

Nuclear North Korea and the New Administration

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North Korea. Of course, as a Korean, it's a very difficult issue to deal with and to think about and I think having now come to RAND it's the first time that I've actually been forced to think about it as an American policy maker; much more so than before especially. When I was teaching in Korea for instance, it was a Korean affair; just being a Korean was a matter of issues of reunification, nationalism, etcetera. Now it's much more geo-political, geo-strategic, and policy interests and importance and so I've been approaching this in a rather new manner in the sense that, for me, it's a novel approach to look at it from this particular vantage point.

I've just returned from a trip to Korea – a two-week-long trip with my wife. In fact, we just got back two days ago so I'm still very jet-lagged and, in fact, I've been falling asleep at precisely 6:00 p.m. and waking up at 10:00 p.m. and that's the time period in which I'm supposed to stand before you and talk in a semi-rational manner. The reason I went to Korea was on a project that we are actually embarking in at RAND on the future of North Korea, so I've come to you with a rather fresh set of interviews.

Basically the project was to conduct extensive interviews with people who deal with North Korea, for instance, non-governmental organizations (NGOs). There are a lot of NGOs who have extensive access to North Korea and businessmen and religious organizations as well as others and so I have not yet had time to really go through all the hours and hours of interview tapes or to come up with a conclusion but this will be the first time that I will be able to try to sort through the mountain of data and information that I gathered in my most recent trip.

Trying to predict, of course, where North Korea will be heading is a very dangerous affair, especially for a so-called political scientist, but I will try my best to come up with a rational justification for some of the recommendations I will try to make. For those of you perhaps not as familiar with this issue as some of us here – Tom Plate and others who are experts on this issue – I'll just give you a very short chronology more so to set up the issue why North Korea behaves the way it does and where its ultimate motivation comes from.

The whole Korea Korean nuclear crisis so-called started back in 1993 when it threatened to quit the Nuclear Nonproliferation Treaty (NPT) and people started becoming very suspicious that North Koreans would develop nuclear weapons. Now, why did it all start in 1993? We have to think back and think in terms of where the North Koreans were coming at this issue. Remember, the two Koreas ever since the nation was divided in 1945 were interlocked in fierce competition, divided into the two Cold War opposing ideological camps trying to outdo each other, trying to claim to become the sole legitimate government to govern all of Korea.

But by the late 1980s, of course, it became very clear which side was winning, and by early 1990s with the fall of the Soviet Union, the Eastern European countries, the former Soviet camp, communist world, North Korea of course found itself completely isolated. On the other hand, its competitor, South Korea, had become an enormous success by the early 1990s. Remember, back in the early '60s – the earliest figures that we have available – in 1964 the per capita income of North Korea was \$225 and that of South Korea was \$81. South Korea was by far the poorer country.

North Korea was the most successful, one of the darlings of the third world countries – the nonaligned nations at the time – having successfully rebuilt itself after the devastation of the Korean War, straddling; handling; conducting great diplomacy balancing Moscow and Beijing and reaping enormous benefits from the success of the communist system until then. In fact, it wasn't until the early '70s that the economic standing of the two Koreas was reversed. It was only in the early '70s that South Korea became wealthier than North Korea. So, this is a very recent event. You have to think that even in the mid-'70s, North Korea was feeling very confident. But fifteen years later all of a sudden you find the whole system that had been sustaining you had completely collapsed and you're the only one left. The countries that had been providing you with fuel – with everything you could possibly need, including food – had all disappeared.

On the other hand South Korea, which seemed to be a colony of the United States, barely surviving on the handouts by the United States and international aid organizations by the early '60s had become this phenomenal economic success. By the late '80s it had also gone through a successful transition to democracy. So, South Korea by the early '90s had achieved the twin goals that all developing nations are aiming for, which is industrialization for economic development on the one hand and democracy on the other.

