

## **Part III**

# **Future of North Korea and Response of Related States**



## *Chapter 7*

# **Kim Jong-un Regime and the Future Security Environment Surrounding the Korean Peninsula**

*Scott Snyder*

The unique character of the North Korean political system as the world's only family-ruled socialist dynasty has generated complex political needs and distortions that have implications for the Korean peninsula and Northeast Asian regional security environment. The regime's dynastic rule is a nineteenth century relic, and its socialist roots have been undermined by the twentieth century collapse of communism, but the North Korean system has persisted in combining these two elements through its family-based succession process, Kim-focused personality cult, and monolithic system that requires absolute political loyalty from the citizenry through extreme levels of political mobilization. The creeping impact of globalization threatens over time to undermine the political isolation and opaqueness that the North Korean political system requires to sustain loyalty and maintain systemic stability. Over time, the paradox of the need for isolation to support effective political mobilization comes into increasing conflict with North Korea's marketization and economic dependency on external resources for its sustenance. These challenges and circumstances make North Korean style socialism under Kim Jong-un a truly endangered species among global political systems. However, it also means that the measures required to sustain systemic survival will impose continuing costs to its neighbors. As the regime extorts economic resources necessary for its survival, it also generates periodic conflicts and threat capabilities necessary to mobilize loyalty from the population.

Remarkably, the North Korean system has successfully exploited geopolitical mistrust while employing extortion and other parasitic strategies to sustain its economic survival while maintaining political control over the population. However, these strategies appear to be increasingly unsustainable, despite the innate structural stability of a system that insists on absolute political loyalty as the only means to secure survival and to improve one's personal circumstances. Evidence of erosion is apparent in the evolution of North Korean survival strategies, the evolution of North Korea's political choices and their economic implications, and in the paradoxes and/or contradictions that derive from the dysfunctions generated by North Korea's simultaneous need to generate conflict as a means by which to perpetuate political isolation despite its economic dependency on

outside sources of support to sustain the regime. These circumstances have generated a set of contradictions that ultimately represent sources of potential vulnerability for the regime, and that conversely constitute primary challenges to Kim Jong-un's ability to sustain his leadership. Following a review of North Korea's historical strategic preferences and an examination of contradictions facing the regime and Kim Jong-un's responses, this paper will explore alternative pathways for the Kim Jong-un regime in the event that the regime becomes unstable and likely external responses.

### **North Korea's historical geopolitical survival strategies**

The Korean peninsula has historically been located at the vortex of major power interests in Northeast Asia. Thus, Korean survival strategies have always been defined by geopolitical logic and strategies of weak states in response to threats from the strong. Given Korea's inherent geopolitical vulnerabilities, it has historically faced an array of strategic options including the following: 1) seek alliance with an external guarantor powerful enough to preserve and guarantee Korean security; 2) play off large powers and seek to extort economic and political benefits from both sides while preserving autonomy/independence to the extent possible; 3) play the role of parasite to a host, relying on the host for survival and sustenance; and 4) pursue integrationist exchange based on mutual advantage to displace threats with the promise of cooperation. To varying degrees, North Korea has historically pursued each of the first three strategies while resisting the fourth as one that would risk compromising the need for political isolation for the sake of economic prosperity. I will briefly analyze North Korea's historic approach to each of these four strategies.

#### ***a) Patronage: The need for alliance to assure regime security***

Despite liberation from Japanese colonial rule at the end of World War II, the Korean peninsula almost immediately became a victim of Cold War rivalries as a result of a decision between the United States and the Soviet Union in the waning days of the conflict to divide responsibilities for the occupation and administration of the peninsula at the 38th parallel. As a result, the respective occupations brought in preferred national leaders and encouraged divergent ideological systems to take root, perpetuating nationalist competition between Northern and Southern leaders of competing socialist and democratic structures and systems. However, both Korean leaders had a vision of a united and independent Korea, the fulfillment of which required leaders of both North and South Korea to simultaneously challenge and co-opt their respective patrons for

support in pursuit of Korean unification. At the same time, Korean rivalries in pursuit of national unification combined with incipient Cold War conflict between the United States and Soviet Union to bring about the Korean War.

