

## **THE FOURTH U.S.-ROK DIALOGUE ON UNIFICATION AND REGIONAL SECURITY**

### **ASSESSING NORTH KOREAN STABILITY AND PREPARING FOR UNIFICATION**

Two years after Kim Jong-un came to power and a year into the Park Geun-hye administration, the Korean Peninsula remains a significant potential flashpoint within East Asia, a region that is itself undergoing significant geopolitical shifts. Despite little progress evident in recent efforts toward denuclearization, President Park has nevertheless begun to emphasize and propose new initiatives to work toward the unification of the Korean Peninsula. In March, President Park delivered a landmark speech in Dresden, Germany, to highlight her administration's new focus on unification based on "humanity, co-prosperity, and integration" in which she declared that "we must build a new kind of Korean Peninsula: a peninsula free of nuclear weapons, free from the fear of war, and free to enjoy life, peace and prosperity."<sup>1</sup>

This vision of a stable, democratic, unified peninsula is one, which if realized, would have a dramatic impact on U.S. interests in the region. A unified and peaceful peninsula would contribute to greater regional stability and allow the United States to refocus its energy on other emerging security issues. At the same time, this goal will not be achieved easily or without close coordination and hard work from those with a stake in the process.

Unification of North and South Korea would involve a great number of uncertainties and constitute a major change to the status quo in Northeast Asia, particularly should unification occur as the result of a chaotic collapse or conflict. In the case of a sudden regime collapse, factionalism in the military could lead to internal war and anarchy at the state level, leaving the question of who would control nuclear facilities and weapons dangerously up in the air. The North Korean population would likely need humanitarian aid and relief on an enormous scale, with no clear designation of whose responsibility it would be to lead such a mission—the United States, the

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<sup>1</sup> For the full text of the speech, see "Full text of Park's speech on N. Korea," Yonhap, March 28, 2014, <http://english.yonhapnews.co.kr/full/2014/03/28/40/1200000000AEN20140328008000315F.html>.

Republic of Korea (ROK), or China, each with differing strategies and priorities. Unification thus poses a significant challenge both to the U.S.-ROK alliance and to regional stability.

The National Bureau of Asian Research (NBR) and the Korea Institute for National Unification (KINU), in partnership with the United States Institute for Peace (USIP), convened a high-level conference in Washington, D.C., on July 2, 2014 to consider several central policy issues related to the unification of the Korean Peninsula, including the current stability of the North Korean regime, current and future U.S. and South Korean policies toward the Democratic People's Republic of Korea (DPRK) and Korean unification, and the geopolitical implications of Korean unification for Northeast Asia. The discussion involved academics and policy professionals, as well as government representatives from both the ROK and the United States.

Following is a summary of the issues discussed. The views expressed herein are not necessarily those of the conference participants, or NBR, KINU, or USIP.

### **Assessing the Kim Jong-un Regime and Its Future**

A robust understanding of the state of the internal political landscape is essential for managing the continued threat posed by the DPRK, and if there is to be any progress in working toward the eventual unification of the peninsula. Yet, in the two years since Kim Jong-un rose to power, the stability and inner workings of the North Korean regime remain obscured to outside observers. Moreover, several major events—including the DPRK's third nuclear test; the sudden purge and execution of the regime's purported number two man, Jang Song-taek; the high rate of turnover among the Korean People's Army (KPA) leadership; and heightened tension over the Kaesong Industrial Complex—have been variously interpreted by external observers as indicators of the regime's strength or of its fragility. The next two to three years will be a critical period for determining the regime's long-term viability, with a number of important factors influencing the outcome. The most probable scenarios of internal instability could develop from one of two sources, or through some combination of both: power struggles among elites over issues such as control of hard currency operations or internal strife among the different elements of the Kim family.

According to the analysis of several outside experts, the regime seems to have undergone several transitional phases; beginning with the highly fluid period directly after Kim Jong-un took power.<sup>2</sup> In this first phase, figures from different constituencies, including the military, the Workers' Party of Korea (WPK), and the Kim family, held various roles of influence. Shortly thereafter, Kim Jong-un began consolidating power through a series of purges and appointments, most notably within the military, during which members of the Kim family came increasingly to the fore within the regime. Under this regency structure, Kim Jong-un's aunt, Kim Kyong-hui, served as the senior regent and is presumed to have exercised veto power over all decisions made at the senior level except those made by Kim Jong-un himself. Jang Song-taek was believed to serve as the titular second in command to Kim Jong-un, tasked with managing working-level operations, while Vice Marshal Choe Ryong-hae's role as junior regent was to ensure the loyalty of the military. These figures advised and aided Kim Jong-un while he adjusted to his role as ruler.

