of nuclear weapons. The United States and North Korea have distinct national interests. Why is it that the core North Korean problem of the nuclear issue has remained unresolved for the past twenty years?

In this regard, two points may be suggested. One is the fundamental difference between North Korea and the international community in perception of nuclear development strategies. After posing the nuclear issue, North Korea has seen neither an improvement in economic conditions nor international society's commitment to North Korea's sovereignty and security, yet North Korea still has not withdrawn its nuclear strategy. In short, it clings to continuous development of nuclear weapons even though there seems to be no benefit to it. The reason is that the North Korean definition of national security completely differs from that of a normal member of the international community.¹³ North Korea equates "leadership security" and "regime security" with "national security." Therefore, if Kim Jong-un, the successor to Kim Jong-il's regime, believes that nuclear weapons are the most effective means of securing the safety of power elites, with himself in the center, and concludes that such a stance will maintain the national security of the whole North Korean society, then he will remain determined to pursue nuclear diplomacy. This point of view is in stark contrast with the universal understanding of the international community, which considers national security to be the result of a process of "securitization" based on social consensus and the total sum of national interests.¹⁴

13. See Emma Chanlett-Avery and Mi Ae Taylor, *North Korea: U.S. Relations, Nuclear Diplomacy, and Internal Situation* (Washington, DC: Congressional Research Service, 2010).

14. Regarding the meaning of securitization, see Ralf Emmers, "Securitization,"

The other point is that in order for the U.S. engagement strategy toward North Korea to produce a meaningful outcome for the denuclearization of the Korean peninsula, there must be policy coordination between key players in international society. In addition to the cooperation system among South Korea, Japan, and the United States, it is imperative to draw cooperation from China, the chief benefactor of the North Korea problem.¹⁵ But conventionally China has provided the North Korean economy with comprehensive support including energy supplies, and the Chinese government's economic aid has considerably offset the effectiveness of U.S. policies toward North Korea. Under the circumstances, assuming that the views of the United States and North Korea fundamentally differ, neither side has much chance of achieving a diplomatic victory. Furthermore, while inheriting Kim Il Sung's "ideological power" and Kim Jong-il's "military power," Kim Jong-un has set "economic power" as a key national goal, which will lead to more vigorous economic exchanges between North Korea and China.¹⁶ Moreover, North Korea will attempt to take the lead on the East Asian security issues until the rise of China acquires a larger influence in East Asian regional security order.

The so-called "why question," first posed at the beginning of North Korea's attempt to develop nuclear weapons, no longer seems a mystery. The main purpose of North Korea's nuclear development doesn't seem to "use as a diplomatic tool," but to "acquire the status of a nuclear power." Kim Jong-un, the heir to his father's diplomatic strategy of "attaining nuclear power status," is likely to also be tempted by the national benefits that nuclear weapons can bring. Perhaps his nuclear diplomacy will go one step beyond that of his father and demand that international society, including the United States and

in Alan Collins (ed.), *Contemporary Security Studies* (Oxford: Oxford University Press, 2010).

15. Ihn-hwi Park, "Korea-U.S. Alliance under the Obama Administration: On the Perspective of Alliance Strategy and North Korea Problem," *IFANS Review*, Vol. 16, No. 2 (February 2009), pp. 1-22.
16. Marc McDonald, "In North Korea, Same as the Old Bosses," *International Herald Tribune*, February 26, 2012.

South Korea, specifically respond as follows.

First, it is anticipated that North Korea will attempt to identify itself as a new type of nuclear state. As is well known, North Korea argues that it has never once leaked any nuclear-related technology or material outside of the Korean peninsula, even after two nuclear tests.¹⁷ Also, despite the logical contradiction, North Korea repeatedly stresses that the denuclearization of the Korean peninsula was one of Kim Il Sung's final injunctions.¹⁸ This means that up to now North Korea has constantly nuclear power status, restricting its strategic significance to Northeast Asia. In other words, North Korea demands U.S. approval of its nuclear weapons, while restricting their strategic significance to Northeast Asia for a certain period. In return, North Korea would agree not to disrupt the global security interests of the United States. If the U.S.-China confrontation grows more pronounced in the Northeast Asian region as China continues its international political and economic growth, North Korea may well strengthen its diplomatic stance, and it will never give up its nuclear weapons unless its survival and stability are guaranteed permanently.