Following the Korean War stalemate and the signing of the Korean Armistice Agreement, both South and North Korea required alliances to ensure regime viability and security. South Korea received security assurances from the United States, while North Korea signed security pacts with both the Soviet Union and China. Major power patrons provided vital security and economic assistance packages to their respective clients. Despite Kim Il Sung's desire for autonomy and self-actualization, in reality he depended on major economic assistance from both the Soviet Union and China as the foundation underlying his pursuit of autonomy. Kim secured streams of economic and political support for the DPRK in his 1961 visit to Moscow and Beijing, where he secured formal treaties and aid from both countries. In so doing, Kim gained patronage while maintaining a relatively high degree of autonomy. For instance, Kim always resisted joining the Soviet-led customs union that regularized trade among Eastern European states. However, the loss of political and economic patronage that accompanied the collapse of the Soviet Union, combined with China's efforts in the early 1990s to replace "friendship prices" with a market-based relationship, greatly weakened North Korea's strategic and economic situation, setting the stage for a major famine. North Korea, however, continues to depend economically on China, and Paul French states that North Korea incorporates foreign aid in the budget planning for their command economy; in other words, North Korea is essentially an aid economy dependent on patronage.<sup>1</sup>

North Korea's isolation resulting from the absence of a dependable patron is arguably a significant factor that has impelled North Korea's nuclear development efforts as a last-ditch option to preserve regime security. Most dramatically, North Korean officials stated clearly that Russian and Chinese decisions to normalize relations with North Korea's archenemies in Seoul would have the effect of accelerating North Korean self-help measures, including pursuit of nuclear weapons.

*Extortion: Economic ransom for stability maintenance*

A second strategic option that North Korea has historically employed to address its economic needs while attempting to preserve its autonomy and political isolation has been the use of economic extortion as a means by which to draw in economic resources

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<sup>1</sup> Paul French, *North Korea: State of Paranoia* (New York: Zed Books, 2014), p. 156, 159.

to the country. During the Cold War, North Korean manifestations of extortion took the form of playing China and Russia off against each other to induce a competition for influence with Pyongyang. This strategy, as well illustrated in Charles K. Armstrong's *Tyranny of the Weak: North Korea and the World, 1950-1992*, played on Soviet and Chinese tensions by seeking economic support simultaneously from Moscow and Beijing. Armstrong writes that "North Korea's ability to survive for six decades in a precarious international position, extracting maximum concessions from its major allies (and occasionally its enemies) despite its objective weakness, has in its own way been a remarkable achievement."<sup>2</sup> In describing North Korea's tactics, a Soviet diplomat noted: "One can usually observe a vacillation between the Soviet Union and China. If we do not strive to improve Soviet-Korean relations, these will obviously become weaker, and at the same time the Chinese connection will get stronger, we will make that possible for them, we will even push them directly toward China."<sup>3</sup> It proved highly effective in providing North Korea with extensive flows of unconditional assistance that helped to ensure the security of the regime.

Following the end of the Cold War, North Korea has arguably sought to replicate competition for assistance among its neighbors, this time between Beijing and Seoul. This strategy appeared to be effective during the mid-2000s, as both Beijing and Seoul increased trade relations with Pyongyang while also seeking enhanced political influence in North Korea. Evidence of South Korean sensitivities toward rising Sino-DPRK trade were revealed by South Korean concerns that North Korea might become a "fourth Northeastern province" of China, particularly with the controversy over the Goguryeo issue.<sup>4</sup> However, the advent of South Korean conservative administration in 2008 led by President Lee Myung-bak ended the apparent competition for economic influence between Seoul and Beijing, as Lee made aid to North Korea dependent on reciprocity from Pyongyang, although the Kaesong industrial complex remained open.<sup>5</sup>

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<sup>2</sup> Charles K. Armstrong, *Tyranny of the Weak: North Korea and the World, 1950-1992*. Ithaca, NY: Cornell UP, 2013, p. 5.

<sup>3</sup> "Report, Embassy of Hungary in North Korea to the Hungarian Foreign Ministry," August 27, 1962, History and Public Policy Program Digital Archive at the Woodrow Wilson International Center for Scholars, MOL, XIX-J-1-j Korea, 5, doboz, 5/bc, 0066/1962, Translated by Balazs Szalontai.

<sup>4</sup> Ki-heung Han, "China's Next Province?" *Dong-A Ilbo*, March 23, 2006.

<sup>5</sup> Sang-ho Song, "Lee's North Korea Policy Has Been Principled Yet Inflexible," *Korea Herald*, October 17, 2012.

