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Confronting the North Korea Threat: Reassessing Policy Options

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From “Engagement” to Threat Reduction: Moving Toward a North Korea Strategy That Works

Nicholas Eberstadt

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Prepared Statement before the Senate Committee on Foreign Relations
On “Confronting the North Korea Threat: Reassessing Policy Options”

January 31, 2017

From “Engagement” To Threat Reduction: Moving Toward a North Korea Policy That Works

Nicholas Eberstadt¹

Mr. Chairman, distinguished members of the Senate Foreign Relations Committee:

I am honored to be invited to discuss the gathering threat North Korea poses to the United States, our allies, and the international community—and what we can respond to it.

In my testimony I wish to make five main points:

First: North Korea is embarked on a steady, methodical, and relentless journey, whose intended endpoint is a credible capacity to hit New York and Washington with nuclear weapons.

Second: America’s policy for nuclear nonproliferation in North Korea is a prolonged, and thoroughly bipartisan, failure.

Third: Our North Korea policy is a failure because our public and our leaders do not understand our adversary and his intentions.

Fourth: We cannot hope to cope successfully with the North Korean threat until we do.

Fifth: Any successful effort to make the North Korean threat smaller will require not just better understanding of this adversary, but also a coherent and sustained strategy of threat reduction informed by such an understanding.

I

Our seemingly unending inability to fathom Pyongyang’s true objectives, and our attendant proclivity for being taken by surprise over and over again by North Korean actions, is not just a matter of succumbing to Pyongyang’s strategic deceptions, assiduous as those efforts may be.

The trouble, rather, is that even our top foreign policy experts and our most sophisticated diplomatists are creatures of our own cultural heritage and intellectual environment. We Americans are, so to speak, children of the Enlightenment, steeped in the precepts of our highly globalized era. Which is to say: we have absolutely no common point of reference with the worldview, or moral compass, or first premises of

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the closed-society decision makers who control the North Korean state. Americans' first instincts are to misunderstand practically everything the North Korean state is really about.

The DPRK is a project pulled by tides and shaped by sensibilities all but forgotten to the contemporary West. North Korea is a hereditary Asian dynasty (currently on its third Kim)—but one maintained by Marxist-Leninist police state powers unimaginable to earlier epochs of Asian despots and supported by a recently invented and quasi-religious ideology.²

And exactly what is that ideology? Along with its notorious variant of emperor worship, “Juche thought” also extols an essentially messianic—and unapologetically racist—vision of history: one in which the long-abused Korean people finally assume their rightful place in the universe by standing up against the foreign races that have long oppressed them, at last reuniting the entire Korean peninsula under an independent socialist state (i.e., the DPRK). Although highly redacted in broadcasts aimed at foreign ears, this call for reunification of the *mijnok* (race), and for retribution against the enemy races or powers (starting with America and Japan), constantly reverberates within North Korea, sounded by the regime's highest authorities.³

This is where its nuclear weapons program fits into North Korea's designs. In Pyongyang's thinking, the indispensable instrument for achieving the DPRK's grand historical ambitions must be a supremely powerful military: more specifically, one possessed of a nuclear arsenal that can imperil and break the foreign enemies who protect and prop up what Pyongyang regards as the vile puppet state in the South, so that the DPRK may consummate its unconditional unification and give birth to its envisioned earthly Korean-race utopia.

In earlier decades, Pyongyang might have seen multiple paths to this Elysium, but with the collapse of the Soviet empire, the long-term decline of the DPRK's industrial infrastructure, and the gradually accumulating evidence that South Korea was not going to succumb on its own to the revolutionary upheaval Pyongyang so dearly wished of it, the nuclear option increasingly looks to be the one and only trail by which to reach the Promised Kingdom.

II

Like all other states, the North Korean regime relies at times upon diplomacy to pursue its official aims—thus, for example, the abiding call for a “peace treaty” with the US to bring a formal end to the Korean War (since 1953 only an armistice, or cease-fire, has been in place).⁴ Yet strangely few foreign policy specialists seem to understand why Pyongyang is so fixated on this particular document. If the US agreed to a peace treaty, Pyongyang insists, it would then also have to agree to a withdrawal of its forces from South Korea and to a dissolution of its military alliance with Seoul—for the danger of “external armed attack” upon which the Seoul-Washington Mutual Defense Treaty is predicated would by definition no longer exist. If all this could come to pass, North Korea would win a huge victory without firing a shot.

But with apologies to Clausewitz, diplomacy is merely war by other means for Pyongyang. And for the dynasty the onetime anti-Japanese guerrilla fighter Kim Il Sung established, policy and war are inseparable—this is why the DPRK is the most highly militarized society on the planet. This is also why

² Cf. Nicholas Eberstadt, *The End of North Korea* (AEI Press, 1999).

