China Policy Towards North Korea and its Implications for the United States: Balancing Competing Concerns

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**Introduction**

The North Korea proliferation problem is one of the two most dangerous flashpoints in East Asia today.[1] It involves many complex issues: the legacy of Cold War divisions; nationalism in Northeast Asia; Sino-American rivalry for leadership and allies; proliferation of weapons of mass destruction (both within the region and beyond); and finally, humanitarian tragedy. This article will evaluate one important issue among these interrelated issues is the role of the Sino-American relationship to the North Korea issue. It will do so by carefully evaluating Chinese policy toward North Korea and then considering the implications for the United States. It will argue that Chinese policy toward the North Korea proliferation issue is best understood as one manifestation of its overall policy toward East Asia. Beyond that, from a U.S. perspective, this policy has been much more positive than is commonly assumed.

The article will proceed by first characterizing Chinese interests in North Korea, both today and historically. Next, the Chinese-Korean relationship will be put in the context of the broader shifts in Chinese foreign policy in the past decade. Finally, the specific Chinese policies toward North Korea in the past several years will be surveyed, highlighting the numerous, albeit small, steps China has taken to check or slow North Korean proliferation. This will allow China’s overall policy goals in this case to be considered.

This paper will argue that the Korean proliferation issue is not likely to be “solved.” While Chinese and American policy is aligned at a broad level, there is no sign that either nation is willing to go to the extreme level that would be required to de-nuclearize North Korea. Chinese concerns about regional instability are substantial and will likely prevent the extremely hard forms of pressure that would be required to compel Korea to back down.[2] That said, Chinese policy has been broadly supportive of U.S. interests. Excessive criticism of China on this issue is misguided and counterproductive in the overall relationship between Washington and China.

**Chinese Interests with Regard to North Korea**

When China views North Korea, what interests does it have in mind? This section will focus its discussion on the strategic interests that Beijing sources express in both “on the record” and “off
discussion of the issue. For simplicity’s sake, this paper will generally focus on China as a unitary actor. While this is a gross and inaccurate assumption, the point of this paper is not to argue the accuracy of that approach, but rather to point out that even this substantial simplification leads to a clear understanding of the nature of China’s North Korea policy.[3]

**Chinese Material Interests**

China has a range of interests at stake in the Korean peninsula, stemming from both local and regional factors. The most important concern falls in the first category: its own border security. Korea has historically served as an invasion corridor between China and Japan, and at a broad, long-term level, China remains concerned about the geostrategic advantages that an adversary would possess were it to control the peninsula. In this regard, American troops in the northern portion of a reunified Korea would be viewed as deeply threatening to Chinese leaders.[4]

While that geostrategic concern is rather far fetched in the current situation, China has more proximate concerns as well. Beijing greatly fears the potential for instability and lower-level conflict to spread from North Korea across the border.

China already faces a substantial problem with refugees from North Korea in its border provinces of Jilin and Liaoning. It is estimated that tens of thousands of North Koreans refugees have found their way into this region, intermingling with a pre-existing ethnic Korean community. While these represent something of an economic burden, and even more a challenge to overburdened law and order officials in the region, the fear in Beijing is what might happen in the future. Either in the context of an economic collapse or military conflict in North Korea, these numbers could be expected to swell substantially. This would greatly exacerbate a problem that already presents the leadership in Beijing with grave challenges.[5]

Related to this problem in the region, there is a steady flow of migrants seeking political asylum in third countries that find their way to Beijing’s “Embassy District” where they attempt to sneak onto a foreign embassy’s grounds. While this is clearly not a security problem, it does serve as a minor irritant that reminds the Beijing leadership about the problems associated with the broader migration issue discussed above.

Beyond these local concerns, Beijing does have broader regional interests in play on this issue. Formally, of course, Beijing opposes any nuclearization of the Korean Peninsula. China already has three nuclear neighbors, not counting North Korea. This is substantially more than any other country faces.[6] Any proliferation on the Korean Peninsula would directly complicate China’s security environment.

