The EAI Press Briefing on the Cheonan Incident

June 22, 2010

Presenters

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This product presents a summary of an interview.

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Presentations

<u>Sukhee Han</u>: The International Environment for North Korea after the *Cheonan* Incident

On June 22, 2010 the East Asia Institute

hosted a press briefing on the recent Cheonan

incident. The conference comprised of a pres-

entation by Professor Sukhee Han (Yonsei

University), which was also released as an EAI

Commentary "China's Dilemma regarding the

Cheonan Incident and the Future of ROK-

China Relations." There were also further

presentations by Seong Ji Woo (Kyung Hee

University) and Chaesung Chun (Seoul Na-

tional University). Following the presentations,

a Q&A session took place with foreign repre-

sentatives from Press TV, Legal Daily, Economic Daily, the Associated Press (AP) and

The press briefing was a great opportuni-

ty to present and address specific questions on

the effects of the Cheonan incident on current

and future East Asian political dynamics.

More specifically, the presentations focused

on the international environment for North

Korea, North Korean politics and economy,

and South Korea's response after the Cheonan

incident. The following is a summary of the

press briefing and the subsequent Q&A.

the U.S. Embassy in Seoul.

China's response to the *Cheonan* incident is a manifestation of its attempt to mix two seemingly incompatible entities: the desire to rise

as a "responsible global power" while maintaining its alliance with North Korea. As defined by Chinese leaders such as President Hu Jintao and Premier Wen Jiabao, a responsible power should create stability while promoting justice by maintaining neutrality. To achieve both ends, China's stance during the *Cheonan* incident has been to protect North Korea in order to maintain stability and peace on the Korea Peninsula and to achieve the greater goal of regional stability.

China's Dilemma in Punishing North Korea

China's actions following the sinking of the *Cheonan* seems to suggest a strengthening of the alliance between China and North Korea. Highlighting this, Kim Jong-il visited China in May, 2010 to discuss the future of China-DPRK relations. In contrast to South Korea's expectations, China did not support the results of South Korea's investigation into the *Cheonan* incident nor did it commit to South Korea's efforts in the United Nations to condemn North Korea. In fact, throughout the entire incident China has been deflecting international criticism as it has protected North Korea.

China's protective stance toward North Korea cannot be explained simply as a genuine effort to protect Pyongyang. Rather it should be seen as a calculated move to preserve regional stability, part of China's selfdefined role as a responsible global power. Because of the fragility of the situation, any small impact from foreign actors may under-

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mine North Korea's stability and therefore ultimately regional peace and security. If China were to support South Korea's results from the investigation and agree to condemn North Korea at the United Nations, it would isolate North Korea triggering a potential backlash and further provocations in the region. A further difficulty for China is that it cannot outright veto the resolution, which would risk damaging its diplomatic relationships with other important member states. Considering these choices, China's only viable option would be to abstain from the vote at the UN Security Council and to maintain neutrality.

The meeting between the China and the DPRK in May shows Beijing's attempt to preserve regional stability. However, China was unsuccessful at promoting strategic dialogue with the North Korea leadership and failed to exert influence or receive enhanced information on North Korea's intentions that would help prevent future provocations. Soon after the meeting, Pyongyang continued to make new announcements of its nuclear capability and two Chinese civilians were shot along Yalu River. Furthermore, China was also unable to gain Kim Jong-il's promise to participate in the Six-Party Talks, while on the other side North Korea was unable to secure substantial aid from China.

Throughout the incident, China has maintained its neutral position, although it seems to be bolstering North Korea's stance. As a newly emerging leader, China is walking a fine line between preserving its alliance with North Korea and maintaining regional stability.

Implications on South Korea's Relations with China and the United States

China's response to the *Cheonan* incident has led to a low point in China-ROK relations.

Beijing's response seems to suggest that the China-DPRK alliance is more important than the China-ROK partnership. This has created disappointment and provoked efforts to reassess the bilateral relationship with China in South Korea.

In contrast to China-ROK relations, the alliance with the United States is strengthening, as displayed by the upcoming joint military exercise in the Yellow Sea. With the participation of the aircraft carrier USS *George Washington* for the exercise, it has triggered an emotional response from China which has no realistic measures to stop the joint exercises. With only diplomatic channels to voice against the ROK-U.S. military exercise, it might be an opportunity for China to make meaningful changes in its foreign policy.