³ For penetrating discussions of North Korea's ideology, see B. R. Myers, *The Cleanest Race* (Melville House, 2010) and B. R. Myers, *North Korea's Juche Myth* (Sthele Publishers, 2015).

⁴ For background on North Korean negotiating behavior, see Chuck Down's classic study *Over The Line: North Korean: Negotiating Strategy* (AEI Press, 1998). Although published nearly two decades ago, its depiction of the DPRK's approach is still absolutely up to date.

the answer to the unification question that so preoccupies North Korean leadership appears to entail meticulous and incessant preparations, already underway for decades, to fight and win a limited nuclear war against the United States.

To almost any Western reader, the notion that North Korea might actually be planning to stare down the USA in some future nuclear face-off will sound preposterous, if not outright insane. And indeed it does—to us. Yet remember: as we already know from press reports, North Korea has been diligently working on everything that would actually be required for such a confrontation: miniaturization of nuclear warheads, intercontinental ballistic missiles, and even cyberwarfare (per the Sony hacking episode). Note further that while North Korean leadership may be highly tolerant of casualties (on the part of others, that is) it most assuredly is not suicidal itself. Quite the contrary: its acute interest in self-preservation is demonstrated *prima facie* by the fact of its very survival, over 25 years after the demise of the USSR and Eastern European socialism. It would be unwise of us to presume that only one of the two forces arrayed along the DMZ is capable of thinking about what it would take to deter the other in a time of crisis on the Peninsula.

III

At this juncture, as so often in the past, serious people around the world are calling to “bring North Korea back to the table” to try to settle the DPRK nuclear issue. However, seeing the DPRK for what it is, rather than what we would like it to be, should oblige us to recognize two highly unpleasant truths.

First, the real existing North Korean leadership (as opposed to the imaginary version some Westerners would like to negotiate with) will never willingly give up their nuclear option. Never. Acquiescing in denuclearization would be tantamount to abandoning the sacred mission of Korean unification: which is to say, disavowing the DPRK’s *raison d’etre*. Thus submitting to foreign demands to denuclearize could well mean more than humiliation and disgrace for North Korean leadership: it could mean delegitimization and destabilization for the regime as well.

Second, international entreaties—summitry, conferencing, bargaining, and all the rest—can never succeed in convincing the DPRK to relinquish its nuclear program. Sovereign governments simply do not trade away their vital national interests.

Now, this is not to say that Western nonproliferation parlays with the DPRK have no results to show at all. We know they can result in blandishments (as per North Korea’s custom of requiring “money for meetings”) and in resource transfers (as with the Clinton Administration’s Agreed Framework shipments of heavy fuel oil). They can provide external diplomatic cover for the DPRK the nuclear program, as was in effect afforded under the intermittent 2003–07 Six Party Talks in Beijing. They can even lure North Korea’s interlocutors into unexpected unilateral concessions, as witnessed in the final years of the George W. Bush Administration, when Washington unfroze illicit North Korean overseas funds and removed Pyongyang from the list of State Sponsors of Terrorism in misbegotten hope of a “breakthrough.” *The one thing “engagement” can never produce, however, is North Korean denuclearization.*

Note, too, that in every realm of international transaction, from commercial contracts to security accords, the record shows that, even when Western bargainers think they have made a deal with North Korea, the DPRK side never has any compunction about violating the understanding if that should serve purposes of state. This may outrage us, but it should not surprise us: for under North Korea’s moral code, if there should be any advantage to gain from cheating against foreigners, then *not* cheating would be patently unpatriotic, a disloyal blow against the Motherland.

Yes, things would be so easier for us if North Korea would simply agree to the deal *we want them to*

accept. But if we put the wishful thinking to one side, a clear-eyed view of the North Korea *problematik* must be resigned to the grim reality that diplomacy can only have a very limited and highly specific role in addressing our gathering North Korean problem.

Diplomacy must have some role because it is barbaric not to talk with one's opponent—because communication can help both sides avoid needless and potentially disastrous miscalculations. But the notion of a “grand bargain” with Pyongyang—in which all mutual concerns are simultaneously settled, as the “Perry Process” conjectured back in the 1990s and others have subsequently prophesied—is nothing but a dream.

It is time to set aside the illusion of “engaging” North Korea to effect nonproliferation and to embrace instead a paradigm that has a chance of actually working: call this “threat reduction.” Through a coherent long-term strategy, working with allies and others but also acting unilaterally, the United States can blunt, then mitigate, and eventually help eliminate the killing force of the North Korean state.

IV

In broad outline, North Korean threat reduction requires progressive development of more effective defenses against the DPRK's means of destruction while simultaneously weakening Pyongyang's capabilities for supporting both conventional and strategic offense.