Given the situation; given this complete reversal of fortunes which happened in a rather short time span, in fact in the lifetime of the North Korean leader until then, Kim Il Sung, the situation was very, very dire and grave. So in this kind of situation it's almost understandable that if you were the leader of a country that is completely isolated and whose security, economic and otherwise cannot be guaranteed, the only thing you can really go for at this point is something like nuclear weapons, if you thought that that would give you some semblance of security. In fact, that is what North Korea chose to do. In fact, if you look back it was a very smart move and you really do have to give the leaders of North Korea enormous credit for really figuring out where they were and what the best way to survive the situation was – unfortunate for the rest of us but that's what happened.

So, by 1994 the year after the North Koreans basically came out and declared to the world that they were developing nuclear weapons. The United States and South Korea frantically engaged North Korea and by 1994 there was an agreed framework; there was an agreement in which North Korea agreed to freeze their nuclear program in exchange for the United States and its allies providing for the building of light water nuclear reactors – reactors which couldn't be as easily converted into nuclear weapons.

Right after 1994, rather unbeknownst to the outside world, starting in 1995 there was massive flooding in North Korea and by 1996 North Korea started undergoing a massive famine during which, depending on the estimates, anywhere from one million to three million people perished – this in a country with a population of 21 million at the time. Now its population is closer to 19 million because of the famine and other factors.

So, after the collapse of everybody around you you come up with this one card which is the nuclear weapons and then you're hit with this massive flooding; massive famine which decimates your population and this period of massive hunger and what the North Koreans now still call the March of Pain – is that the right translation? – I've never seen the English translation for it but it really was a sort of a march of death; this march of pain that they went through from 1996 to 1998.

So, again you can see that not only externally their security broke down but domestically the system that had sustained them had completely broken down by 1998. Finally in 1999, because the agreement to build this nuclear light water reactor and to provide some form of energy for the North Koreans to compensate for them stopping the nuclear program, wasn't being put in place as quickly as the North Koreans had hoped.

So in 1999 they shoot a big missile over the island of Japan, threatening them and saying, "Okay, we're now developing missiles, too. So you guys better do something if you want us to stop." So, the so-called KEDO process kicks in and by 1999 finally this thing called Korean Energy Development Organization (KEDO) is formed in which South Korea, Japan and the United States pool close to five billion dollars to start building these nuclear light water reactors.

In 2002, with a new administration, the United States gets intelligence that North Korea in the meantime has been developing an alternative nuclear program based upon highly enriched uranium and it confronts North Korea. There's some confusion as to what exactly happened and whether the North Koreans really acknowledged it or not. In any case, the United States basically says that the agreed framework, the earlier agreement of 1994 is no longer valid, and in 2003 North Korea withdraws from the Nuclear Nonproliferation Treaty.

Again, we try to put this together in 2003. The so-called Six-Party Talks begin and basically we are still in that stage where the so-called six-party talks are still ongoing. We seem to be somewhat closer to the end than we used to be back in 2003 in the sense that what we are wrangling over now is verification protocol.

North Korea said, "Okay, we will stop our nuclear program. Yes, we will allow inspections." As to whether they really stop this and how we go about inspections is where we're stuck. Whether scientists can freely roam around North Korea to get nuclear soil samples for instance to verify North Korean claims, those are the sticking points right now. And despite great expectations the talks have stalled and, for the past couple of months, everybody agrees that the North Koreans are waiting for the new administration to come in to proceed to the next step.

So that's where we are, very quickly. So at this point what should we do? First of all, the most important thing to figure out is North Korea's intentions. What exactly are they saying that they want? In fact, the six-party talks provide a very clear answer of the end point. So, what's the whole point of this exercise? What is everybody trying to achieve? The six-party talks make clear the whole process for this goal: the complete de-nuclearization of North Korea in exchange for the establishment of a peace regime on the Korean peninsula and the normalization of relations between the United States and North Korea primarily, but also between Japan and North Korea as well.

