

EAI Commentary No. 28

EAI Security Net

Chair
Young-Sun Ha

Panel
Chaesung Chun
Dongho Jo
Yang Gyu Kim

EAI Security Net Commentary seeks to play a leading role in providing profound perspectives and timely suggestions toward current issues.

The East Asia Institute
909 Sampoong B/D
310-68 Euljiro 4-ga
Jung-gu
Seoul 100-786
Republic of Korea

© EAI 2013

ISBN
978-89-92395-47-2 95340

www.eai.or.kr

Responding to North Korea's Nuclear Test: Complex Approach of Military, Economy, and Politics

March 14, 2013

Following North Korea's third nuclear test on February 12, 2013, various countermeasures are now under discussion in the major capitals of the concerned parties. Washington has admonished Pyongyang, stating that provocations such as nuclear tests will only intensify North Korea's isolation. The Obama administration has also forewarned North Korea that it will strengthen the Missile Defense system and that there will be firm reactions from the international community. For its part, Beijing has emphasized a levelheaded approach by requesting United Nations (UN) Security Council discussions on collective efforts to promote not only the denuclearization and nonproliferation of nuclear weapons on the Korean Peninsula, but also measures to enhance regional peace and stability in East Asia. Seoul, currently holding the UN Security Council presidency, has insisted on taking all measures to ensure North Korea's nuclear disarmament by closely cooperating with the international community. At the same time, some groups within South Korean society have advocated the pursuit of nuclear weapons in addition to delaying the transfer of wartime operational control and pushing for the redeployment of U.S. tactical nuclear weapons.

The main difficulties with these countermeasures are that they lack a comprehensive examination of the nuclear situation on the Korean Peninsula. Before discussing countermeasures, it is crucial to understand the background of North Korea's provocations and to properly interpret the direction of the

Kim Jong-un regime's survival strategy. Since the first nuclear test in October 2006 to its recent third test, North Korea and the international community have repeated a vicious cycle of talks and negotiations through UN sanctions, bilateral and six-party talks; missile launches; and nuclear tests. Simply focusing on countermeasures for the North Korean nuclear problem, will, as always, bring about confusion once again when North Korea shifts to a "peace offensive" and requests dialogue among relevant parties after it has conducted a nuclear test.

Third Nuclear Test and the Strategic Goal of the Kim Jong-un Regime

To understand correctly the purpose of the Kim Jong-un regime's third nuclear test, it is necessary to carefully observe how the content of North Korea's official statements has changed after the third nuclear test, in comparison to the official statements released after the previous two tests.

First, after the third nuclear test, North Korea asserted through its foreign ministry spokesperson that "The DPRK's third nuclear test is a resolute step for self-defence taken by it to cope with the U.S. hostile act against it" and announced that "the main objective of the current nuclear test is to express the surging resentment of the army and people of the DPRK at the U.S. brigandish hostile act and demonstrate the will and capability of Songun

“Ultimately, it can be understood that the Kim Jong-un regime aims to attain autonomy as well as economic progress through its nuclear program.”

Korea to defend the sovereignty of the country to the last.” This announcement corresponds with North Korea’s official statement after the first nuclear test in 2006. Despite the emergence of the new Kim Jong-un leadership, North Korea’s analysis of international politics and creation of its own survival strategy from a militaristic perspective have not changed significantly.

However, it is important to notice that with its third nuclear test, North Korea has begun to stress economic development as well as sovereignty. According to spokesperson of the Ministry of Foreign Affairs, “it was the DPRK’s goal to focus efforts on economic construction and the improvement of the standard of people’s living by dint of nuclear deterrence for self-defense provided by the great Generalissimo Kim Il Sung and Kim Jong Il all their lives.” This also reflects two important speeches made by Kim Jong-un in January 2013 in the buildup to the third nuclear test. On January 26, in his guidance speech to a meeting of national security and foreign affairs officials, Kim Jong-un stated, “This has thrown a grave obstacle to the efforts to be focused by the DPRK on economic construction so that the people may not tighten their belts any longer on the basis of the war deterrence for self-defense provided by leader Kim Jong Il all his life.” This announced that the initial purpose of North Korea’s increasing its war deterrence capability and nuclear power was to focus on economic development. On January 29, in his speech at the Conference of Party Cell Secretaries, Kim Jong-un even claimed, “Now we have taken the initiative more firmly in the face-off with the imperialists and it is a matter of time to bring about a turn in the building of an economic giant and the standard of the people’s living.”

Ultimately, it can be understood that the

Kim Jong-un regime aims to attain autonomy as well as economic progress through its nuclear program. As can be seen from the statement by North Korea that “the army and people of the DPRK have drawn a bitter lesson of history that a country and nation without sovereignty has a fate worse than that of a dog of a mourner’s house, to say nothing of having stability and the right to development”, it has repeatedly claimed that to protect autonomy is above all the “the supreme interests of the country.” From this, it is clearly suggested that the militaristically prioritized perspective still dominates the Kim Jong-un regime. Nevertheless, at the same time, it is important to note that within North Korea, there is an unmistakably certain ambience that heavily emphasizes the necessity of development. Particularly, at the North Korean Political Bureau of the Party’s Central Committee Meeting on February 11, a day before the third nuclear test, the announcement that “underlined the need to resolutely foil all the hostile forces’ moves to isolate and stifle the DPRK by achieving proud victory in building an economic power and improving the people’s living standard” serves as an interesting point. North Korea’s focus on economic development in response to international pressure conveys a sense that change within North Korea is in progress.