A more effective defense against the North Korean threat would consist mainly, though not entirely, of military measures. Restoring recently sacrificed US capabilities would be essential. Likewise more and better missile defense: THAAD systems (and more) for South Korea and Japan, and moving forward on missile defense in earnest for the USA. It would be incumbent on South Korea to reduce its own population's exposure to North Korean death from the skies through military modernization and civil defense. DPRK would be served notice that 60 years of zero-consequence rules of engagement for allied forces in the face of North Korean “provocations” on the Peninsula had just come to an end. But diplomacy would count here as well: most importantly, alliance strengthening throughout Asia in general and repairing the currently frayed ROK-Japan relationship in particular. Today's ongoing bickering between Seoul and Tokyo reeks of interwar politics at its worst; leaders who want to live in a postwar order need to rise above such petty grievances.

As for weakening the DPRK's military economy, the foundation for all its offensive capabilities: reinvigorating current counterproliferation efforts, such as PSI and MCTR, is a good place to start. But only a start. Given the “military first” disposition of the North Korean economy,⁵ restricting its overall potential is necessary as well. South Korea's subsidized trade with the North, for example, should come to an end. And put Pyongyang back on the State Sponsors of Terrorism list—it never should have been taken off. Sanctions with a genuine bite should be implemented—the dysfunctional DPRK economy is uniquely susceptible to these, and amazing as this may sound, the current sanctions strictures for North Korea have long been weaker than, say, those enforced until recently for Iran. (We can enforce such sanctions unilaterally, by the way.) And not least important: revive efforts like the Illicit Activities

⁵ Students of North Korean affairs will note that the concept of “Military First Politics” (in Korean, *Songun Chongchi*) arose under the rule of “Dear Leader” Kim Jong Il, who died in 2011, and that “Dear Respected” Kim Jong Un has promoted his own “Byungjin Line” (parallel development of military and civilian economies) since his father's death. This is true—but there should be no doubt that military first politics remains absolutely current and continues to be extolled constantly in North Korea's state media. Between January 2012 and January 2017, items in Pyongyang's official Korea Central News Agency (KCNA) mentioned “*songun*” over 4,700 times. Derived from NK NEWS Database of North Korean Propaganda, <http://www.nk-news.net/search.php?newQueryButton=%3C%3C+New+Query> (January 30, 2017).

Initiative, the brief, but tremendously successful Dubya-era task force for tracking and freezing North Korea's dirty money abroad.

Then there is the China question. Received wisdom in some quarters notwithstanding, it is by no means impossible for America and her allies to pressure the DPRK if China does not cooperate (see previous paragraph). That said: China has been allowed to play a double game with North Korea for far too long, and it is time for Beijing to pay a penalty for all its support for the most odious regime on the planet today. We can begin by exacting it in diplomatic venues all around the world, starting with the UN. NGOs can train a spotlight on Beijing's complicity in the North Korean regime's crimes. And international humanitarian action should shame China into opening a safe transit route to the free world for North Korean refugees attempting to escape their oppressors.

If North Korean subjects enjoyed greater human rights, the DPRK killing machine could not possibly operate as effectively as it does today.⁶ Activists will always worry about the instrumentalization of human rights concerns for other policy ends—and rightly so. Today and for the foreseeable future, however, there is no contradiction between the objectives of human rights promotion and nonproliferation in the DPRK. North Korea's human rights situation is vastly worse than in *apartheid* South Africa—why hasn't the international community (and South Korean civil society) found its voice on this real-time, ongoing tragedy? The Office of the UN High Commissioner on Human Rights has already prepared a comprehensive Commission of Inquiry on the situation in the DPRK⁷: let governments of conscience seek international criminal accountability for North Korea's leadership.

Many in the West talk of “isolating” North Korea as if this were an objective in its own right. But a serious DPRK threat reduction strategy would not do so. The North Korean regime depends on isolation from the outside world to maintain its grip and conduct untrammelled pursuit of its international objectives. The regime is deadly afraid of what it terms “ideological and cultural poisoning”: what we could call foreign media, international information, cultural exchanges, and the like. We should be saying: bring on the “poisoning”! The more external contact with that enslaved population, the better. We should even consider technical training abroad for North Koreans in accounting, law, economics, and the like—because some day, in a better future, that nation will need a cadre of Western-style technocrats for rejoining our world.

This brings us to the last agenda item: preparing for a successful reunification in a post-DPRK peninsula. The Kim regime *is* the North Korean nuclear threat; that threat will not end until the DPRK disappears. We cannot tell when, or how, this will occur. But it is not too soon to commence the wide-ranging and painstaking international planning and preparations that will facilitate divided Korea's long-awaited reunion as a single peninsula, free and whole.