Furthermore, these strategic demands from North Korea will in the end lead to an increase in the cost of regional stability in Northeast Asia. North Korea may claim that it respects the symbolic aspects of global security and the global economy, but in order for the economic growth dynamic to continue, neighboring states must pay the "peacekeeping costs" of maintaining the North Korean system. As seen from South Korea's appeasement policy toward North Korea, which was viewed as certain peacekeeping cost for stability in Northeast Asia and on the Korean peninsula, the logic of North Korea's demand for peacekeeping costs will become more elaborate and seemingly legitimate as Northeast Asia's stability becomes even more important to the G2 states as their policies for Asia develop. Ultimately, North Korea will define its existence as an essential prerequisite for the

17. *The New York Times*, "World Topic: North Korea," May 17, 2012.

18. Since North Korea recently specified its nuclear status in its Constitution, hereafter this position could be changed.

maintenance of peace in Northeast Asia, and whether intended or not, if such logic persists, the road to peaceful reunification will only grow longer.

North Korea, the Rise of China, and the U.S. Re-engagement Policy

What are the specific details of the rise of China and U.S. re-engagement policies toward Asia, and what impact will they have on North Korean issues in the post-Kim Jong-il era? These days, U.S. political leaders assert that if the 20th Century U.S. diplomacy has evolved around its investment and interest in Europe, in the 21st Century the diplomatic focus will shift toward Asia. Secretary of State Clinton has specified how the United States plans to utilize the Asian growth engine of the 21st Century and thus Asian geopolitical dynamics will be vital to the future U.S. economy and security.¹⁹ In regard to South Korea, Clinton also stressed the importance of enhancing the South Korea-U.S. bilateral security alliance along with the U.S.' partnership with Japan, Australia, Thailand and the Philippines. In the Defense Strategy Review released in January 2012, President Obama made clear that U.S. military power around the globe would be reduced effectively. However, highlighting the increased strategic significance of the Asian region, he clarified that the existing U.S. military force in the region would remain, and furthermore, be qualitatively reinforced in the future.²⁰ This is a key example confirming the importance of Asia in terms of security, a core area of U.S. national interest. Most of all, considering the strategic value of China as a rising political and military power in Asia, U.S. security interests in Asia cannot be overemphasized.

Moreover, the United States thoroughly acknowledges the importance of Asia as the world economy's growth engine, accounting for more than half of total global production. To cite an example, in 2010, annual U.S. trade with the Asia-Pacific region reached 1.1 trillion dollars,

19. Clinton, *ibid.*

20. Douglas H. Paal, "Obama in Asia: Policy and Politics," *Asia Pacific Brief*, December 2011.

almost twice the amount of its trade with Europe (670 billion dollars). Therefore, the new market in Asia and increasing investment and trade with the region are expected to play the most important role in the U.S. economy. The Korea-U.S. Free Trade Agreement, ratified in 2011 with parliamentary approval from both South Korea and the United States, and the Trans-Pacific Partnership both reflect U.S. economic interests. Additionally, the development of U.S. economic exchanges with India, Vietnam, and Malaysia clearly demonstrates how U.S. economic-strategic interests encompass the whole Asian region.

Lately, the United States has promoted its “Asia First Policy,” which interestingly is starting as the United States puts an end to the extensive war on terrorism that has continued for the past decade.²¹ The United States has announced it plans to complete the withdrawal of its troops from Afghanistan by 2014. As it ends two massive wars in the Middle East (Iraq and Afghanistan), the United States seems to be concentrating its available resources in Asia. To use a journalistic expression, this foreign policy of the United States can be called a “re-engagement policy” toward the Asian region. As is widely known, Asia has risen to the core of U.S. diplomacy because of China. As analyzed in the first half of this paper, the G2 power relationship has caused the United States to concentrate its power in Asia, and the purpose of this paper’s focus on the North Korean nuclear issue is to understand the security of the Korean peninsula in a more comprehensive sense amid the increasingly conflicting U.S.-China diplomatic relationship.