North Korean extortion tactics were also a hallmark of the country's negotiating approach toward the United States in the 1990s during the first North Korean nuclear crisis. American negotiators were presented with enormous demands for aid and energy assistance in return for a freeze and eventual dismantlement of North Korean nuclear development efforts. The Geneva Agreed Framework pledged that the United States would lead a coalition to provide annual supplies of heavy fuel oil and two light-water reactors worth billions of dollars to North Korea in return for North Korean denuclearization pledges. North Korea's pursuit of a covert nuclear program despite having negotiated the Agreed Framework may have gone forward with the idea that if caught, North Korea could turn the program into leverage to demand further economic rewards from the United States. While Barack Obama came into office hoping to "break the cycle of provocation, extortion, and reward," according to Jeffrey Bader's memoir, he has not been able to move beyond the impasse, which has continued to be known among observers as nothing more than "strategic patience."<sup>6</sup>

***b) Parasitism: Embed yourself in a host that delivers resources necessary for survival***

A third strategy North Korea has employed in recent years to secure its economic survival has been parasitism, both through exploitation of Chinese networks to pursue purchases of illicit technology and materials needed to advance the country's nuclear and missile programs and through exploitation of gaps in international commercial legal frameworks and practices to exploit trade in illegal, high-margin activities as a source of economic and commercial gain. In this respect, North Korea has exploited gaps in enforcement of international law to earn hard currency and embedded its activities within Chinese networks as a means of sanctions evasion. North Korea's strategy is similar to that of a parasite who inflicts burdens on and lives off a host organism.

Especially since the famine of the 1990s, North Korea has exploited of the international trading framework to engage in illicit trade in missiles, small arms, drug trafficking, and money laundering. North Korean diplomats are known to have exploited diplomatic immunity by transferring illicit substances including illegal ivory, drug, and small arms trafficking and transport of bulk cash to pay for illicit shipments.<sup>7</sup> North

<sup>6</sup> Jeffrey A. Bader, *Obama and China's Rise: An Insider's Account of America's Asia Strategy* (Washington, D.C.: Brookings Institution, 2012), p. 31.

<sup>7</sup> See Liana Sun Wyler and Dick K. Nanto, *North Korean Crime-for-Profit Activities*, Congressional Research Service, August 25, 2008.

Korean illicit commercial trade in arms, drug trafficking, and counterfeit cigarette sales have exploited weaknesses in the monitoring of international trade. The nature and structure of North Korea's exploitation of this trade has evolved over time in violation of international rules and has exploited weaknesses in the international system as a parasite exploits weaknesses of the host organism. North Korean counterfeiting of US dollars and more recently, Chinese renminbi, is a perfect example of the country's parasitic exploitation of the international system.<sup>8</sup> In addition, North Koreans are reported to be major operators of illegal gambling and porn sites, drawing in untold millions of dollars in support of the regime. Most recently, reports that the North has moved from counterfeiting to cybertheft through a virtual break-in to a Bangladeshi bank further underscore North Korea's attraction to high-risk, high-margin activities that exploit and ultimately destabilize the international system.<sup>9</sup>

Likewise, in response to ever-tightening sanctions on North Korean entities by the UN Security Council, the United States, and other countries, North Korea has continued to pursue illicit trade through a variety of sanctions evasion tactics that exploit loopholes or monitoring failures within the international trading system. MIT's Jim Walsh and Harvard's John Park call this "North Korea, Inc.," which has "adapted by moving more of its operations onto Chinese territory and paying higher fees to its private Chinese business partners. These higher fees, in turn, attracted more sophisticated Chinese middlemen."<sup>10</sup> North Korean-related entities, often using Chinese front companies, have also knowingly misdirected and misreported the contents of illicit shipments to gain approval for shipment and to secure delivery of contraband items to North Korea.<sup>11</sup> As a result, UN Security Council Resolution 2270 places a de facto embargo on North Korean flagged shipping vessels and has tried to crack down on North Korean shipments using flags of convenience of other countries.<sup>12</sup> The United States has banned transport of bulk cash payments in support of North Korean trading activities and has limited and frozen North Korea out of the international banking system, most recently

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<sup>8</sup> Jae-kyoung Kim, "China on Alert over North Korea's Counterfeiting," *Korea Times*, May 1, 2016.

<sup>9</sup> Han-soo Lee, "N. Korea Hackers Linked to \$81M Bangladesh Bank Heist," *Korea Times*, May 12, 2016.

<sup>10</sup> Jim Walsh and John Park, "To Stop the Missiles, Stop North Korea, Inc.," *New York Times*, March 10, 2016.

<sup>11</sup> James Pearson, "Front Companies, Embassies Mask North Korean Weapons Trade-U.N.," Reuters, March 11, 2014.