What is the Future for the Kim Jong-un Regime after the Test?

The problem is that simultaneously securing nuclear autonomy and economic development is impossible. In order for North Korea to gain the capability for economic development, it is necessary to receive international support

“...it is important to convince the Kim Jong-un regime that policies for economic and social development will receive prompt and active support.”

through reform and opening. However, as long as North Korea holds onto nuclear weapons, few countries would be willing to offer economic aid. In fact, China, which always emphasizes the importance of regional peace and stability, has been the only country that is willing to provide minimal aid to prop-up the North Korean regime. For example, with respect to the discussions of making Wonsan into a special economic zone for tourism, large-scale foreign investment is essential. But with all the international tension over North Korea's current nuclear program, transforming Wonsan into a special economic zone is unlikely to succeed.

The Kim Jong-un regime now stands at the crossroads. North Korea will inevitably face strong international pressure and sanctions if it continues to secure its autonomy through nuclear development. In the process of enduring such sanctions, North Korea will gradually become a vegetative country which could lead to regime collapse. In North Korea, international aid and foreign investment are necessary in achieving economic development. Therefore, nuclear disarmament will be inevitable. Seeking economic development based upon denuclearization is the only way for the Kim Jong-un regime to evolve and avoid collapse. The Kim Jong-un regime must choose one option rather than have two contradictory goals.

Policy Options for the Park Administration

If pursuing autonomy and development through nuclear tests is the basis for North Korea's national strategy, South Korea and the international community's countermeasures must utilize complex diplomacy in response.

The principle behind Seoul's North Korea

policy, to which the Park Geun-hye administration must adhere to, is clear and evident. The goal is to lead North Korea out of its current survival strategy that relies upon nuclear military-first politics and help it search for a security and prosperity system based on nuclear disarmament. First of all, there is a need to respond firmly to the nuclear military-first politics by relaying a clear message through both military and economic measures. It is important that the nuclear military-first politics is perceived as a “cancer” that will eventually bring down the North Korean regime, rather than a “powerful might that [puts] the dignity of the nation on the highest level and firmly defending the sovereignty of the country” or a “powerful treasured sword.” At the same time, however, if North Korea evolves from a military-first to an economy-first policy, South Korea must be willing to fully support such a transition. In other words, it is important to convince the Kim Jong-un regime that policies for economic and social development will receive prompt and active support.

Therefore, the Kim Jong-un regime must receive two signals from South Korea before it can induce evolutionary change: 1) resolute response to North Korea's nuclear military first policy; and 2) full support for North Korea's search for an alternative survival strategy. Crucial in this respect is a complex diplomacy that encompasses military, economic, and political aspects.

First, South Korea's military deterrence needs to be strengthened. It is important to clearly set the limits of the nuclear military-first strategy as well as to safeguard national security. However, South Korea cannot strengthen its military deterrence through the possession of nuclear weapons or even the redeployment of U.S. tactical nuclear weapons.

“South Korea cannot strengthen its military deterrence through the possession of nuclear weapons or even the redeployment of U.S. tactical nuclear weapons.”

If South Korea decides to pursue nuclear armament, it may be able to strengthen its deterrence by partially creating a balance of terror vis-à-vis North Korea's nuclear capability. However, Seoul would not really be able to bear the costs of doing so. It must not only then face the consequences of defying the global nonproliferation regime, but also of strained relations with the United States. One must remember the failed effort President Park Chung Hee undertook to develop a nuclear deterrent in the 1970s. Following Park's intention to acquire nuclear weapons, the United States put forward three stages in which it would respond to such a decision: first it would withdraw support for the construction of South Korea's nuclear power plant; second, it would then cut off the transfer of nuclear technology; and third, it would not support efforts to modernize the ROK military. This shows how Park's effort to secure national security through nuclear weapons resulted only in seriously decreasing South Korea's overall deterrence capability.

The redeployment of tactical nuclear weapons is also not a feasible solution. In 1991, President George H.W. Bush ordered the withdraw of all land-based tactical nuclear weapons as well as all sea-based tactical nuclear weapons on surface ships, naval aircrafts, and attack submarines. Currently, the United States has a total of 760 tactical nuclear weapons in its arsenal: 200 of which are deployed at North Atlantic Treaty Organization (NATO) bases in Europe while the rest are stored in the continental United States. Simply put, tactical nuclear weapons are not really available for redeployment on the Korean Peninsula. In any case, the Obama administration has placed less priority on the use of tactical nuclear weapons for extended deterrence. Rather Washington be-

lieves that its strategic nuclear arsenal and conventional weapons are sufficient.