However, more fundamentally, proliferation in North Korea could well spill over throughout the region. Nearly certainly, Japan would further deepen its cooperation with the United States on missile defense. This had greatly accelerated following North Korea’s missile test of 1998 and the subsequent revelations about the North Korean program in 2002.[7] Indeed, Japanese modernization is very closely linked to the North Korean threat in general.[8] Chinese views about the Japanese development of missile defense systems have been sharply negative.[9]

Worse yet, from the Beijing’s perspective, would be the prospect of formal nuclearization of Japan. This is an issue that is watched carefully in China.[10] There is some recognition in China that proliferation in Korea may well spill over to Japan. For instance, Rear Admiral Yang Yi, the director of the Institute of Strategic Studies at China’s National Defense University, writes of his concerns:

It is not just a nuclear armed DPRK, but also the extremely difficult task of dissuading other countries from following suit. Some East Asian countries have the potential capability in
developing nuclear weapons. And others even have available technologies and resources. Many international experts hold that Japan and ROK in particular are the most likely countries in East Asia that will opt to develop nuclear weapons.[11]

Such a proliferation spiral would be catastrophic for China, and there is increasing evidence that this prospect is widely discussed in Beijing.[12] What is not discussed (openly) is the prospect that a proliferation spiral that began in Pyongyang and spread through Seoul and Tokyo might end in Taipei. The development of nuclear weapons by Taiwan has long been a formal casus belli for the Chinese leadership, thus accounting for its sensitive status in the current debate. However, this would be a logical conclusion for analysts viewing the region. Were that to happen, the costs to China would be high indeed.

China then faces two important concerns: stability of the Korean Peninsula and avoiding proliferation in the DPRK and beyond. It should be noted that these are also the top two interests of the United States. What distinguishes Washington's preferences from those of Beijing is not the nature of the interests, but their prioritization. China is more concerned about stability than proliferation, whereas the United States has the opposite ranking.[13]

**Historical Legacies**

Of course, beyond narrow material interests, social and cultural factors affect national interests.[14] Historically, North Korea and China have shared bonds stemming from a bloody war fought side-by-side and a long-term alliance between the two countries. Further, perhaps most important from the long-term perspective, will be the view between the two societies from a social perspective. Assessing Chinese popular opinion is always a challenge rife with opportunities for error. This is certainly the case with regard to views of North Korea and Kim Jong-il. However, we should not neglect the information that is available. Media support for North Korea is strong, as shown through the fawning coverage Kim receives on every visit to China. While the coverage in the media most closely tied to the propaganda ministries is not particularly enlightening, not all media sources are equally dominated by the government and there is an emerging diversity of views on many issues in Chinese media.[15] Some chat groups also show strong bonds between the two societies.[16] While this is not intended to imply that the two will have a close alliance relationship, it does suggest that ties between them are less likely to be determined solely by the geopolitical realities that they face. Some close relations should be expected.[17]

Thus, China has many interests in North Korea. For material reasons, the proliferation issue is clearly an important one for Beijing. Beyond that, however, material-based concerns regarding border stability and the cultural legacies of history will lead Beijing to care about the potential for chaos in North Korea.

**Chinese Policy Towards the Region**

Since the late 1990s, China has embarked on a very deliberate policy aimed at improving its reputation in the region. Central to this has been Beijing's rhetorical adherence to the "New Security Concept." This has several important elements that differentiate it from previous initiatives in Chinese foreign policy, in particular, from the "Five Principles of Peaceful Coexistence" of the 1950s.[18] Most importantly, it emphasizes the utility of multilateral mechanisms to address and even solve security problems. This has been a central element in the past decade or so of Chinese foreign policy.[19] (It is ironic that at the very moment that China has begun to cooperate more completely with international organizations—long a goal of Washington's diplomacy—the United States has moved away from existing formal institutions.[20])
This new emphasis in Chinese foreign policy shows up in several areas. At the UN Security Council, China has supported resolutions against Iraq under Chapter VII, thus legitimating the use of force.[21] More recently, they supported a strong resolution “demanding” that North Korea discontinue its missile provocations (although this resolution was notably passed without reference to Chapter VII). China has been an avid participant in various ASEAN-spawned institutions: the ASEAN Regional Forum, the ASEAN-plus-three meetings, and the East Asian Summit. These, and the Six-Party Talk process discussed below, are the central security institutions in East Asia.[22] China had historically avoided participation in these sorts of institutions given concerns that they might be dominated by the United States. Those views have declined over time, and China’s participation has risen accordingly.[23]