<sup>12</sup> Richard Roth, Holly Yan, and Ralph Ellis, "U.N. Security Council Approves Tough Sanctions on North Korea," CNN, March 3, 2016.

through the issuance of an executive order declaring the entire country to be a systemic financial risk.<sup>13</sup>

***c) Partial Integration: The Achilles Heel for North Korea and most dangerous road not taken***

The main strategy available to North Korea that the country has continuously resisted has been the strategy of integrating itself into the regional and global economy. Since the late 1990s, South Korea's liberal administrations led by Kim Dae-jung and Roh Moo-hyun have been seeking to peacefully induce North Korea to open up and integrate itself with the world through a one-sided engagement strategy. Despite the effects of almost two decades of marketization on the domestic economic structure of North Korea, however, the country has resisted international demands for transparency and economic integration with its immediate neighbors, China and South Korea. Instead, North Korea has sought to exploit the international system while maintaining the opacity, corruption, and coercive capacity to assert total economic control over its own citizenry. As a result, the regime has been able to survive and subvert the potentially destabilizing effects of marketization in order to maintain internal political control. Economic and political penetration of the North Korean system by external forces is a potentially powerful risk and threat to a regime that parasitically exploits its host economically, yet pursues its autonomy and independence by thwarting and manipulating the effects of marketization. The result is a North Korean system that is rife with corruption, but it is a form of corruption that ironically benefits and preserves the political power of the state, which retains all-important coercive capabilities over its own citizenry, enabling evolution of North Korean totalitarian while thus far preserving sufficient mechanisms to assert its control and primacy by insisting on absolute political loyalty.

The marketization of North Korea was an involuntary choice forced on the regime by the famine of the mid-1990s. From the regime's perspective, partial integration of North Korea with the global economy involved the fatal loss of a powerful control mechanism over the population: dependency of the people on the state for provision of food. The catastrophic failure of the public distribution system and the sprouting of black markets across North Korea constituted a serious blow to the regime's political conception of itself as a collective in which all citizens owed their livelihood to the beneficence of the

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<sup>13</sup> Patricia Zengerle, "U.S. Takes Further Steps to Block North Korea's Access to Financial System."

leader.<sup>14</sup> The gap between dependency on the leadership and the necessity of self-help by earning money to buy food on the markets constituted a major blow to the ability of the North Korean leadership to exert absolute control over its people, both because of growing dependency on external markets and because of the loss of monopoly control over information about the outside world that accompanied marketization.

As a result, the regime fought rear-guard actions designed to recover control over the markets. In 2002, the regime implemented reforms that allowed elites to receive higher pays, retained access to foreign currency, and controlled the distribution of foreign aids in their favor while the country, as a whole, suffered from high inflation.<sup>15</sup> The 2009 currency revaluation, however, devastated the savings of many ordinary North Koreans.<sup>16</sup> Nevertheless, the need for economic inflows to sustain the public's livelihood overcame state opposition to the markets, while the leadership learned how to utilize a combination of licensing practices via trusted institutions and elites as the main avenues for external procurement, taxing of sanctioned market activity, and the permeation of parasitic bribes and widespread corruption throughout society. These developments enabled the leadership to benefit economically by rewarding elites through economic concessions, partially monetizing the road to elite status by insisting on loyalty contributions as a primary means by which to advance and maintain political favor while harshly penalizing non-elites and garnishing earnings of those without status or connections within North Korean society. The Korea Institute of National Unification's Hyeong-jung Park argues that North Korea's market has become a hybrid of informal and formal markets, in which the regime seeks to impose hierarchy and monopolization on markets.<sup>17</sup>

The leadership's adaptation to partial or one-way integration provided a means by which the leadership would be able to maintain insistence on political loyalty as a primary means of control while both monetizing expressions of loyalty within a framework that would reinforce the existing political hierarchy while securing economic benefits without allowing the types of economic integration that would ultimately directly threaten the hierarchy and legitimacy of the political system. In this respect, corruption became a two way street. On the one hand, corruption enabled those with money to bypass some political controls and exercise a wider range of limited political freedoms. As Hazel Smith

<sup>14</sup> James Pearson, "North Korea's Black Market Becoming the New Normal," Reuters, October 29, 2015.

<sup>15</sup> Paul French, *North Korea: State of Paranoia* (New York: Zed Books, 2014), pp. 193-194, 236-237.

<sup>16</sup> Bruce Klingner, "North Korean Economic Reforms a Non-Starter," *Asia Times*, September 1, 2004; Sang-hun Choe, "North Korea Revalues Its Currency," *New York Times*, December 1, 2009.