The most recent phase of Kim Jong-un's power consolidation process began with the purge of Jang Song-taek in late 2013. The post-Jang period has been characterized by the emergence of a new elite based on figures from the WPK Organization and Guidance Department and the State Security Department, field military officers, and young figures within the Kim Jong-un family line. Kim Jong-un appears to have become more dependent on the military, but at the same time his lack of military experience and constant shake-ups of the military leadership indicate a level of discomfort for the young leader and a potential spot for tension in the regime. This latest phase has also seen limited developments in the economic sphere and a diversification of the regime's foreign currency earning activities with the outside world to reduce dependence on exports of natural resources. This has included bolstering economic ties with Russia, pressing Japan to lift its unilateral sanctions, and increasing efforts to attract Chinese tourists to cities near the border. At the same time, though, internal control over ideology and public order remains very tight.

Analysis of the changing internal dynamics in North Korea helps inform policymakers' understanding of the future direction of the regime, the prospects for unification, and the potential for change in North Korean behavior or policy. Any potential path to unification, whether through

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<sup>2</sup> For example, see Ken Gause, *North Korean Leadership Dynamics and Decision-making Under Kim Jong-un: A First Year Assessment*, CNA Corporation, September 2013; Kyung-Ae Park and Scott Snyder, eds, *North Korea in Transition: Politics, Economy, and Society*, Lanham, MD: Rowman & Littlefield Publishers, 2012.

peaceful negotiation, internal regime change, catastrophic regime collapse, or conflict, will be directly affected by the power structure and internal politics at play in the DPRK. The power consolidation process of Kim Jong-un is not quite complete, but obvious threats to his stability have been managed for now and the regime appears relatively stable, though likely still vulnerable to any major challenge or disruption.

### **Allied Policy toward North Korea and Preparations for Korean Unification**

In order to effectively manage any major contingency regarding the DPRK, it is essential that the United States and South Korea continue to work on close policy coordination toward North Korea. The United States and South Korea remain united in their prioritization of denuclearization as an overarching policy objective. While shades of differences in planning exist between the two countries on implementation of sanctions and inducements, it is unlikely that these differences will add up to a serious divergence on the importance and necessity of achieving denuclearization. Specific U.S. and Korean policies to reach this goal, however, have thus far been unsuccessful at making meaningful progress. Issues beyond denuclearization where work must continue to be conducted to ensure effective policy coordination are numerous and include the post-unification role of the United States and U.S.-ROK alliance, North Korea's human rights situation, and South Korean cooperation and engagement with the North.

The Obama administration has remained consistently open to engagement with North Korea on denuclearization while maintaining a policy of "strategic patience." Under this policy, the administration has made future engagement conditional on the DPRK's first halting its aggressive behavior and demonstrating a willingness to abide by its international obligations and commitments. Many question whether this policy is achieving the desired result of convincing North Korea to alter its nuclear policy or instead just giving Pyongyang time to further develop its nuclear and missile programs. While there may be some merit to this criticism, other observers point out that the United States lacks better alternative policies, as responding to North Korean provocations with cycles of aggressive behavior followed by negotiations has in the past failed as well.

Another prominent issue is the North's abysmal human rights record. The recent UN Commission of Inquiry's report documenting "grave, widespread, and systematic human rights violations" has increased the pressure on North Korea to address these abuses, put international pressure on Beijing for its support of Pyongyang, and given the issue greater salience within alliance discussions. Based on North Korea's response to the report, it is evident that the regime is feeling increased pressure due to the distinct lack of support it receives from other nations on this topic. The UN continues to make progress in documenting these violations, a process that will be important in unification and integration considerations which will involve the difficult task of putting to right the abuses and ending entrenched policies that violate international law and the basic standards of moral decency.