Aside from this shift on the issue of multilateralism, Beijing has engaged in a marked shift away from confrontational policies with her neighbors. The most notable element of this comes in the area of resolution of border disputes. Fravel, in the most comprehensive study to date of this aspect of China’s policy, summarizes: “China has also used peaceful means to manage conflicts, settling seventeen of its twenty-three territorial disputes, often with substantial compromises.”[24] This is a substantial shift in an area of policy that had previously led to wars over border disputes with India (1962), Russia/Soviet Union (1969), and Vietnam (1979 and 1988), as well as a number of smaller border conflicts.

Typical of this shift has been the improvement in the Chinese policy over the South China Sea. Long an area of gradual territorial encroachment and aggrandizement,[25] China has now pledged not to use military means to take control of any additional territory. It has made this pledge through a formal legal document, a “Declaration of Conduct” formally signed between China and ASEAN in 2002 and deposited at the UN repository of such international agreements. Several points are notable about this. While not as strong a legal document as the “Code of Conduct” that several ASEAN states had been holding out for, it does clearly put China’s reputation on the line. At the end of the day, it remains a paper commitment that could be torn up as the Munich Agreements were by Hitler. Yet, as was the case for Hitler, doing so would be a clear marker of aggressive intentions. China has laid out a standard by which its future behavior might be judged. This is suggestive of Chinese intentions (although not completely deterministic, by any means).

These shifts in regional policy set the context for the evaluation of Chinese policy toward North Korea. They would suggest that China is generally aiming to avoid provocations with many of its neighbors,[26] and this shift is consistent with the overall focus on ensuring stability at home and abroad to allow for economic development of what remains a third world state. This emphasis on stability and creating the impression of a benevolent responsibility is suggestive for analysis of China’s North Korea policy in particular.

**Chinese Policy on the North Korean Proliferation Issue**

China has enormous leverage over North Korea. In general, it has not brought its full weight to the table with its neighbor. That said, China has taken a large number of small steps that have sent consistent signals to the North Koreans that the United States should welcome. This section will survey those steps, and then step back to consider to what extent they are consistent with the overall policy discussed above. An alternate evaluation of Chinese policy—that it is aimed to use the North Korea proliferation issue as a way to balance against American dominance in the region—is also considered, but found to be less satisfying. Chinese policy is poorly configured to use this issue in a realpolitik manner. Rather, Beijing appears to be trying to carefully balance its policy between minimizing both proliferation and instability in its neighborhood.

**The Six-Party Talks Forum**
The Six-Party Talks, bringing together China, Russia, Japan, the United States, and both Koreas in a series of meetings over the past three years, are the primary diplomatic forum for addressing North Korea's nuclear proliferation policies. There are two important points about the Six-Party Talks that are relevant to this essay. First, they represent precisely the sort of approach that the Bush Administration had clamored for in its early years in office. Second, China has been a dominant force behind creating and sustaining the talks.

When the Bush Administration came to office it hoped to move away from what seemed a chronic, and unproductive, pattern in North Korean-American negotiations. Inevitably, when negotiations foundered or broke down, each side would trade heated accusations at the other, and the United States would bear an inappropriately large burden in regional public opinion for the degeneration in relations. Rather than allowing the North Koreans to “isolate” the United States in this way, the Bush Administration aimed to entangle others in the region in the process of negotiations with the North Koreans as well, thus allowing them to better judge the nature of the problem. This also would allow for a unified front among like-minded regional players in leaning upon Pyongyang to make concessions.

Many bitterly contested this approach, and indeed, for a while it appeared stymied by the North Koreans’ reluctance to participate in anything beyond a bilateral forum. Many criticized the Administration for foot-dragging and a reluctance to conduct diplomacy in an area that gravely threatened American interests. However, eventually the Bush Administration secured a major victory when the major regional players embraced its approach and North Korea was forced to come along in the process.