<sup>17</sup> Hyeong-jung, Park, "Towards a Political Analysis of Markets in North Korea," *Korean Political Science Review* Vol. 46, No. 5, 2012, pp. 205-206.

writes, “the breakdown in state capacity to reward acquiescence and punish dissent allowed North Koreans to carve out a space for the exercise of limited but important freedoms, especially in everyday economic decision-making.”<sup>18</sup> On the other hand, the leadership adapted and began to utilize economic rewards and coercion to ensure political loyalty as a prerequisite and reward for exercising the perks that came with status in the regime while seeking to quash mobility gained at the expense of the preordained political hierarchy.

### **North Korea’s strategic imperatives and their impact on economic strategies**

Based on the four North Korean historical strategies presented above, what can be said about North Korea’s current situation and options today? First, the fundamental dilemma facing Kim Jong-un remains how to gain economic resources necessary to sustain the regime while maintaining the political isolation that is essential to regime survival. As Georgetown’s Victor Cha notes, North Korea “needs to open up to survive, but the process of opening can lead to the regime’s demise.”<sup>19</sup> The North Korean leadership needs external economic resources, but must mitigate the negative effects of economic interdependence on the ability to insist on the primacy of political loyalty as a precondition for the North Korean citizenry to realize economic gains. The North Koreans, for the time being, seem to have found a solution in China’s willingness to tolerate the Kim regime’s provocations while sustaining it, despite the recent sanctions measures. For now, the regime does not see a need to make a drastic opening to the global economy. In this regard, maintaining support from China for provision of materials necessary to secure North Korea’s livelihood must be a critical near-term objective, particularly as North Korea is now almost completely dependent on China for trade, with the closing of the inter-Korean Kaesong industrial complex in February 2016. In addition, continued efforts to embed North Korean procurement into Chinese networks—as a parasite survives by maintaining a symbiotic relationship with a host—will remain an important priority for Pyongyang. This means that China will continue to hold the key to North Korea’s survival while continuing to be a target of blame for enabling North Korea’s survival. Yet it is not clear what sort of medicine China can take that would kill the parasite without damaging the interests of the host.

<sup>18</sup> Hazel Smith, *North Korea: Markets and Military Rule* (Cambridge, United Kingdom: Cambridge UP, 2015), p. 327.

<sup>19</sup> Victor Cha, “What North Korea Really Wants,” *Washington Post*, June 14, 2009.

Second, in the absence of a reliable external ally or patron and given North Korea's relative weakness vis-à-vis South Korea and its larger neighbors, Kim Jong-un must feel an acute sense of vulnerability, necessitating and justifying continuous pursuit of nuclear weapons to maintain his leadership against both internal and external rivals. This means that Kim Jong-un's only viable survival strategy is as a nuclear weapons state, and his main challenge is how to promote continued acquiescence by the international community to North Korea's de facto nuclear status while continuing to improve North Korea's strategic position to the extent possible through continued nuclear development. However, the United States will never accept North Korea under Kim Jong-un as a nuclear weapons state for three reasons: 1) Normative—The United States must uphold the viability of the NPT, which North Korea will have flouted if North Korea becomes the first state to leave the treaty and develop nuclear weapons; 2) Peninsular security—The security risks to South Korea of nuclear blackmail or threat of use can never be accepted; 3) Regime type—the concentration of authority and absence of institutional checks on rash decision-making in Kim Jong-un's North Korea is qualitatively different from any other state with a nuclear capability. This means that unless one side or the other backs down, conflict is inevitable.

Third, North Korea lives in the space created by mutual geostrategic mistrust between the United States and China, meaning that the old strategy of playing major power rivals off against each other remains relevant for North Korea today. Indeed, North Korea is counting on China and the United States not to be able to overcome geostrategic mistrust and pursue collective action in pursuit of a North Korean regime change strategy, given the fundamental conflict between American and Chinese desired end states on the Korean peninsula. One result of North Korea's strategy is that for the United States and South Korea, policy toward North Korea is increasingly being subsumed as an issue in their respective relations with China, thus raising the potential costs to China of non-cooperation on denuclearization; i.e., peninsular instability and heightened possibility of war on China's periphery.