What does it all mean? What is this peace regime thing? Well, of course, back in 1953 when the Korean War ended it didn't really end. As you may recall it was just an armistice – a ceasefire agreement. It was never a peace settlement. So, in theory the United Nations, including the

United States, is still at war with North Korea and so all this time as far as North Koreans were concerned – also in the United States and South Korea, too – but as far as the North Koreans were concerned they were at war – they *are* at war with the United States.

So everything has been geared towards preparing for the next war, or to continue the war footing. What they're saying, at least within the framework of the six-party talks is that yes, we want a peaceful settlement – a final peace treaty – and we will accede to the peace treaty if the United States guarantees our security – normalizes relations – and if that happens we will give up our nuclear weapons.

So, the end point is quite clear. That's what everybody seems to be aiming for. But the crucial question and the ten million dollar question is: is North Korea really ready to give up its nuclear weapons, even if a peace treaty is to be exchanged as the price for it? This is where people differ: whether North Korea is really going to give up nuclear weapons or not. Those who say "yes," and there are quite a few, are the ones who say, "Yes they will give it up and in fact North Koreans want to give it up if only they could have the opportunity to open up and reform the way the Chinese have done; the way the Vietnamese have done.

So, they're just looking for that opportunity; they're looking for the right price. If the United States and its allies can provide them with the right package, they will actually give it up. So for those people who say that they will do that, their policy recommendation is the more we engage them in trade, aid and otherwise, the better it is. The quicker they will open up, the quicker they will learn the benefits of opening up and it will speed up the process – that's why we need to engage North Korea.

Then there are those who say no, and there are two groups. One group says they will never open up and they will muddle through. They will try to prolong this thing as long as possible. There's no reason they will try to open up because they know that the moment they open up it will mean the collapse of their regime. But there's a group of people who say that they will continue to try to muddle through but it won't work. The system is so broke that it will actually collapse and pretty soon, too. For instance, now there are people who say that given all these rumors regarding the health of the leader of North Korea Kim Jung Il, there is even more likelihood that if there were something to happen to Kim Jung Il then the likelihood of the North Korean collapse becomes that much greater. So, there really isn't much point in engaging; perhaps we should put more pressure, put more sanctions on the regime. That's another group of people.

Then there's yet another one – another group of people who say that well they're not for reforming; they won't give up the nuclear weapons, but then they won't fall all that easily either. [They believe that] the North Korean regime actually has much more resilience and robustness to it than is commonly believed and that it will successfully muddle through. So, depending on who you are; which of these three positions you take on the ultimate intention of North Korea, you come up with very different policy recommendations.

The next question becomes – and this is the question that, of course, my project is trying to answer – how stable is the North Korea regime; how robust is it really? Is it about to collapse or can it go on and on forever? If you think that it's about to collapse, of course, again the policy recommendation is to squeeze North Korea so that you will hasten its fall. The others would say that actually, and unfortunately a growing group of experts, at least currently, now think that the North Korean regime is very stable – much more stable than previously thought. The latest account that I've heard from various people who work in North Korea, including a couple of very

recent defectors, give you a startling different picture than the one that, for instance, became very popular especially during the famine years until the late 1990s and early 2000 which is that clearly the majority of its population is suffering but as far as the core leadership of North Korea is concerned they're rather comfortable.

By the "core" they mean anywhere around 50,000 to around 100,000 core cadre of the leadership and about a two million person support group. These are the people who the outside world sees the most. These are the people who conduct trade; who come out and actually sell things; who run restaurants in Beijing; who seem to be very worldly and cosmopolitan. The latest eyewitness news account is that this group, this core group in Pyongyang, their living standard is very very high. Everybody has flat panel TVs, Samsung and LG – everybody has it.

DVD players are supposedly endemic; anybody can buy them on the black market these days. In fact, the North Korean government largely has decided to let it prosper so people watch South Korean soap operas, they watch American movies. In fact, the most recent defector that I interviewed was a school teacher, so he wasn't very high up, and he wasn't living in Pyongyang either, said it's very easy to get these things and everybody's watching them.