⁶ For a detailed exposition of the North Korean state's apparatus of human rights denial, see two seminal reports by Robert M. Collins for the US Committee on Human Rights in North Korea: *Marked for Life: Songbun, North Korea's Social Classification System* (HRNK 2012), https://www.hrnk.org/uploads/pdfs/HRNK_Songbun_Web.pdf (January 30, 2017), and *Pyongyang Republic: North Korea's Capital of Human Rights Denial* (HRNK 2016), https://www.hrnk.org/uploads/pdfs/Collins_PyongyangRepublic_FINAL_WEB.pdf (January 30, 2017).

⁷ UN Human Rights Office of the High Commissioner, “Report of the Detailed Findings of the Commission of Inquiry on Human Rights in the Democratic People's Republic of Korea,” A/HRC/25/CRP.1, February 2, 2014, <http://www.ohchr.org/EN/HRBodies/HRC/CoIDPRK/Pages/CommissionInquiryonHRinDPRK.aspx> (January 30, 2017).

Confronting the North Korean Threat: Reassessing Policy Options

Prepared statement by
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Before the
United States Senate Committee on Foreign Relations
United States Senate
1st Session, 115th Congress

Executive Summary and Recommendations

- There is a rising danger of miscalculation on the Korean peninsula today. Kim Jong Un is emboldened by North Korea's nuclear and missile weapons development and believes that a new U.S. administration will acquiesce to the existence of a nuclear North Korea. The Trump administration must work urgently to define terms of engagement with North Korea and strengthen international coordination to reverse North Korea's nuclear weapons program.
- The window of opportunity to achieve North Korea's peaceful denuclearization may have closed. Because Kim Jong Un clings to the North Korean nuclear program both as an internal justification for his rule and as a deterrent against perceived external threats, he will not willingly give it up.
- At present, there is no viable intersection of interests between the United States and North Korea. North Korea has decided based on lessons from Iran, Iraq, and Libya that it must be too nuclear to fail, while the United States cannot accept the global security risks of allowing a totalitarian, nuclear North Korea to defy the NPT, proliferate, or pursue nuclear blackmail against its neighbors.
- The most realistic U.S. strategy for countering North Korea's exploitation of geostrategic divisions and halting its sprint toward nuclear development is to close the gaps with allies and neighbors of North Korea. Comprehensive, omni-dimensional U.S.-Republic of Korea (ROK) and U.S.-Japan alliance-based political and military coordination are critical to deterring North Korea and assuring allies, not least because a North Korean strategic goal is to break U.S. alliances.
- North Korea lives in the space created by Sino-U.S. geostrategic mistrust. The United States should work with China where possible, but cannot allow China to prevent the U.S. from taking necessary unilateral self-defensive measures to reverse North Korea's nuclear development. Despite a shared interest in denuclearization of the Korean peninsula, Washington and Beijing have differing interests and priorities regarding regional stability and the preferred end-state and orientation of a unified Korea that inhibit China's full cooperation to pressure North Korea.
- Appoint a senior envoy for North Korea who reports directly to the president as a way of signaling the urgency of the North Korea issue, mobilizing bureaucratic and political support to maintain steady focus and follow-through on a time-consuming and urgent issue, and separating the issue from the already overloaded agenda in Sino-U.S. relations.
- Promote internal debates among North Korean elites over the costs of North Korea's nuclear development as a way of bringing Kim Jong Un to realize that nuclear development puts his regime's survival at risk. The United States should support efforts to highlight to North Korean elites the costs of and alternatives to North Korea's nuclear development while providing incentives and pathways to encourage them to abandon Kim Jong Un's nuclear policy.
- Maintain diplomatic dialogue with North Korea in order to spell out clearly the parameters for managing the relationship, objectives of U.S. policy toward North Korea, and expectations for North Korean behavior while strengthening deterrence and applying international pressure to reverse North Korea's missile and nuclear weapons development.

Confronting the North Korean Threat: Reassessing Policy Options

Mr. Chairman and members of the committee, I am honored to have the opportunity to appear before you to discuss challenges to U.S. national security by North Korea's missile and nuclear weapons development. I shared in advance with the Committee a recent Council on Foreign Relations-sponsored Independent Task Force report, titled "A Sharper Choice on North Korea: Engaging China for a Stable Northeast Asia," that addresses many of the issues you wish to explore in some detail, and I respectfully request that the report be submitted for the record.

A nuclear North Korea defies U.S. global security and nonproliferation interests. Its leader Kim Jong Un also continues to threaten nuclear strikes on the United States. Despite this, North Korea's nuclear and missile development remains unchecked. The United States must make it an urgent priority to prevent North Korea from making a strategic miscalculation based on its recent technical achievements.