Fourth, North Korea's internal and external insecurities will likely perpetuate the regime's need to lash out and generate periodic external crises to shore up domestic solidarity and periodically justify internal coercion and repression as a rear-guard action against the potential negative political effects of economic interdependence. This dilemma directly pits North Korea's need for sufficient strategic space to continue to meet its economic needs against Kim Jong-un's possibly insatiable need to show tangible progress on the nuclear project as a means by which to maintain absolute security of

the regime. North Korea's continued nuclear and missile testing is a form of deterrence and may expand North Korea's strategic threat capability, but potentially at the risk of economic and/or security backlash by South Korea and/or the United States. However, no one knows with certainty how many tests are too many, and there remain constraints on American and South Korean ability to retaliate without risking costs of escalation, which in the end are likely to disproportionately fall on South Korea. According to one study, a North Korean attack focused on civilian targets in South Korea could result in approximately 30,000 deaths.<sup>20</sup> Rather than risking a preemptive strike, it would be easier for South Korea and the United States either to retaliate to North Korean aggression or to respond to North Korean instability brought about by North Korea's internal failure.

### **Paradoxes for policymakers deriving from North Korea's system dysfunction/limited integration:**

As external actors consider Kim Jong-un's central dilemma of how to maintain political isolation/cohesion while sustaining economic interdependence, they are likely to face the following paradoxes that inhibit the development of an effective policy toward North Korea.

#### ***a) Potential unintended consequences of sanctions***

The default policy of expanding sanctions under UNSC Resolution 2270 and other unilateral measures is arguably an important and necessary effort to slow down or stop North Korea's unchecked efforts to develop nuclear weapons. After all, diplomatic efforts to persuade North Korea to freeze its nuclear program and come back to the negotiation table have failed. This means that the only remaining available instruments by which to impede North Korea from continuing its nuclear and missile development are coercive, and that a reasonable objective for sanctions should be to impose a de facto freeze on North Korea's nuclear program by denying external resources necessary for its continued development. Arguably, this objective is a necessary precursor to any serious possibility for resumption of negotiations, as North Korea is unlikely to return to negotiations until it is convinced that its prospects for nuclear and missile development are fully contained. However, the likelihood that the sanctions regime will work comprehensively to achieve this objective remains low, given China's uneven commitment to applying the level of

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<sup>20</sup> Roger Cavazos, "Mind the Gap Between Rhetoric and Reality", NAPSNet Special Reports, June 26, 2012.

sanctions that this would require and the possibility of unintended consequences for North Korean stability that may arise in the event that sanctions were applied at this level. Moreover, there is a seemingly unbridgeable contradiction between China and the United States/ROK over the proper degree of sanctions implementation: many Americans and South Koreans may believe that North Korea will only come back to negotiations if regime stability is at risk, while Chinese cannot accept pursuit of sanctions to a level that might risk regime stability. Despite China's support for denuclearization and "pledges to full implementations" of UN Resolution 2270, Chinese Ministry of Foreign Affairs and media criticized the measure that "will not work" and defended North Korea's security concerns.<sup>21</sup> Furthermore, Matthias Maass argues that, imposing sanctions over a long period of time forces North Korea to remain independent from the global economy and even become "immune" to future sanctions or other forms of economic coercions.<sup>22</sup> Sanctions may also unwittingly provide Kim Jong-un with the political isolation he prefers, as it may strengthen the ability of the regime to control internal economic activities, to portray the United States as leading unjustified economic warfare against North Korea, or even to manipulate broader "livelihood" instability in ways that induce Chinese authorities to believe that North Korea's stability is at risk.

### ***b) Humanitarian aid versus sanctions***

A second contradiction likely to emerge in the event of renewed humanitarian distress inside North Korea, either as a direct effect of sanctions or resulting from renewed natural disasters or agricultural failures inside North Korea, could result in renewed refugee flows across the North Korea-China border and accompanying pressures inside China to provide large-scale humanitarian aid to North Korea. Despite North Korea's nuclear program, a renewed food crisis or famine that results in refugee flows would be regarded as one of the unintended consequences that China seeks to avoid. Under these circumstances, China would be likely to come under pressure to provide major bilateral humanitarian assistance to North Korea. There would also be political pressure in South Korea to respond on a humanitarian basis, and a complex humanitarian emergency in North Korea would stimulate a renewed debate over international assistance to the country. It is unclear how North Korea or the international community might respond to

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<sup>21</sup> Scott Snyder and See-won Byun, "China-Korea Relations: New Sanctions, Old Dilemmas," *Comparative Connections*, Vol. 18, No. 1, May 2016, pp. 92-93, 99.