China was vital to the creation and survival of this process. It hosted the original tri-partite meeting between North Korea, China, and the United States that led to the Six-Party process. It has repeatedly leaned on North Korea to continue attending the sessions. It is the key diplomatic facilitator of the Six-Party Talks. When sessions have bogged down, Chinese diplomatic leadership has been crucial to overcoming impediments. Pyongyang has been pushed into attending five formal rounds of negotiations and numerous preparatory or working group sessions despite its usual practice of avoiding such fora. As Glosserman concludes, “The entire Six-Party process is a credit to Chinese diplomacy.”

It is clear that the Six-Party Talks have not “resolved” the North Korean nuclear proliferation issue. Nevertheless, the process itself was a goal of the Bush Administration. The failure to de-proliferate the Peninsula now comes in the face of a unified regional front aimed at checking Pyongyang’s desires rather than narrowly reflecting on the United States. This was the motivation behind Washington’s emphasis on this approach, to allow the issue to move beyond the purely bilateral setting that had proven problematic in previous iterations of the slow burning crisis. As this paper argues later, “solving” the North Korean proliferation problem is not a likely outcome. China’s policy on the Six-Party Talks should not be excessively faulted for not achieving an outcome that is extremely unlikely in any context.

**Other Coercive Policies**

Beyond implementing the Bush Administration’s main approach to the North Korea problem, China has used a number of coercive tools directly against Pyongyang. All of these have been relatively low key, but each sends a strong and unmistakable signal to the hermit kingdom. China clearly has substantial leverage against the North. Were it ever to exert it in its entirety, the costs to North Korea would be tremendous. According to one former Chinese bureaucrat from the Ministry of Foreign Affairs, China “is believed to account for 80-90 percent of North Korea’s fuel and one-third of its food imports.” While China has not brought this full coercive potential to bear, it has sent a number of smaller signals.
Most commonly discussed is the brief shutdown of the only remaining oil pipeline between China and North Korea in February, 2003. This is generally viewed as a form of pressure to push the then recalcitrant North Koreans to sit down at the original late-April 2003 trilateral meeting.[34] Another commonly cited move by the Chinese was the substitution of PLA troops for border control forces in mid-2003. Here, the evidence is rather unclear as to whether this was intended to send a coercive signal to the North.[35]

Less ambiguous are a number of small steps that have received little attention in the western media. One was the interception of a shipment of chemicals that could have been used in the separation process separating weapons grade plutonium.[36] Beijing also publicly called for Pyongyang to refrain from testing missiles in mid-2006 and issued a (mild) rebuke on its own when the tests were actually conducted.[37] Later it supported the modification of a Japanese draft of a UN Security Council condemnation of the test. Finally, Beijing supported the United States' moves against North Korean bank accounts accused of laundering counterfeit currency by freezing the accounts in its own sovereign territory of Macao.[38]

Each of these represents an important coercive signal sent to the leadership in Pyongyang. Clearly, none has the same effect as complete set of economic sanctions. However, such sanctions would greatly increase the likelihood of political collapse, civil war, and—perhaps—a renewal of international hostilities on the Korean peninsula that might bring American troops north of the 38th parallel again. These policies are aimed to convey a narrow message to deter proliferation, but to do so without substantially raising the prospect of chaos in Beijing’s neighbor.

**A More Malign View of Chinese Policy?**

The policies summarized above are certainly multifaceted. Chinese pressure tactics on North Korea could certainly be strengthened, and those tactics are only one part of the overall set of policies (that also include policies aimed to support economic reforms in North Korea). How then, is one to assess the complete package of policies? Might such moves conceal a desire by Beijing to allow this problem to fester, creating problems for American strategic interests in the region without raising the ire of Washington more directly?

Such possibilities are certainly hard to refute, but some of China’s behavior is inconsistent with this approach. Were that the strategy, one would expect a number of loudly broadcast condemnations of Pyongyang coupled with quiet statements of support in private to North Korean leaders.