North Korea has intensified its efforts during 2016 to improve its nuclear and missile capabilities. This reflects Kim Jong Un's commitment to a policy adopted in 2012 that simultaneously pursues nuclear and economic development. The significance of this policy is that it has made nuclear weapons acquisition a source of domestic legitimacy for the Kim Jong Un regime.

Exacerbating the situation is Kim Jong Un's belief, based on lessons from Iran, Iraq, and Libya, that his only sure means of survival is to be "too nuclear" to fail. Because Kim Jong Un has tied his legitimacy to the country's nuclear and economic development, I am pessimistic that external pressure alone can bring about North Korea's peaceful denuclearization and integration.

While the Obama administration asserted that North Korea faces a "strategic choice" and that it must return to the path of denuclearization, North Korea has sought to force a different strategic choice on the United States: America's acquiescence to North Korea as a nuclear state. And as the Kim Jong Un regime continued to test and advance its nuclear and missile capabilities, North Korea both argued and demonstrated that time is not on the side of the United States.

In so doing, North Korea is seeking to divide the United States and its allies. It is exploiting growing doubts in South Korea about the reliability of U.S. commitments to the defense of allies against a nuclear-capable North Korea, while taking advantage of China's prioritization of North Korea's stability and survival as an even higher national interest than North Korea's denuclearization.

The North Korean nuclear challenge is fundamentally a collective action problem. Although a nuclear North Korea defies the interests of its neighbors and the world, it exploits deeper sources of mistrust and geopolitical division through the threat of instability. Thus, for the United States to address this national security challenge, it must pursue a strategy that "minds the gaps" by relying on coordination with South Korean and Japanese allies, cooperation to the extent possible with China and Russia, and holistic implementation of diplomatic, informational, military, and economic tools. A persistent challenge for U.S. policymakers is how to apply the right mix in degree and character of these tools to not only deter North Korean aggression, but also to bring about North Korea's change in direction and support the full integration of North Korea into the international community.

The best U.S. option to counter North Korea's nuclear development will be to lead a comprehensive and coordinated strategy designed both to prevent North Korea's further nuclear development and to take measures designed to induce debate among North Korean elites that economic opportunities and long-term prospects for survival will be denied to North Korea as long as Kim Jong Un holds tight to North Korea's nuclear arsenal. At the same time, the United States must guard against the failure of these efforts to enhance political and security coordination with its allies to respond to a possible conflict or contingency involving North Korea.

Before the Obama administration took office in 2009, North Korea under an ailing Kim Jong Il took advantage of the U.S. presidential transition in an attempt to break out of Six Party denuclearization talks and to achieve recognition as a nuclear weapons state. On January 17, 2009, North Korea asserted that it would no longer pursue the Six Party "action for action" formula whereby North Korea would denuclearize in exchange for economic assistance, diplomatic normalization, and peace talks with the United States, instead insisting that the U.S. abandon its "hostile policy" and normalize relations with a nuclear North Korea as a prerequisite to arms control talks and possible mutual denuclearization. This breakout strategy included an April 2009 "satellite launch" and its second nuclear test. The bulk of the Obama administration's first term was devoted to efforts to use diplomatic persuasion to convince North Korea to return to the status quo ante that had existed under Six Party Talks, including the securing of a freeze on North Korean nuclear and missile tests and a commitment to return to denuclearization talks, but these efforts failed when the North Koreans abandoned the February 29, 2012 "Leap Day Agreement" with North Korea and pursued further satellite launches and nuclear tests.

During 2012 and 2013, as Kim Jong Un moved to consolidate his power, North Korea abandoned the pretense of ambiguity surrounding his nuclear program by declaring North Korea's nuclear development as a major accomplishment of his father and grandfather, adding North Korea's nuclear status to the constitution, threatening a nuclear strike on the United States, conducting an additional ballistic missile launch in December of 2012 and a third nuclear test in January of 2013, and adopting an overt policy of simultaneous nuclear and economic development in April 2013. The Obama administration responded by insisting in direct talks that North Korea make a "strategic choice" to return to denuclearization, but failed to mobilize the necessary economic or political pressure to convince Kim Jong Un that he indeed faced a strategic choice.

The December 2014 Sony hack catalyzed a strong executive order from President Obama, but the U.S. government was slow to designate North Korean entities as sanctions violators, in part out of deference to the need to win Chinese cooperation in sanctions implementation. Only following North Korea's fourth nuclear test in January of 2016 and the subsequent passage of the North Korea Sanctions and Policy Enhancement Act did the Obama administration pursue sanctions implementation as an urgent priority. But the Obama administration also continued to prioritize cooperation with China over unilateral sanctions, effectively allowing China to set the pace and scope of sanctions implementation.

