



## Online Series

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# North Korea-U.S. Summit: Can It Become Creative Black Hole?

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### Meaning and Evaluation of Recent Changes in Situation

North Korea's nuclear issue is entering a new phase. The defining moment will be the upcoming 2018 Inter-Korean Summit and the North Korea-U.S. Summit. Ever since the U.S. and North Korea agreed on holding a summit meeting, a new nuclear game has been unfolding in the midst of dramatically changing dynamics in Northeast Asia. First, the structure of North Korean nuclear issue — the dynamics of such game — is changing. In the past, China's leverage had strengthened due to hostile confrontation between Pyongyang and Washington. However, recently South Korea has been gaining more leverage while there has been a formation of the structure of cooperation with a sign of possible conflicts between North Korea and the U.S. In addition, rules and methods of such game are being transformed from a multilateral and phased approach to a bilateral deal and package settlement between the DPRK and the U.S. For the first time in 25 years of history in North Korean nuclear program, a virtuous cycle of three axes — 1) the two Koreas, 2) South Korea-the U.S., and 3) North Korea-the U.S. — is leading the current situation, with

the South, the North, and the U.S. actively shaping the dynamics. Thus, there emerges “Golden Triangle” designed to enhance Korea’s influence.

### **Background and Reasons for Transition of North Korea’s Strategy**

Recent dramatic turn of situation has been mainly attributed to changes of North Korea’s attitudes. In general, changes in one country’s strategy are caused by four factors: 1) changes in strategic environment; 2) changes in national goals; 3) changes in national capabilities; and 4) domestic political and economic reasons. North Korea appears to comprehensively consider those factors and pursue strategic transition. First, Pyongyang’s planning for its strategic position after 2018 seems to have started in the second half of last year. North Korea would have assessed as follows: it had led the situation after its 4<sup>th</sup> nuclear test in January 2016; the situation, however, had deteriorated sharply as the U.S. had strongly enforced a coercion strategy against both the North and China, shortly after the U.S.-China summit meeting in April 2017. Therefore, the North Korean leadership would have needed a breakthrough solution to immediately restore and strengthen its strategic position.

It is also possible that North Korea could have reestablished its national goal as becoming the so-called “normal nation,” withdrawing from its usual two-track approach of economic development and nuclear pursuit. The North could have assessed that strategic value of its nuclear armed forces that had been built up until recently is so high compared to the past and attempted to reap huge rewards in return for security guarantee of the regime and national development. In this case, the North’s expected rewards are highly likely to include the provision of nuclear umbrella from China and the removal of Korea’s strategic assets, going beyond its usual demands — normalization of inter-Korean relations, normalization of diplomatic relations with the U.S., peace treaty, and suspension (or adjustment) of the ROK-U.S. joint military exercise.

Another possible scenario is that North Korea could have made strategic

decisions through its own assessment of nuclear forces. The North Korean leadership would have figured through the assessment of its military forces in the latter half of last year that it has enough denial capabilities against certain weapons, such as standard atomic war heads, SRBMs and IRBMs, although it has yet to secure ICBM and SLBM capabilities. However, it would have concluded that obtaining a second strike capability aimed at counter-value target in the U.S. mainland would be difficult for North Korea, due to strong UN Security Council sanctions and U.S. unilateral sanctions. In other words, the possibility cannot be ruled out that North Korea might have attempted to convert its strategy for fear of expected loss.

### **Scenario and Challenging Factors before and after North Korea-U.S. Summit**

The North Korea-U.S. summit is expected to be held as scheduled unless a serious contingency occurs in the future since the U.S. has accepted the followings as final preconditions for holding summit talks: North Korea's announcement of commitment to denuclearization, restraining from nuclear and missile tests, and its understanding of the ROK-U.S. joint military exercises. The macroscopic path surrounding North Korea's nuclear issues before and after the summit is analyzed as follows.

First scenario is "grand bargain" on North Korea's nuclear between the North and the U.S. At the North Korea-U.S. summit, the two sides could agree on a deal of providing security guarantee for the North Korean regime in exchange for its denuclearization. In other words, the two countries could meet at maximum compromises as a result of having reached political decisions, and then smoothly followed through those promises. A positive non-zero sum game for decisions made by two leaders could unfold one after another under the structure where a probability of mutual cheating gets significantly reduced. The cooperation framework between North Korea and the U.S. can be maintained for the time being if the summit produces the followings: 1) progress in areas agreeable between the two parties, such as the USFK presence in South Korea, adjustments of the size and scenario of ROK-U.S.

joint military exercises, and suspension of additional sanctions against North Korea; and 2) a comprehensive agreement on normalization of bilateral relations, the implementation of denuclearization, and a road map to sanctions relief against North Korea. In this case, three major components for establishment of a peace regime on the Korean Peninsula — denuclearization, peace treaty, and inter-Korean trust-building measures in the military (arms control, etc.) — can be concurrently put in place. Thus, a peace regime can be created in a rapid manner within a short period. In other words, a massive chessboard in Northeast Asia is moving due to the rapid progress of denuclearization on the Korean peninsula and a peace regime.