How is Kim Jong-un, the new leader of North Korea, adapting to the current changes in the Northeast Asian diplomatic environment coinciding with his regime’s emergence? As observed previously, the fundamental goals of North Korea’s nuclear diplomacy are to eliminate threats against its regime and to become a normal member of the Northeast Asian region, as defined by its economic growth and dynamics. Paradoxically, any kind of international effort to pursue

21. *The New York Times*, “Obama’s Trip Emphasizes Role of Pacific Rim,” November 18, 2011.

peaceful reunification of the Korean peninsula will be viewed as a threat by Kim's North Korea. In that case, taking into account the U.S. re-engagement policy to Asia and the rise of China, Kim has only one strategic option. As the United States emphasizes Asia's continued stability and advancement, North Korea can use the nuclear card to threaten the Northeast Asian order, increase its own strategic value, and ultimately force the United States to accept the permanence of the North Korean regime. Meanwhile, North Korea continues to emphasize the importance of its existing diplomatic relations with China in order to develop reciprocal economic gains. While recognizing that China has a certain influence on North Korean issues, North Korea will try to maintain its traditional alliance partnership with China to prevent the United States from wielding excessive influence on the peninsula. Therefore, it is possible to speculate that in the G2 era, Kim Jong-un's foreign policies may grow more unpredictable and difficult to tackle than his father's.

Also, it must be pointed out that the North Korean nuclear issue has specific implications that can only be interpreted in terms of the Northeast Asian security mechanism. Most importantly, North Korea knows better than anyone else about the "Northeast Asian significance" of its nuclear strategy. North Korea knows well that its distinct nuclear strategy acquires diplomatic power only when the game unfolds at the level of the Northeast Asian region, and for this reason, the more important Asia becomes to the United States and China, the more effective North Korea's nuclear game becomes in the restricted region of Northeast Asia. This reckoning leads South Korea and the international society to suspect that North Korea may be looking for a U.S. guarantee of a peace regime so as to participate in the stability and economic growth of Northeast Asia, and that perhaps North Korea is willing to establish normal international relations with the international community as well.

A Historical Contingency?: South Korea's Strategic Concerns

In this final section, this paper will focus on South Korea's strategic options for peaceful reunification of the Korean peninsula. If Asia's strategic value grows considerably as a result of the new power relationship between the United States and China, North Korea's post-Kim Jong-il regime may ramp up the severity of North Korean issues by reinforcing its peculiar brinkmanship strategy in order to promote North Korea's continuous survival, and further undermine South Korea's strategy for peaceful reunification. However, if South Korea makes strategic use of the momentum for change in North Korean society, which will come in one form or another even if it is unintended, it could make a meaningful contribution to peaceful reunification. What must be done to achieve this strategic goal?

First, as two decades of experiences have shown, dividing the issues of inter-Korean relations between "the North Korean nuclear issue" and "non-nuclear issues" is not helpful. Paradoxically, one of the unintended but critical consequences of Kim Jong-il's past nuclear diplomacy is that every approach made by South Korea and the international community toward North Korea divided the nuclear issue and other issues. What is needed to solve the North Korean nuclear issue is a negotiation strategy that rises above the nuclear issue, but South Korea's public sentiment tends to view North Korea as either "a state with nuclear weapons" or "a target of the Sunshine Policy," which does not help to improve inter-Korean relations.²² Therefore, South Korea needs to plan a more careful strategy toward Kim Jong-un's North Korea, one that divides the agenda of the inter-Korean relations into various areas and issues. Looking back at past experience, it is not helpful for the relations between the two Koreas to be strained by emphasis solely on the nuclear issue, nor is it wise to expose South Korea to condemnation for providing North Korea

22. Sung-han Kim and Geun Lee, "When Security Met Politics: The Denuclearization of North Korean Threats during the Kim Dae-jung Government," *International Relations of the Asia-Pacific*, Vol. 11, No. 1, 2011, pp. 25-55.

with excessive aid due to the focus on “overall improvement of relations” to the neglect of the nuclear issue.