The U.S.-ROK security alliance has been the primary and essential instrument for deterring North Korean provocations and keeping the peace for decades. Effective deterrence of North Korea requires continued readiness, enhanced capabilities, and close coordination between the U.S. Forces Korea (USFK) and South Korean counterparts against asymmetric North Korean threats including cyber, nuclear, and low-level conventional provocations. U.S.-ROK defense coordination has grown in recent years with the deepening and broadening of bilateral strategic and policy dialogues on issues such as cybersecurity and extended deterrence, the development of a joint counter-provocation plan, and continued development of military planning to deal with a wide range of Korean contingencies, including instability.

General Mattis' decision to visit South Korea and Japan as part of his first overseas visit as Defense Secretary in the Trump administration is a vital signal of the priority of U.S. coordination with South Korea and a symbol of reassurance that the United States will uphold its defense commitments in Asia. The deployment of the Terminal High Altitude Air Defense (THAAD) system in South Korea is also an important step to counter advances in North Korea's missile development. With regard to this matter, the United States and South Korea should pursue a clear stance and more solidarity in their commitment to the deployment of the system in response to Chinese pressure on South Korea to halt the deployment.

The United States and South Korea have expanded coordination over the past year to apply stronger diplomatic pressure on countries that cooperate financially and politically with North Korea. Both countries have expanded their respective unilateral sanctions designations against North Korean entities. South Korea has finally passed its own human rights law on the model of the U.S.-North Korea Human Rights Act in support of international efforts to hold North Korea accountable for human rights atrocities. The two governments have seen eye-to-eye on the importance of North Korea's denuclearization and the use of diplomatic pressure to achieve this objective. Even despite South Korea's current political vacuum, the Trump administration should maintain close cooperation with South Korean counterparts, and should prepare to work with a new South Korean government when it is elected to affirm cooperation and shared priorities between both governments. Most important will be the establishment of strong coordination mechanisms between the White House and the Blue House to manage and lead a joint political response to any possible North Korean contingencies.

Regardless of his political orientation, the next South Korean president may be interested in reopening dialogue channels with North Korea to explore prospects for enhanced inter-Korean cooperation. This desire is understandable, but it is important that the United States and South Korea be on the same page in advance of renewed South Korean diplomatic efforts to engage with the North. In addition, South Korea should adhere to the letter and spirit of UN sanctions resolutions that have circumscribed economic cooperation with North Korea until the country returns to the path of denuclearization. The United States and South Korea should work together in coordinated fashion to encourage China to pursue full enforcement of UN Security Council resolutions.

Finally, South Korea is an essential partner in strengthening information operations designed to provide alternative sources of information within North Korea. Over 30,000 North Korean refugees live in South

Korea and have the best understanding of thinking inside North Korea. More importantly, a growing stream of refugees from North Korean elite classes should be mobilized to work on plans for how to integrate a non-nuclear North Korea with the outside world.

Strengthening Trilateral U.S.-Japan-South Korea Coordination to Enhance Extended Deterrence

The United States, Japan, and South Korea established a senior consultation mechanism in 2016 to coordinate policy toward North Korea involving quarterly meetings at the vice-ministerial level in addition to regular meetings among senior envoys to discuss North Korea. In addition, both bilateral alliances have established specialized dialogues on extended deterrence that are focused on how the United States will meet its defense commitments in response to North Korea's growing nuclear capabilities.