Second scenario is “compromise over gradual or incomplete denuclearization between North Korea and the U.S.” Although the two leaders are expected to make a political settlement, a conflict is likely to grow over the scope and contents of security guarantee of the North Korean regime, verification measures for denuclearization, and subsequent order of providing rewards. In particular, if North Korea strongly demands that the U.S. abandon the provision of its nuclear umbrella to the South and that South Korea dismantle its conventional strategic assets as an assurance for the security guarantee of its regime, then denuclearization is highly likely to become a prolonged process. Under such scenario, the possibility of China providing nuclear umbrella to North Korea could be highlighted as a way to meet North Korea’s demands of security assurance. In addition, a conflict could arise over who will conduct an inspection and to what extent the inspection should be carried out — the premise for verification. If Pyongyang decides to hide nuclear materials, nuclear war heads, and missile bodies by breaking them apart, it is virtually impossible to closely inspect them. If the U.S. insists on direct inspections but North Korea refuses to do so, the implementation of denuclearization may be delayed for a considerable amount of time. In fact, the general agreements between leaders of North Korea and the U.S. will be maintained for some time due to the U.S. political needs in preparation for the 2020 presidential election and the North’s interests in complete lifting of sanctions. In this case, the U.S. could adjust its goal as incomplete denuclearization since the CVID goal is not likely to be met.

Third scenario is continuation of North Korean nuclear crisis after a failure of denuclearization implementation. Compromises between the two leaders could be made, but conflicts could be triggered in the process of subsequent negotiations, thereby returning to relations marred by hostile confrontation, as already seen in 2017. Due to political interests of both North Korean and U.S. leaders, the phase of dialogue and compromise is highly likely to remain by the end of 2018. However, a possible recurrence of North Korean nuclear crisis cannot be ruled out if following conditions are met: 1) if the Trump administration adheres to a rigid, strong coercion strategy and refuses to make the so-called interim settlement that the North could request; 2) if the North Korean leadership is not satisfied with the U.S. proposal of the security guarantee of the North regime and reconsiders strategic needs to strengthen its nuclear arsenal. Just as the U.S. calls on North Korea's action for denuclearization, North Korea, too, will demand the U.S. and South Korea's action directly linked to the security guarantee of the regime, separate from agreements and declaration. Therefore, how the two sides interpret and coordinate the equivalence and reversibility of agreements concerning the security guarantee of the regime will determine the situation into the future.

### **Policy Considerations of the ROK Government**

There are three policy and strategic proposals that the South Korean government can consider given the structural changes of current situation and background of North Korea's strategy changes.

First, a framework of solid cooperation should be established that enables continuous implementation of the ROK government's road map to denuclearization and peace. A realistic alternative would be the consolidation of virtuous circle of three axes — relations between the two Koreas, between North Korea and the U.S., and between South Korea and the U.S. Advancement in inter-Korean relations is a necessary and sufficient condition for establishing a peace regime and a threshold of entry strategy for denuclearization. Achieving denuclearization and building a

peace regime will not succeed unless North Korea is bound by a framework of sustainable dialogue. The ROK-U.S. alliance is a bridge connecting the operation and achievements of inter-Korean and North Korea-U.S. relations as well as a mechanism playing out between means and goals. The ROK needs to expand its influence in setting the direction of U.S.-North Korea relations through two axes — inter-Korean relations and South Korea-the U.S. relations.

Second, the ROK government should provide a momentum that keeps North Korea and the U.S. bound to the framework of cooperation. As more concrete measures, leaders of South and North Korea and the U.S. could announce a joint declaration on peace on the Korean Peninsula at the UN General Assembly slated for mid September. Pyongyang and Washington could accept such suggestion since both parties could gain something from the acceptance: Trump needs political achievements before a midterm election in November; and Kim Jong-un will be able to contribute to creating an atmosphere for the relief of UN sanctions and enhance an image of the regime. It should be considered to propose this road map to North Korea at inter-Korean summit and finalize it at the North Korea-U.S. summit.

Third, it is necessary to establish a strategy of sanctions management in preparation for both phases: 1) phase of rapid transition to denuclearization and a peace regime; and 2) regressive phase into crisis. Strong sanctions and pressure are strategic assets that can prevent North Korea's deception and enforce its cooperation. However, since an ultimate goal of sanctions and pressure is to secure North Korea's cooperation, sanctions management strategy for engagement should be a priority in current situation. Therefore, the ROK should work closely with the U.S. to prepare a road map for exiting sanctions in case of North Korea's bold policy transition. If North Korea's actions for denuclearization become implemented, the U.S. may shift to a more flexible position on sanctions. North Korea, in turn, will soon lay out its demands on sanctions. To prepare for such a situation, South Korea, North Korea, the U.S. should coordinate and agree on goals of denuclearization, and areas, scope, and methods of sanctions.

Reasons for North Korea's strategic change still remain unclear. It is also

difficult to clearly predict an impact of the North Korea-U.S. summit. Current situation reminds U.S. of an old saying ‘Trust, but Verify.’ Dr. Stephen Hawking, who recently passed away, once said that a black hole could swallow everything but sometimes be extinguished while radiating heat. North Korean nuclear issue faces an unprecedented opportunity to shine a light of peace and disappear into the mists of history. It is South Korea’s duty to make North Korean nuclear a creative black hole. ©KINU 2018

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