Furthermore, it is possible to say that the former Kim Jong-il used the nuclear issue as a means to expand the security situation on the Korean peninsula into a global matter, justifying intervention by international players such as the U.S. and China. On reflection, North Korea eventually partially succeeded in strengthening its international influence in the process of addressing Korean peninsula issues and in maintaining the traditional confrontational relationship between the two Koreas in the form of “North Korea versus the United States” or “North Korea versus the international community.” Thus, South Korea and the international community must work together to build a strategy that incorporates a diverse agenda, keeping contacts within North Korea and preparing for any possible change of Kim Jong-un’s leadership.

Second, in regard to carrying on policies toward the North, South Korea must maintain a strategic balance between “inter-Korean factors” and “international factors.” If the United States and China’s political will to exercise influence on the peninsula grows stronger due to the U.S. re-engagement policy and the rise of China, maintaining a balance between these two sets of factors becomes even more difficult. In retrospect, South Korea has lost some of its balance and leaned toward Korean peninsula factors during the ten-year period it was governed by the two progressive governments of Kim Dae-jung and Roh Moo-hyun. Whereas during the Lee Myung-bak administration it leaned more toward international factors, essentially making the same error. The North Korean issue has two aspects: one is “the management aspect,” i.e., safely managing the security situation on the Korean peninsula, and the “North Korean transformation aspect,” i.e., pursuing the ultimate transformation of North Korean society.²³

In the process of approaching North Korea, we must maintain a balance between “Korean peninsula factors,” centered on South and North Korea, and “international factors,” centered on the United

23. Sung-han Kim and Geun Lee, *ibid*, pp. 30-35.

States, China, and the international community. But in reality, this is extremely difficult. Especially, as mentioned previously, if Kim Jong-un's North Korea increases its dependence on China and aggressively promotes bilateral talks, South Korea will experience more difficulties balancing the Korean peninsula approach and the international approach when implementing its policies toward North Korea. Therefore, taking these aspects into account, it is more urgent than ever for South Korea to avoid splitting public sentiment, appropriately distribute its diplomatic resources for North Korea policy, and balance its diplomatic position between the United States and China. In addition, the South Korean government should not waste its energy on domestic disputes over the possibility of North Korea temporarily abandoning its relations with the South and attempting direct negotiations with the United States.²⁴

Third, bringing peace to the Korean peninsula depends on whether the U.S.-led moderates can maintain the momentum for diplomatic dialogue and peaceful approaches in negotiations with North Korea. In other words, it is important to establish a structural international cooperative system and at the same time, maintain long-term, logical and emotional bonds among South Korea, North Korea, and moderates groups within China.²⁵ In the era of Kim Jong-il, hard-liners and compliant groups have always maintained balance inside North Korea, working as a domestic political factor within North Korea. In the era of Kim Jong-un, South Korea and the international community must provide more aggressive support to overcome the soft-liners' limitations and strengthen their position. For instance, as long as North Korea shows any meaningful signals to participate in negotiation talks on nuclear issue, the U.S. and South Korea need to respect the previous

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24. Most recently, after the announcement of the February 29 U.S.-DPRK agreement, the South Korean public has been divided into two groups: "ROK-U.S. policy coordination first" vs. "U.S.-DPRK negotiation process first."
 25. Although liberals in each of these three countries differ in terms of their specific policy positions on the North Korea problem, they share a lot in terms of foundational matters such as the importance of negotiation, nuclear capabilities as an eventual bargaining chip, the strategic significance of U.S.-DPRK bilateral talks, etc.

resolutions such as the September 19 Joint Statement of 2005.