Future: Importance of Network Diplomacy

As seen from the *Cheonan* incident, South Korea, China and the United States are inextricably intertwined. Without a multilateral approach, China cannot single-handedly deal with North Korea to preserve peace and security in the region. Although China's relationship with South Korea and the United States has deteriorated recently with the incident, it will be essential for all three actors to promote network diplomacy. South Korea must develop its relationship and strengthen its cooperation with China, the United States and other related countries to more effectively work towards regional stability.

<u>Seong Ji Woo</u>: North Korea's Politics and Economy after the *Cheonan* Incident

The Supreme People's Assembly

In 2010, North Korea's Supreme People's Assembly (SPA) has so far been held twice, its

"As a newly emerging leader, China is walking a fine line between preserving its alliance with North Korea and maintaining regional stability." scheduled meeting in April and another extra session in June. Holding a second session within such a short time frame is a particularly precarious act by Pyongyang. The three main reasons for holding the June session seems to be the need to deal with the unsuccessful currency reform of late 2009, followup on Kim Jong-il's visit to China, and importantly to address the *Cheonan* incident.

For the June session, the SPA appointed a new Premier and Deputy Premier, signaling a shift in focus toward improving the failing North Korean economy. Additionally, Jang Song-Taek, brother-in-law of Kim Jong-il and a member of the National Defense Commission (NDC) since April, 2009, was promoted to Deputy Chairman of the NDC. This promotion sends two messages that the NDC will be the head organization spearheading the succession from Kim Jong-il to his son Kim Jong-eun, and that Jang will be an important figure during this process. Jang is also the director of the Administration Department of the Korean Workers' Party that controls the state security apparatus such as the State Security Department and the Ministry of Public Security.

Power Succession

The power succession from Kim Jong-il to Kim Jong-eun is already in progress. Kim Jong-eun was believed to have been selected as successor in January, 2009, becoming the effective "number two" man in both the party and military. Kim Jong-eun currently controls the Organization and Guidance Department of the Korean Workers' Party. There are also reports that he is heading the State Security Department. Within the Korean Worker's Party, the Propaganda and Agitation Department is campaigning to idolize Kim Jong-eun and he is also rumored to be behind the 100-Day and 150-Day Battle campaign to improve the economic lives of the people.

Economy and Governance

The North Korean economy is in a desperate situation with no sign of a recovery. In fact, over the past few months North Korea has faced a worsening economic situation due to the failure of the currency reform, and a reduction in trade and economic cooperation with South Korea because of the *Cheonan* incident. With food shortages already spreading to the cities and the countryside, the Korean Workers' Party issued instructions on May 26, 2010 proclaiming that the state is no longer capable of providing food to the people for the short-term.

In addition to the failing economy, there is less effective governance in North Korea. The state has issued an order for authorities to not interfere with market activities, signaling its weakening control. Simultaneously, the North Korean people are increasingly becoming cynical of their government system, and as they have more access to international news there seems to be some hope for change in North Korea.

Overall, North Korea can be termed as a failing state. The government is no longer able to provide enough food and resources to its people, although the state still effectively wields power and control. While the regime is fragile, it still has enough force to intimidate its own people and external actors. Increasingly though, ordinary people in North Korea are feeling the fatigue from Kim Jong-il's military-first politics.

Cheonan Incident: Using the Past as a Guide

All countries involved with the *Cheonan* incident are struggling to find an exit strategy.

"Increasingly though, ordinary people in North Korea are feeling the fatigue from Kim Jong-il's military-first politics." With the G-20 Summit in Seoul coming up in November, 2010 and efforts to restart the Six-Party Talks, there is strong pressure on the South Korean government to find an exit strategy.

The 1987 bombing of KAL Flight 858 can give us some insight into a solution for South Korea's current tragedy. During the incident, a Korean Air flight exploded in midair after a bomb was planted onboard by North Korean agents. In spite of the major difficulties with such a major provocation, within nine to ten months the South Korean government under President Roh Tae Woo came up with a dramatic proposal to expand political and economic cooperation with North Korea to rebuild ties. This past experience may serve as a useful example for South Korea to find an exit strategy from the *Cheonan* incident.

"As inter-Korean relations are not just localized to the Korean Peninsula, dealing with these issues will necessitate the need for enhanced strategic cooperation between South Korea and China."

The Future of North Korea

Lastly, with an ailing Kim Jong-il, political succession is the main issue in North Korea. Power succession based on blood-line is the rational and preferable method for North Korean elites who want to prevent the risk of a destructive power competition by breaking the status quo and introducing a completely new candidate. The succession will likely to be successful on three grounds: firstly, there is no alternative among the North Korean elites; secondly, there is no effective organized resistance, and thirdly, little external interference. Given the current circumstances, political succession will most likely be successful.