<sup>22</sup> Matthias Maass, "Beyond Economic Sanctions: Rethinking the North Korean Sanctions Regime," *North Korean Review*, Vol. 7, No. 2, Fall 2011, p. 48.

a complex humanitarian emergency in the North, on what terms international agencies might consider reentering the country, or whether China might decide this time to allow an international humanitarian aid effort to be based in Northeastern China. However, all of these issues surrounding humanitarian response would likely be polarized, directly run up against the stated purposes of sanctions, and influence the terms on which humanitarian aid, if any, might be provided to North Korea.

*c) Nuclear deterrence logic vs. absolute security logic*

A third contradiction, as suggested above, is that while Kim Jong-un has suggested at the Seventh DPRK Worker's Party Congress that North Korea would be a "responsible nuclear state," the North Korean nuclear program has become a source of domestic legitimation for justifying Kim Jong-un's rule.<sup>23</sup> Under Kim Jong-un, North Korea has abandoned the policy of nuclear ambiguity that characterized policy under his father and replaced it with clarity in the form of Kim's byungjin policy of simultaneous nuclear and economic development. Moreover, the nuclear program has been included in the DPRK constitution from 2012 and arguably has become a support to Kim's legitimacy as a warning to potential internal challenges as much as an instrument by which to deter an attack from external parties such as the United States.<sup>24</sup> Moreover, North Korea's expanded threats of nuclear use against the United States under Kim Jong-un belie both an intention that provides direction for the North's efforts to expand its capabilities and generates uncertainty about North Korean intentions vis-à-vis the United States that suggest both North Korean vulnerability and a need for the United States as a perpetual enemy. After all, the main characteristic of US policy under the Obama administration has been indifference rather than hostility, despite North Korea's efforts to drum up an American policy of hostility in response to North Korea's dramatic threats. In this context, the idea that North Korea might gain a direct nuclear strike capability against the United States is unsettling and may be likely to generate US responses that further contribute to Kim Jong-un's sense of insecurity that may further encourage Kim to continue rather than pause in his nuclear and missile development efforts. It is hard to identify a clear threshold in North Korea's development that would allow Kim Jong-un to pause and pivot to actions designed to reduce tensions.

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<sup>23</sup> Jin-kyu Kang, "Jong-un Thumbs Nose at World at Party's Congress," *Korea JoongAng Daily*, May 9, 2016.

<sup>24</sup> "N. Korea Calls Itself 'Nuclear-armed State' in Revised Constitution," *Yonhap News Agency*, May 30, 2016.

### **Alternative pathways for a KJU regime and implications for regional security**

Given these specific challenges, what does the future hold for the Kim Jong-un and the future security environment surrounding the Korean peninsula? I would posit the following preliminary judgments: a) There is little likelihood that Kim Jong-un will willingly pursue denuclearization or that the United States and/or South Korea will accept a nuclear North Korea. b) Eventually, these contradictory paths will result in conflict or violence, either as a result of internal instability in North Korea or as a result of North Korean lashing out against ever-increasing US and South Korean efforts to pressure the North. c) China will come under increased pressure from the United States and South Korea to take responsibility for North Korea, and is more likely to play an ongoing role as North Korea's ward and protector than to cooperate with the United States and South Korea to forcibly pursue regime change in North Korea. d) However, increased Chinese cooperation with the United States and South Korea may result in North Korean instability, possibly as an unintended consequence of Chinese efforts to calibrate pressure on North Korea from the international community.

The following table provides greater detail regarding possible scenarios for change in North Korea. Since the responses of neighboring parties are likely to depend on the specific causes of and responses to peninsular instability, it is difficult to elaborate or spin out specifics underlying each scenario. Rather the table below is intended simply to suggest the differing circumstances that might generate responses depending on the nature of instability in North Korea. Most notable is that this table excludes the possibility that North Korea may return to denuclearization or that the United States and South Korea would be able to accept North Korea as a nuclear state. Moreover, the table implies that the United States and South Korea are unlikely to unilaterally initiate military action to achieve regime change; rather, that increasing pressure on the North Korean regime will generate forms of instability that will then require responses from South Korea, the United States, and China.

Table 1: North Korean Instability Factors

		Nature of Instability	
		EXPLOSION	IMPLOSION
Timing and Pace	GRADUAL	Periodic provocations designed to obscure or slow the loss of domestic political control.	Progressive manifestations of limited ability by the central government to assert political control, i.e., humanitarian crisis.
	SUDDEN	North Korean lashing out, conflict escalation, war and defeat	Tipping point or cascade effect of internal failures to manage multiple problems of crises.