The U.S. approach to unification and the subsequent issues related to the integration of the peninsula is to sustain an enabling environment for the unification process. The United States will maintain its security commitment to South Korea's defense, but the tasks of assuring stability on the peninsula and of integrating the two Koreas will, for the most part, be regarded primarily as a Korean national issue. As emphasized in the 2013 Joint Statement commemorating the 60th anniversary of the U.S.-ROK alliance, the United States seeks to "build a better and more secure future for all Korean people, working on the basis of the Joint Vision to foster enduring peace and stability on the Korean Peninsula and its peaceful reunification based on the principles of denuclearization, democracy and a free market economy."<sup>3</sup>

Meanwhile, South Korea remains committed to the principles of unification as articulated in Article 4 of the ROK Constitution, which seeks "peaceful unification based on the principles of freedom and democracy." To this end, it is important that the South continue to reach out to the residents of the North to convince them of the benefits of unification, including economic prosperity and democracy. While it remains the basic responsibility of the state to prevent provocations and respond firmly in the case of a military incursion, inter-Korean cooperation is also seen by Seoul as essential to help sway North Korea in the direction the South would like it

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<sup>3</sup> "Joint Declaration in Commemoration of the 60th Anniversary of the Alliance between the Republic of Korea and the United States of America," White House, Office of the Press Secretary, May 7, 2013.

to go. Thus, the dual policy of strong deterrence backstopping renewed engagement through President Park's *trustpolitik* initiative could be an effective strategy for South Korea to pursue.

As one of the most critical sources of stability in the region, the U.S.-ROK alliance must continue to focus closely on North Korean policy coordination on all levels—denuclearization, human rights, and unification policy and preparedness. Close dialogue and clear prioritization between the two allies can ensure their policies work in concert together. While neither denuclearization nor unification seems imminent, events on the peninsula are often unpredictable and fluid and the U.S.-ROK alliance must be prepared to respond to sudden changes through close coordination.

### **Regional Geopolitics and Korean Unification**

While ultimately unification of the Korean Peninsula will be decided and led by Koreans themselves, regional views and attitudes toward unification will also be highly influential and are important to consider. Despite President Park's recent push for South Korea and nations in the region to focus on unification, South Korea's neighbors have other priorities on the peninsula, including the nuclear and military threats and abductee issues, which reduce the prioritization of unification as a pressing issue. One factor contributing to this may be the anemic support for unification among many younger South Koreans, evidenced by recent surveys of public opinion<sup>4</sup> Regardless of the level of public support for unification issues in South Korea, neighboring states seem less enthusiastic about focusing energy on the issue for now. With decreasing domestic support in South Korea, peaceful unification is unlikely in the foreseeable future, and thus is not considered an imminent issue in other regional capitals.

At the same time, several regional actors stand to play important roles in either hindering or helping unification efforts. While some see Russia as being primarily a non-player on the Korean Peninsula, Russia and North Korea have recently enhanced their bilateral relationship. In April 2014, they signed an economic development protocol agreement to increase annual bilateral

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<sup>4</sup>For examples of public opinion polls, see Choi Kang, "Evaluating President Park Geun-Hye's Foreign Policy in Its First Year," The Asan Institute for Policy Studies. February 24, 2014. <http://en.asaninst.org/evaluating-president-park-geun-hyes-foreign-policy-in-its-1st-year/>; and Myoung-Kyu Park, et al., *Unification Attitude Survey 2013* (Seoul: Institute for Peace and Unification Studies, Seoul National University), pp. 26-33, 272.

trade. Russia forgave 90% of the \$11 billion in debt North Korea owed, a move that perhaps was meant to clear the way for a deal on a natural gas pipeline to run from Russia through the peninsula.