For instance, the oil pipeline shut off is an interesting case. Why wouldn’t such a step have been taken very publicly to appease the United States? This could have been done at the same time that the North Koreans were informed in advance of the looming action, allowing them to take steps to stockpile supplies and manage the perceptual costs of the embargo.[39]

Similarly, charted above were a large number of quiet steps taken by Beijing that, as noted, have typically not risen to visibility in the American debate over Chinese behavior. Stopping a plane here, and freezing accounts there, these are too small to capture much attention in Washington. However, they should send very loud signals to Pyongyang as they strike to the core of Washington’s concerns over North Korean proliferation.

Finally, it is clear that South Korea has come to similar conclusions as Beijing about the viability of pressure tactics and the relative costs of them. They, too, are heavily involved in supporting North Korean economic reforms and have opposed the most overt tactics aimed at pressuring the North. Clearly, they do not have an interest in complicating the American position in the region.[40] This congruence of Chinese and South Korean policies with regard to the merits of supporting North Korean economic reforms is suggestive that the source of their behavior is not
global geostrategic interests (which differ substantially between Beijing and Seoul), but very locally-based concerns: these two countries would suffer the most in the case of conflict on the peninsula. That concern weighs more heavily on both than the proliferation issue generally.

At a broad level, Chinese policy toward North Korea appears consistent with its overall foreign policy in the past decade: a markedly more stabilizing policy aimed at minimizing conflict. China is not directly supporting North Korean provocations, and is playing some role in checking such moves by Pyongyang. More importantly, it is aiming to create political stability on its periphery.

One final point on the congruence between Chinese policy and American interests should be made explicit. The United States has vacillated at different times over whether it is pursuing “regime change” in North Korea. While this has been explicit in the tone of neoconservatives outside of the government, more recently the official American position has at least put “security guarantees” on the table. Clearly, when this aspect of American policy is at the fore, the gap between U.S. and Chinese goals narrows. When regime change is a higher priority, it is indeed clear that there is a larger gap between Washington and Beijing.

**Conclusions and Implications**

So where does that leave the North Korean problem? At the end of the day, North Korea perceives robust incentives to continue with its nuclear program. It is likely the case that North Korea views a wide range of U.S. policies aimed at directly threatening its regime, regardless of how those might be perceived in the United States. Given that, nuclear weapons are likely to look very attractive to the North. China is unlikely to press hard enough to change that for two reasons: first, that is a very high bar given North Korean perceptions; and second, Beijing fears its most potent pressure tactics will lead to regime collapse and violence or chaos on the Peninsula. As has been the case since 1994 at least, it is clear that Washington too has limits to the costs it is willing to bear on this issue as well. Given the current challenges faced in Iraq and Afghanistan, such cost-benefit evaluations look even more challenging today.

What this suggests is that instead of reversing North Korean proliferation through Chinese pressure, the goals of American policy makers should be more narrowly focused on amelioration of the threat in the short term coupled with moves aimed to support the ongoing reform process in North Korea that will eventually integrate it in the region and undermine its xenophobic threat perceptions. Specifically, missile defense systems throughout the region should remain a priority. Pressure tactics on either China or South Korea regarding their North Korean policies are counterproductive. The United States has a long roster of issues that it needs to address with both. Pressuring them to do more on the North Korea issue does not serve those interests, and indeed pushes South Korea, one of Washington’s historically closest allies in the region, closer to Beijing. The Proliferation Security Initiative is another policy area that deserves continued attention. It is an area of emerging consensus between Washington and Beijing, and is valuable because it helps to reduce the spillover effects of the North Korean proliferation itself.

However, these areas ought to be the focus rather than what are likely to be ill-fated attempts to pressure Beijing into a more hard-line policy. Beijing has a different prioritization of interests than does the United States, and nothing in Washington’s policy quiver can change that.

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References

1. The other being the Taiwan Strait.

2. This is particularly the case given the relative difficulty of coercion over deterrence. See Thomas C. Schelling, *Arms and Influence* (New Haven, Conn.: Yale University Press, 1966), 69-91.


4. This view is widely expressed in numerous interviews with PLA officers and Chinese academics and think tank analysts.


6. India and Pakistan each face two, although in the case of the latter, one is a close partner. No other nuclear power faces even two nuclear-armed neighbors.