North Korea and Sino-U.S. Relations

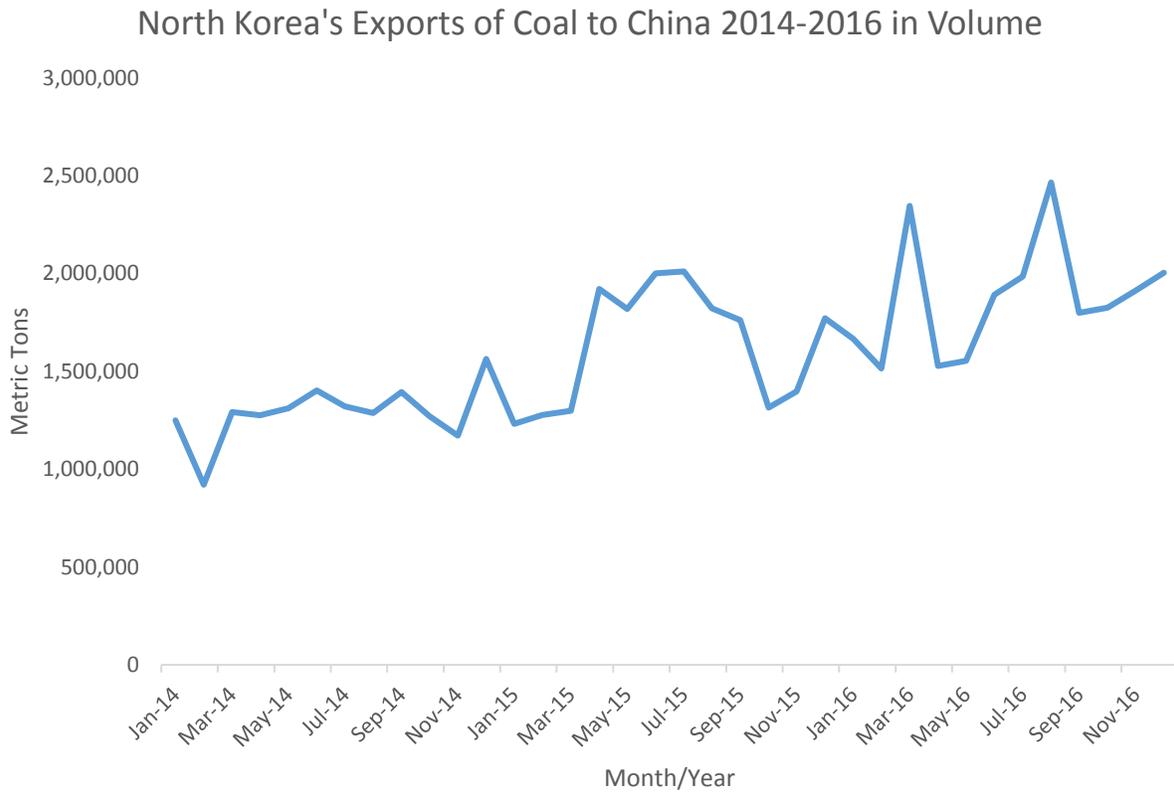
North Korea lives in the space created by Sino-U.S. strategic mistrust. The United States and China have a shared interest in a non-nuclear North Korea, but the two countries prioritize that interest differently. The United States prioritizes North Korea's denuclearization as its top priority, while China desires denuclearization, but not at risk of instability. Moreover, the two countries have differing preferred end-states for the Korean peninsula. The U.S.-ROK long-term objective is a unified democratic Korea that is a market economy and remains a U.S. ally, while China insists that a unified Korea be friendly to China and would like to see the end of the alliance. China looks at the Korean peninsula through a geopolitical lens that invariably factors in concern about a U.S. security presence located so close to China. That concern would likely be magnified if a unified Korea were to remain as a U.S. ally.

Given that China now represents most of North Korea's trade, including in food and fuel, China's cooperation is necessary for any sanctions effort to generate pressure on North Korea. However, the gap in Chinese and American strategic interests ensures that China will always try to calibrate its economic exchange with North Korea to assure stability within North Korea rather than to force Kim Jong Un to choose between survival and nuclear weapons. It is necessary for the United States to rely on cooperation with China to squeeze North Korea, but cooperation with China alone will never be sufficient to generate the level of pressure that would likely be needed to change Kim Jong Un's mind about his nuclear weapons—if such a change of mind is even possible.

Proponents of expanded Sino-U.S. cooperation are able to point to the fact that China has agreed to an ever-tighter set of UN Security Council resolutions following each of North Korea's five nuclear tests, but China's interest in maintaining stability in North Korea will always inhibit China from cooperating sufficiently to change Kim Jong Un's mind. Instead, there is now a clear cycle of response to North Korea's nuclear tests in which China agrees to "toughest ever sanctions," but then limits the scope of the final security council resolutions or dodges full implementation.