Of the nations with a significant stake in unification, China holds the most sway with North Korea. Most of North Korea's trade is with China, and many view it as the only state that can exert significant influence on Pyongyang. However, more recently, China and South Korea have signaled a growing closeness, causing some to hope that the two nations can work together on a North Korea policy, or at the very least that Seoul can exert greater influence on Beijing to rein in North Korea and make progress toward unification. However, there is reason to doubt both China's will and capacity to exert greater influence on North Korea. China has consistently valued stability over the inherent unpredictability of altering the status quo, despite claims by some in Beijing that its priorities may be shifting. Should Korean unification occur, some in China see several potential hazards to its national interests, including the loss of North Korea as a "strategic buffer," instability in northeast China due to an influx of Korean refugees, and the permeating influence of a democratic, free-market country on its border. More generally, some Chinese strategists are concerned that a unified Korea would be more threatening to Chinese interests than the status quo. In addition, recent indications that China and North Korea's relationship has become strained, such as the absence of a state visit in the wake of multiple meetings between President Xi Jinping and President Park Geun-hye and critical public statements by high-profile figures on both sides, have led to skepticism regarding China's capacity to exert influence over North Korea.

The United States continues to support unification as a matter to be settled by the Korean people, although Washington has a strong interest in a unified Korea that is denuclearized and is a bulwark of economic and political liberalism. The continued division of the peninsula carries tangible costs for the United States, including the billions of dollars spent annually to maintain a sizable military presence on the peninsula and the expense of an increasing missile defense budget to counter improvements in North Korea's intercontinental ballistic missile program. An ROK-led unification would remove the security threat that the North Korean regime poses to the United States and all of Northeast Asia and would reduce many of these associated costs.

While Moscow and Pyongyang have recently improved bilateral relations, Russia is not able to drive or shape the region as the United States and China can. But it could play a spoiler

role if it feels the unification process or the end state of unification runs contrary to Russian interests, and Russia is therefore still an important actor to take into consideration.

Although it has a somewhat less direct stake in the unification process, a final player with opinions on Korean unification is Japan. While some see a unified Korea as a potential economic and geopolitical competitor to Japan, others contend that for the time being the tremendous threat posed by North Korea outweighs any concerns about future competition. The United States and South Korea appear to hold somewhat differing views on who would pose the greater challenge to unification, China or Japan. American scholars see Chinese opposition to unification and integration as the larger challenge, whereas many in South Korea view China as more benign and Japanese opposition as more significant.

While South Korea's neighbors in the region are focused less on Korean unification than other, more imminent and pressing regional issues, the major players with a stake in an integrated North and South nevertheless continue to weigh the possibilities and consequences of unification. China remains wary of the post-unification implications for the region but at the same time is becoming more distant from its troublesome erstwhile ally in Pyongyang and closer to the administration in the South. Ultimately, the direction and timing of unification and integration will be up to the North and South, and any regional opposition, by China or Japan, will have less impact on events than the choices the Korean people make themselves.

### **Conclusion**

As the global economic and geopolitical center of gravity shifts to Asia, the U.S.-ROK alliance remains a bedrock of stability and order in the region. Coordination and cooperation between Washington and Seoul will therefore remain essential, especially on issues related to the future of the Korean Peninsula.

When crafting policies related to the peninsula, it is useful to first develop a clear vision for its future and craft strategies to reach that end. Considering the tremendous significance of the Korean Peninsula for Asia's long-term geopolitical stability and economic development, planning for Korean unification will be essential to shaping the region's future and realizing U.S. interests. The United States and South Korea clearly share a profound interest in maintaining regional



stability while creating the conditions for the emergence of a unified Korea that is peaceful, denuclearized, capitalist, and democratic. This shared vision of the future should be developed and expanded, as should a mutually agreeable path to this end.

While the continued strengthening of South Korea's self-defense capability and ongoing efforts to modernize the U.S.-ROK alliance are essential elements to the strategy, so too are efforts to understand the political dynamics inside North Korea. Pyongyang's opacity fundamentally complicates such analyses, yet it does not reduce their importance. Indeed, progress toward unification cannot be made without understanding the DPRK's political and economic dynamics and the weaknesses they may generate. Joint analyses by experts from the United States and South Korea have great potential to address lingering questions about the nature of the Kim Jong-un regime, and this annual dialogue will continue to bring together these experts to share their findings.

It is growing increasingly clear that the United States and South Korea should engage in more direct planning discussions centered on Korean unification issues. In addition to issues of traditional military planning, questions about governance, counterinsurgency operations, human security, nuclear security, and humanitarian assistance require greater levels of attention from American and South Korean experts. Continued and expanded discussions, of which this dialogue is an element, will benefit the two nations' shared goals of maintaining stability in the region and building a foundation for future unification of the Korean Peninsula.