10. See, for example, Yang Yunzhong: "Somebody Is Behind 'Nuclear Armament Talk' Within Japan's Political Circles," *Liaowang*, No 25 (June 17, 2002): 60-61. (Translated by FBIS: CPP20020625000091)


12. In this author’s interviews in Beijing in June 2006, this view was raised a number of times.

13. It should also be noted that South Korea’s interests are similar, both in nature and in prioritization, to those of China.


15. Clearly the CCP has the ability to restrict debate when it chooses to exert its influence. See Ernest Zhang and Kenneth Flemming, "Examination of Characteristics of News Media under Censorship: A Content Analysis of Selected Chinese Newspapers’ SARS Coverage," *Asian
However, this is costly, and in general, there is a budding diversity of opinion on many topics in China today. See, for instance, "We'll Jolly Well Say What We Want To," Economist, July 29, 2006. Furthermore, the online media seems to have particular flexibility: Xu Wu, "Red Net over China: China's New Online Media Order and Its Implications," Asian Journal of Communication 15, no. 2 (2005).

16. See the discussion in Tae Kyung Kim, "China's 'Abandonment' of NK a U.S. Neo-Con Fantasy," in Policy Forum Online, Nautilus.org (Berkeley, Calif.: Nautilus Institute, 2006). That article surveys the discussion on several prominent Internet chat groups in China during recent visits to China by North Korean leaders.

17. At the very least, this will be due to the role of nationalism in legitimating the current Chinese leadership. Abandoning allies always has domestic costs (see for instance, the discussion in a different pair of allies in Harry Harding, A Fragile Relationship: The United States and China since 1972 (Washington, D.C.: Brookings Institution, 1992). But beyond that generic point, the CCP is particularly dependent on continuity with historic legacies for its legitimacy. Lucian W. Pye, The Spirit of Chinese Politics, New ed. (Cambridge, Mass.: Harvard University Press, 1992), Chapter 11.

18. For a view that sees more continuities, between these, see David Shambaugh, "China Engages Asia: Reshaping the Regional Order," International Security 29, no. 3 (2004/05): 69.


21. Fravel and Medeiros suggest this was the first time China had ever done so. Evan Medeiros and M. Taylor Fravel, "China's New Diplomacy," Foreign Affairs 82, no. 6 (2003).

22. The Shanghai Cooperation Organization is another key security institution in the region, centering on Central Asian affairs. China has been the leading player in its development.


26. Indeed, there has even been some important softening of Chinese pressure on the urgency of the Taiwan issue. Edward Cody, "China Easing its Stance on Taiwan: Tolerance Grows for Status Quo," Washington Post, June 15 2006.

28. For instance, prior to the first meeting, the Chinese Foreign minister traveled to Pyongyang and Kim Jong-il traveled to Beijing (a rare trip abroad for the reclusive leader). These visits were universally characterized in the Western media as playing a role in overcoming North Korean intransigence on the nuclear issue.

29. It was a Chinese draft that served as the basis for the joint statement that was issued at the conclusion of the fifth round of talks in 2005.

30. Indeed, it rarely participates in even unofficial track II diplomatic venues. For instance, see reports on the infrequent North Korean participation in the Northeast Asian Cooperation Dialogue that is managed by the University of California’s Institute on Global Conflict and Cooperation.


32. The most recent sign of the recurring pattern of thwarted progress would be the North Korean retreats from commitments made in the Fifth Round talks in the days following the joint statement.


34. For a contrary view on the intentionality of this signal, see Andrew Scobell, "China and North Korea: From Comrades-in-Arms to Allies at Arm's Length" (Carlisle, Penn: Strategic Studies Institute, 2004), 23-24.

35. As Scobell notes, similar moves were made on the Burmese border, and there had been a major reorganization of the deployment patterns of the PLA within China in this period. See Scobell, *Ibid.*, 24.


39. That is, a short embargo does little to hurt long term North Korean interests if it is understood in advance that the embargo is indeed short term. The real threat of such an embargo is that it sends a signal that China might be willing to engage in such steps over the longer term. The Chinese could decisively refute that signal in private at the same time that full credit was being taken for the action in public for the American audience.

40. This is the case even if one believes that in the long term South Korea intends to accommodate the rise of Chinese power.