Because of the famine, for instance, because of the experience of the famine, now every household has stashed food in case of another famine. Any average household has anywhere from three months to a year's worth of rationing to survive if there were to be another famine. So, again on the fringes it's chaos; disorder; people are basically left to fend for themselves, etc. But the core seems to have adjusted rather comfortably and has settled in for the long haul.

If that is, indeed the case, then I think we are actually in for a very long haul in terms of negotiating things with North Korea. The idea that North Korea is – the term that they use for the reform; the so-called reform that they're undertaking is the "mosquito net" metaphor. The mosquito net reform means that you keep the mosquitoes out but you let the air in. So, you open up just so much so that you actually reap the benefits of opening up, but you keep the mosquitoes out – meaning the bad ideas from the outside world – the liberal west, all that stuff needs to be kept out. That's the metaphor that they use, but they still have very tight controls over things.

For those of you who keep close track of these things for instance the big debate nowadays is the so-called market reform that's taking place in North Korea. There are all these farmer's markets that have cropped up, especially since the famine and, of course, that's a clear indication that the central distribution system which was the hallmark of the communist system broke down during the famine and many people were left to fend for themselves, and they're the ones who started selling things on the market, importing things from China, etc.

A lot of people now take that as a sign that the North Korean regime is also supporting free markets and letting them flourish but all the indication actually is that the North Korean regime knows exactly what they're doing. They know what markets can do. They know what bad things markets can do for them as well. So they're keeping very tight control over things and in fact now there's a lot of tightening of the system; of shutting down many of the markets that they think are taking on a life of their own.

People compare this to how China at the beginning, at least until the mid-90s, used to go two steps forward towards market reform and one step backward trying to rein in the adverse effects of liberalization, etc. North Korea might be doing the same thing but in any case the government seems to have very tight control and seems to know what it's doing in terms of the market.

My own view regarding the North Korean tension, at least after this most current round of talking with people who seem to have the most access and recent access to North Korea, is that the system is rather robust. The North Korean regime is not only a totalitarian regime – a very successful one – but also in recent years the leadership has very successfully engendered among its elite the idea that they are in the same boat; that their fate is tied together so either they sink together or they swim together, and the regime has set it up so it is very able to provide for those who are essential to the maintenance of the system – and again that core group of about 100,000 and about two million supporting are rather content with their station in life currently.

What does this mean for the new administration? I think it will mean a very tough slugging through in terms of negotiations. It has been said that North Koreans are expecting the new administration to come up with a very big package and will start to deal directly with them offering something that the previous Bush administration did not offer. There seems to be rather high hopes on the part of the North Koreans.

As far as the new Obama administration is concerned again, of course, as you know during the campaign, President Obama mentioned the fact that he is more than willing to deal directly with leaders of rogue nations if necessary. Again, that seems to be the reason why the North Koreans are really taking him at his word as if he were coming right out and start speaking to them. But I think the new administration has very few illusions as well and it will try to go through the six-party process first; try to feel out what the North Korean intentions truly are, and again it will have to go through the hard slogging learning process of dealing with the North Koreans all over.

The other side of it is that even if North Korea is willing to give up nuclear weapons, and they say the conditions for doing this is a complete security guarantee from the United States, you have to try to think: what kind of security guarantee can the United States provide the North Koreans that will make them actually give up the only thing that they feel guarantees their security?

It will be a very tough one, it will be a very difficult task and it will have to be a very very big package, and I think the North Koreans by now know – they have learned the lesson that when an administration changes in the United States policy changes, too. Especially policy towards North Korea can change at the tip of a hat. It will be very difficult for any administration to actually convince the North Koreans that their security will be completely guaranteed.

I think that the new administration is in for the long haul and they should be mindful that the North Korean situation is something that cannot be resolved. It should be something that they should think of in terms of managing rather than trying to resolve it through a quick fix. It's not a very positive outlook on things but given everything that has transpired in the peninsula so far and given the current reading of where the North Korean regime is, I think that seems to be the only rational outlook for the near future.

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