After the next leader has come to power, this leader will then probably be succeeded by a collective leadership. It is predicted that the new leader and a new generation of elites will in the future be more favorable towards opening North Korea and undergoing reforms when compared to the existing leadership.

<u>Chaesung Chun</u>: Lessons from the *Cheonan* Incident and South Korea's Response

Although the *Cheonan* incident currently draws great attention, it will probably fade away within a couple of months. Policy makers in South Korea are at the moment greatly focused on producing a Presidential Statement at the United Nations which will condemn North Korea for the *Cheonan* sinking. But soon, the South Korean government will have to shift its attention to more pressing and difficult issues.

South Korea has to prepare for the G-20 Summit that it will be hosting this fall. It also has to develop strategies to restart the Six-Party Talks, which will involve coordinated moves with the United States, China, and Japan to compel North Korea to participate. Policymakers need to reassess engagement policies that will promote long-term relations with North Korea especially when taking into account the regime changes that will be brought about by the ascension of its third leader, Kim Jong-eun. South Korea will have to create a comprehensive strategy with China in order to address and embrace these changes in North Korea. As inter-Korean relations are not just localized to the Korean Peninsula, dealing with these issues will necessitate the need for enhanced strategic cooperation between South Korea and China.

Domestically there will be a need for new approaches in dealing with inter-Korean relations. There is rising opposition to the Lee Myung-bak administration in terms of its North Korea policy, and in the buildup to the next Presidential elections in 2012, competition between different candidates will heat up. Without a broad focus on a diverse set of issues, South Korean policymakers will have to face difficult times in the remaining two years of the Lee administration. As a result, in a couple of months, South Korea's situation will be quite different as new issues, such as the G-20 Summit become more prominent. Seoul will not be able to devote all its focus on the *Cheonan* attack and continue to maintain pressure on North Korea, since it will have to broaden its focus and gain multilateral cooperation to achieve its interests.

Q & A Session

Since North Korea's sinking of the Cheonan, China's voting power as a permanent member of the UN, has caught everybody's attention. Would China abstain from voting in the UN? If it does, would North Korea still be mentioned in any statement?

<u>Professor Sukhee Han</u>: China does not seem to be comfortable with taking the *Cheonan* issue to the United Nations, which could cause grave consequences for North Korea. Yet Beijing wants to become a "responsible great power," it knows what this means and what it should do to achieve such a position. Therefore, China is certainly in a dilemma with this issue. If it abstains from voting in the UN, then I think it means that China may allow for the passage of a UN Presidential Statement on North Korea. However, I cannot guarantee whether China will specifically allow for North Korea to be named.

The planned ROK-U.S. joint anti-submarine naval exercises including the participation of the USS George Washington in the Yellow Sea has brought about severe antagonism from China. Could there be a correlation between these military exercises that goes against China's wishes, and China's vote in the UN Security Council? Is the United States

involved?

Professor Sukhee Han: The joint military exercises, particularly with the participation of the aircraft carrier USS George Washington has brought about repercussions in China. It would seem that the South Korean government had not expected that Beijing would react in this way. Following the incident, Seoul wanted to make a show of force and draw attention to the fact that many lives were lost. Therefore some measures had to be taken and the joint military exercise was one of the possible options. Now that China has criticized the exercise, the introduction of the USS George Washington will bring some effective consequences. On the other hand, Beijing's abstention at the UN is not a related issue. China has seldom been cooperative over this issue, while South Korea expected it to exert some indirect influences over North Korea. The Chinese leadership has always made their own diplomatic decisions based on national interests, and will this time as well.

Professor Chaesung Chun: I think this is a very interesting question. If this is a test case for a possible future scenario for intervention into North Korea by the United States and South Korea, then I think the behind-thescenes conversations about future contingency planning over North Korea may be interrupted. Hence in any future contingency, if there is no conclusion at the UN level, there will then be state-level military intervention. If there is no agreement between the United States and China, that will be a very difficult situation for South Korea, diplomatically speaking. The issue must be dealt with very wisely and all parties must act accordingly. If not, there will be unexpected tension within the ROK-U.S. alliance, which will cause se-

"The Chinese leadership has always made their own diplomatic decisions based on national interests, and will this time as well." rious consequences.