Of course, in the process of diplomatic political decision-making, a certain degree of competition and coexistence between hard-liners and soft-liners is inevitable, which means that the diplomatic tactics of dialogue and coercion must coexist even in the negotiation process with North Korea. Also, among international moderates it is impossible to find complete homogeneity in the political or ideological sense. However, the use of force should not be tolerated on the Korean peninsula, and the argument that the North Korean nuclear issue must be solved by peaceful means to ultimately bring North Korea into international society remains legitimate. Once Kim Jong-un's North Korea starts to communicate with the international community, the important thing is to maintain and reproduce that momentum. Viewed in this light, the pre-existing institution of the Six-Party Talks must be resumed; while retaining the framework of the Six-Party Talks, perhaps we should promote the aspect of direct negotiation between the United States and North Korea.

Finally, because of the weak and unstable leadership, Kim Jong-un's North Korea will be overwhelmed with anxiety and security threats much more daunting than that which was experienced during his father's reign. Therefore, South Korea's future policies toward North Korea must be developed in the form of "combination" or "winning-over" strategies to relieve North Korea of fundamental anxiety, and at the same time give structural influence to the North Korean system. It is widely known that it is difficult to seize the momentum to resolve the North Korean nuclear issue due to the distinct character of the Northeast Asian security structure and U.S.-China relations. But since Kim Jong-un's main goal lies in improving North Korea's economic status, it can be anticipated that in the near future, external support and influence will grow more significant in North Korea, creating momentum for North Korea's transformation one way or another.²⁶ In order to strategically capture that momentum,

26. "Young Heir Faces Uncertain Transition in North Korea," *The New York Times*, December 20, 2011.

peace on a small scale must be continuously accumulated via progress on a variety of issues, and the United States will be a very valuable cooperative partner in accumulating this “small peace.” In order to achieve this, as mentioned previously, the North Korean soft-liners must be provided with an environment in which they can constantly stand out and take action. Also, a critical task of the U.S. moderates will be to continuously carry the momentum in dialogue with North Korea.

Conclusion

Not all powers can secure global hegemonic status. Conventionally, the elements of hegemonic power consist of advanced military power, economic power, cultural power, and the ability to realize these powers at institutional levels. Seen in this light, many problems may arise if China is to achieve the status of a hegemonic power. But China’s vast territory, overwhelming population size, long history, continuous high growth, and the factors comprising China’s national identity overlap with the aging of the U.S. global presence, which seems to allow the United States and China to share some global responsibilities. International politics, which has more of a repetitive character than any other field, helps us to speculate about historical repetition and new phenomena that may arise in the U.S.-China era, based on the Concert of Europe in the 19th century and the bipolar system during the Cold War in the 20th century. Especially in terms of the great power politics of the past, the fact that each individual power has promoted distinct interests has many implications for South Korea, because if the Korean peninsula and North Korean issues are included among China’s interests, this will inevitably present challenges for South Korea’s strategic concerns.

The new power relationship between the United States and China suggests an increasing possibility of conflict due to the U.S. re-engagement policy and China’s vigorous rise. Viewed from the Korean peninsula perspective, this historical transitional period has ironically

coincided with a considerable transformation within North Korea – the death of Kim Jong-il and the emergence of the Kim Jong-un regime. As has been observed throughout this paper, the diplomatic environment known as the “G2” may possibly give North Korea a vague hope for the future and cause it to ramp up the brinkmanship diplomacy inherited from the previous leadership. Nonetheless, the primary goal of Kim Jong-un, who inherited his grandfather’s ideology and father’s military power, seems to lie in solving the economic problems.²⁷ If North Korea attempts to expand its economic relations with China, improve relations with the United States and the international community, and capture the momentum to transform its relations with South Korea, it may end up unintentionally lending momentum to the ultimate transformation of the entire North Korean society. Against this backdrop, South Korea must strive to ensure that the only option for North Korea is to embrace the changing environment in which the United States and China aim to increase their influence on the Korean peninsula, and accept the momentum for transformation.

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27. *Ibid.*

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