To conclude, I will briefly consider Chinese, South Korean, and American likely responses to each of the types of instability presented above.

***a) Gradual North Korean decline and provocations toward South Korea***

This scenario involves the possibility that North Korean lashing out could be a sign of increasing domestic instability or weakness within North Korea, either because Kim Jong-un finds himself under pressure from military to take forceful actions or because Kim Jong-un needs to take decisive actions in a bid to show his leadership. In this event, South Korea and the United States would be faced with choices regarding how to respond to a North Korean provocation, presumably around the DMZ or Northern Limit Line (NLL). South Korea and the United States would have to weigh a response, the possibility of escalation of conflict, and the question of whether North Korean actions are serious enough to justify further escalation or a full-scale invasion of the North. While South Korea will want to respond firmly to show resolve and deter additional provocations, the United States is likely to be cautious regarding conflict escalation. If a North Korean provocation were to involve significant loss of life, there may be greater willingness to pursue a stronger response. However, it is likely that the United States and South Korea would respond cautiously, seek Chinese diplomatic support to message the North Korean leadership regarding the necessity of restraint, and wait to see how the situation plays out. The Chinese, on their part, will likely call for calm and restraint. Beijing will call on the United States and South Korea to refrain from taking escalatory actions and will ask them to resolve any crisis through diplomacy. At the same time, the Chinese will

likely use their channels of communication with the North Koreans to quietly restrain them and possibly push them to take actions to deescalate the crisis.

***b) Sudden North Korean lashing out/conflict escalation/war and defeat***

This scenario is highly unlikely because it is a suicide option. The North Koreans are unlikely to choose a course of action that could invite a devastating response by the United States and South Korea. If the North Koreans miscalculate, however, this scenario could lead to war and the likely execution of a US-ROK operational plan to end the North Korean regime. It is hard to say how the threat of nuclear use by North Korea would influence the deliberations of the American and South Korean president in the event of an outbreak of conflict. If Seoul and Washington decide that they need to take decisive military action, they would likely begin with precision-strikes and concerted bombings against North Korea's nuclear and missile capabilities to quickly neutralize them first, followed by an invasion, although such a scenario would ultimately depend on the level of North Korea's capabilities. If the North Koreans obtain a sizeable arsenal of mobile-launched solid-fuel nuclear-tipped missiles combined with capability based on submarines equipped with nuclear weapons, the ability of the United States and South Korea to act would be constrained. Whether the North Koreans would be able to achieve such capabilities remains an open question, but the Kim regime is clearly seeking to immobilize potential US and ROK strike and counter-strike options through the development of a sizeable, mobile, and diversified arsenal, based on the recent string of tests. China likely would not be in a position to block a US/ROK response if indeed the North Koreans were to start the second Korean War.

***c) Renewed humanitarian crisis and North Korean internal instability (gradual or sudden)***

The regional response to a renewed humanitarian crisis and refugee flows from North Korea would be influenced by which country experienced the most spillover effects in terms of North Korean refugee flows and the political response to those flows. Significant refugee flows across the China-North Korea border may trigger a debate in Beijing regarding intervention. Likewise, sustained flows of North Korean refugees across the DMZ to South Korea could stoke nationalism and generate significant domestic political pressures in South Korea to intervene. However, any inclination by a first mover to pursue intervention must also think about how to ensure international support for the legitimacy of such intervention, both at the UN Security Council and in the international

community. Otherwise, the burden of the first mover may be that steps to intervene in North Korea may not be perceived as legitimate, generating an international backlash. Both South Korea and China would need to be cognizant of the importance of pursuing a rationale for even a temporary intervention capable of gaining international support.<sup>25</sup>

In case of internal instability in North Korea, however, the South Koreans are likely to enjoy greater support in any intervention that will the Chinese since Seoul can choose the frame the question as an issue of national sovereignty, while the Chinese would be intervening as a foreign power. The issue of legitimacy would ultimately come down to whether one side (the Chinese and the Russians, to name a couple) is able to better frame the issue in terms of sovereign norms and treat North Korea as a separate state that is part of the United Nations or whether one side (South Koreans and the United States) is able to frame the issue in terms of justifiable unification. At the same time, a prolonged breakdown could result in internal factional infighting, civil war, and the outbreak of sustained conflict on the border of China and South Korea. This is a scenario that both countries would want to avoid.

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<sup>25</sup> Scott Snyder and Darcie Draudt, "First Mover Responses to North Korean Instability: The Intervention-Legitimacy Paradox," *International Journal of Korean Unification Studies*, 2015.