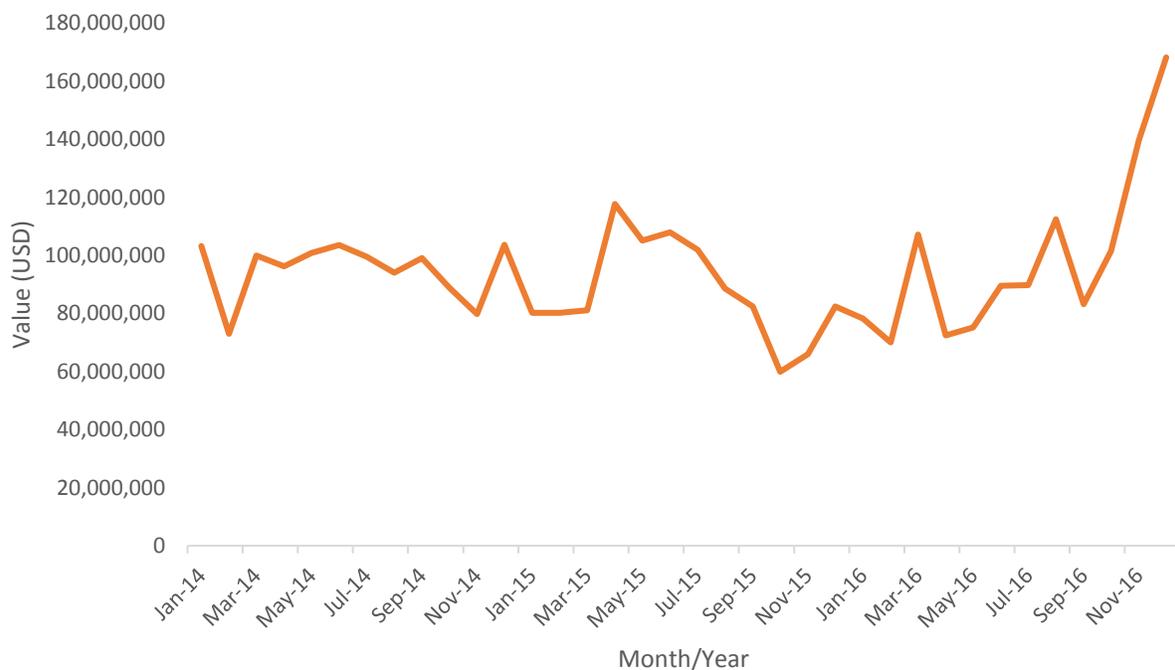
Taking the latest example, UN Security Council Resolution 2321 passed on November 30, 2016 for the first time set quantitative limits on China's import of coal for December of 2016 at 1 million tons or \$53 million, but Chinese customs data shows below that China far exceeded this ceiling, recording 2 million tons worth \$168 million. The importation of coal in excess of the quantitative limits presumably occurred before

China's commerce department announced a freeze on additional North Korean coal imports on December 11, suggesting that it was caused in part by anticipation of the restrictions contained in the UN Security Council resolution. Similarly, China's overall commodity imports from North Korea rose by 6 percent to \$2.6 billion in 2016 despite North Korea's two nuclear tests in January and September, suggesting that China is not applying adequate economic pressure on North Korea.



Source: Chinese Customs Data

North Korea's Exports of Coal to China 2014-2016 by Value



Source: Chinese Customs Data

Ultimately, the United States faces an increasingly urgent and imminent threat that is likely to require unilateral measures. To fill the gap resulting from China's continual support of North Korea, the United States should adopt secondary sanctions on Chinese entities that trade with North Korea. However, the challenge is how to pursue secondary sanctions against Chinese entities, to which China objects, while continuing to maintain necessary (but inadequate) Chinese cooperation in implementing existing sanctions resolutions.

U.S.-North Korea Relations

While there is currently little prospect for denuclearization negotiations with North Korea, there are outstanding issues that would benefit from the existence of direct diplomatic dialogue between officials from the two countries. Both sides need to understand clearly the conditions and prerequisites for broader negotiations and to convey the terms of interaction, even if there is no immediate prospect for a return to negotiations. For instance, a new administration could use such talks to signal directly how it would respond in the event of a North Korean ICBM launch toward U.S. territory or that a positive and necessary step forward if North Korea wants to start fresh with a new administration would be the release of two American citizens who have now been held in North Korea for over a year.

Another challenge for the United States is how to induce an internal debate among North Korean elites about the costs of a nuclear North Korea. Sanctions alone are likely to convince North Korean elites that

their only options are to unite in support of Kim Jong Un and his nuclear policy or to risk regime failure and international retribution-that is to “hang together or hang separately.” For this reason, it is all the more important for senior officials around Kim Jong Un to know that there is an alternative pathway that can safeguard their survival. Given the absence of overt internal dissent within North Korea today, this strategy may also fail. But media reports of accounts by Thae Yong-ho, a high-ranking North Korean official who recently defected, suggest that dissenting opinions and discontent do exist among high-level North Korean elites. The United States and its allies should seek to communicate a clear message and guarantee to those around Kim Jong-un that there is a viable alternative path forward for North Korea if it abandons nuclear weapons and conforms to international norms, including on human rights.

The creation of such a pathway would involve three prongs: a) governmental support for an authoritative study that envisions and projects benefits for the North Korean economy and its elites that would accrue in the event that North Korea denuclearizes, b) the establishment of a more clear pathway for elite defectors from North Korea who might prefer to come to Europe or the United States versus going to South Korea, c) the establishment of a pathway for North Korean high-level defectors designated by the U.S. Treasury under sanctions to receive a significant economic package if they defect while the Kim regime is still in power in Pyongyang.