South Korea would like to have a "full package" from the UN Security Council. However, with China and possibly Russia against this, it does not seem very promising. How would the South Korean government react, if it does not get a positive vote from China and perhaps even Russia?

Professor Chaesung Chun: China wants to keep its alliance with North Korea, yet certainly Beijing does not want a repeat of the Cheonan incident. When the two leaders met in early May, Hu Jintao wanted to make sure that Kim Jong-il would not provoke any further threats to the regional stability. China possibly thinks that Seoul misunderstands its pursuit of peace and stability in East Asia, and maybe that it is too conservative with its North Korea policy. If China and South Korea cannot agree with each other, it is possible that Beijing would oppose any UN effort proposed by Seoul. If China implicitly agrees that South Korea is just and fair, then China might abstain from voting in the UN at best. However, even that sounds too hopeful at this point.

Although President Lee claimed to promote a resolute policy toward North Korea, his administration should seek an exit strategy from this point on. Even if China and Russia oppose having a UN Presidential Statement on North Korea, the South Korean government should respond in a lukewarm manner. Inaction at the UN would serve as a good excuse for South Korea to move on to the next stage, as we expect many other political events coming up later this year.

<u>Professor Sukhee Han</u>: China also wants to move on and focus on the Six-Party Talks. Beijing has long wanted to close this case as soon as possible and move on. In order to do so, the *Cheonan* incident must come, to a certain degree, to some conclusion. That would be with a UN Presidential Statement. Unless North Korea admits to the attack, China won't be able to vote in the UN, instead, it will prefer abstention.

<u>Professor Seong Ji Woo</u>: I personally do not think that China wants to be a "responsible great power." Rather, it wants to remain as a "responsible regional power." In this case, China has a primary interest in maintaining stability within the region, and keeping its alliance with North Korea. Between these two interests, China is not torn apart. Rather, it is acting in one co-interest of the East Asian community.

There could very well be a connection between the ROK-U.S. joint military exercise and China's diplomatic reaction at the UN. Politically, nations always send signals back and forth. The United States might be playing in this game as well; it might be sending China a message about what should be done in the UN Security Council.

It seems paradoxical that while China wants to maintain its alliance with North Korea, its actual relationship with North Korea is not congenial, as witnessed when the two leaders met. How can DPRK-China relations be interpreted at the current stage?

<u>Professor Sukhee Han</u>: Maintaining the alliance does not mean China favors North Korea. It is more of a "need." Surely, China did not want the *Cheonan* incident to happen. Even though Hu Jintao demanded that North Korea should follow the five conditions discussed during the meeting, what Kim Jong-il did in the North was against China's will: con-

"Inaction at the UN would serve as a good excuse for South Korea to move on to the next stage, as we expect many other political events coming up later this year." tinued nuclear development, and the shooting of two Chinese people near the Yalu River. Over this, the Chinese media are issuing harsh remarks, which the government cannot simply ignore. Nonetheless, I think the China-DPRK alliance will remain.

Joongang Daily published a report that Kim Jong-eun is already censoring reports for Kim Jong-il about the current situation in North Korea. Is there any credence to this?

Professor Seong Ji Woo: It's possible that Kim Jong-eun is filtering the reports sent to Kim Jong-il, who is now old and frail. It was common in the past for Kim Jong-il to do the same for his father, Kim Il-Sung. Currently, Kim Jong-il himself might not even have total control of the regime. Kim Jong-eun seems to be expanding his influence, there has been a report that he is in control of the State Security Department. Currently, the state branches of the government are under control of Jang Song-Taek. The military remains under the control of Kim Jong-il and will be the last institution to be handed over. All this indicates that the succession process is under way.

Is South Korea adequately prepared for a possibly" more open" North Korean regime in the future? Would it allow exchanges with the North at all?

<u>Professor Seong Ji Woo</u>: The next regime in North Korea will be relatively more open to the outside world, compared to the current regime. Yet the next leader will have to find some legitimacy, and he will find his rationale from improving the poor economic conditions. Now, there are two options for that: opening up and internal reforms. For the North Korean regime, opening up will be easier than internal reforms. With this the South Korean government will be working with different options. If North Korea does not go with the best option from Seoul's point of view, then the South will take some time before it embraces and engages with the North. I encourage engagement, but only on the condition that we need to be more strategic, on guard, and be able to push the North harder.

Presenters

Chaesung Chun, Chair of Asia Security Initiative Research Center, East Asia Institute Sukhee Han, Yonsei University Seong Ji Woo, Kyung Hee University

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