In this regard, the Deterrence and Defense Posture Review (DDPR), first presented in Chicago NATO Summit in May 2012, is very telling about how to strengthen military deterrence. The DDPR suggests that in the newly-changing security environment of the post-Cold War era, it is important to mix and balance nuclear and conventional tactics. The DDPR specifically calls for measures to strengthen comprehensive capabilities in the following four areas: missile defense, conventional weapons, extended deterrence, and reduction of armaments. Similarly, in response to North Korea's gradually increasing nuclear threats, it would be more appropriate for South Korea to strengthen its military deterrence capability with a balance among a Korean missile defense system, conventional weapons, and the U.S. extended deterrence, rather than rely upon an independent nuclear arsenal.

Second, economic measures require a complex approach. Sanctions should only be used to effectively neutralize North Korea's nuclear military-first policy. By inducing the regime evolution within North Korean society, it is more desirable to provide support measures which relate to improving the quality of life for the general people.

With North Korea's third nuclear test, the international community should increase the level of financial and trade sanctions against North Korea that will more exhaustively cut off funds which support its missile and nuclear programs. In particular, targeted financial sanctions similar to the action taken by the United States against the Macau-based Banco Delta Asia in September 2005 could be an influential policy measure. Such targeted financial sanctions can directly influence the

“... financial sanctions cannot be regarded as the only way to transform the nuclear military-first politics as Pyongyang has over the last six years devised its own countermeasures to circumvent international sanctions.”

Kim Jong-un regime by blocking North Korea's illegal financial activities. As numerous official statements by Pyongyang demonstrate, they have been strongly demanding for the revocation of the financial sanctions. In fact, the former Under Secretary for Terrorism and Financial Intelligence within the United States Department of Treasury Stuart A. Levey was able to take action that effectively blocked North Korea's proliferation-related transactions in April 2006 by building up a vast international support base for targeted financial sanctions.

Nonetheless, financial sanctions cannot be regarded as the only way to transform the nuclear military-first politics as Pyongyang has over the last six years devised its own countermeasures to circumvent international sanctions. Implementing tougher sanctions against North Korea is not likely to be effective as well since it has already been the subject of international sanctions for the past twenty years. As a matter of fact, according to UN Security Council Resolution 2087, which was adopted unanimously on January 23, 2013, North Korea has been under the “catch-all” controls that restrict the import and export of all items when there is reason to believe that such items are intended for military uses. Since there are not many measures possible to increase economic pain of Kim Jong-un regime, one needs to perceive both the effectiveness and limits of financial sanctions while searching for a feasible policy decision. As a result, a complex strategy that targets two different groups respectively should be utilized: a group of political elites who choose to continue to rely on the nuclear military-first policy and general people who could be a potential driving force for opening and reforms in North Korea.

The third dimension of the complex poli-

cy should cover the political aspect. Rather than simply stopping the development of the North Korean nuclear program, one must induce North Korea into choosing systemic reform from the nuclear military-first politics to a system of security and prosperity based on nuclear disarmament. In light of the likely overall costs to South Korea, collapse of the North Korean regime is an unacceptable outcome. In preparing for the possibility of sudden regime collapse and unification through absorption, Seoul should not rely upon this as its basic unification strategy. Instead a new blueprint should be embraced that includes the notion of coevolution. This would envision South Korea and the related countries building a peace and prosperity system on the Korean Peninsula and in East Asia which will evolve alongside North Korea if it chooses the path of regime transformation instead of its current path that will lead to regime collapse. With respect to this new blueprint, a clear signal should be sent that South Korea will actively lead the construction of a complex peace and prosperity system consisting of the two Koreas, the United States, China, Japan, Russia, and even the European Union and the United Nations.

To initiate a complex countermeasure policy consisting of military, economic, and political aspects, South Korea needs to create a policy system in which the Ministries of National Defense, Unification, and Foreign Affairs cooperate closely with each other. Since South Korea wants to see a North Korean regime evolve, rather than collapse, South Korea needs to strengthen its military deterrence capability and possibly implement economic sanctions in order to discourage Pyongyang from always relying upon its nuclear military-first politics. Additionally,

South Korea needs to clearly communicate its intention to lead the construction of a secure and prosperous Korean Peninsula based on nuclear disarmament which can be the path to symbiotic inter-Korean relations. South Korea must also convince North Korea of its intent to fully support the evolution of the Kim Jong-un regime. In this regard, as President Park has repeatedly emphasized during her presidential campaign, the Park administration needs to be selective in choosing between which previous North Korean policies to keep and discard. A major assignment for the Park administration is to overcome the simple dichotomy within South Korean politics between the Sunshine Policy and sanctions, and to pursue a policy for planning the co-evolution of the Korean Peninsula.

EAI Security Net _____

Chaesung Chun, Seoul National University

Young-Sun Ha, East Asia Institute

Dongho Jo, Ewha Womans University

Yang Gyu Kim, East Asia Institute