

**APLN-KNDA Joint Conference**  
**Geopolitics, Geo-economics, and Denuclearization of North Korea:**  
**Alternative Approaches**

**Session 1: Geopolitical Barriers to North Korea's Denuclearization**

*Chair: Dong-Ik SHIN*

*Panel: Robert CARLIN, Dingli SHEN, Wooseon CHOI*

*Presentation 1-1. Does the U.S. Really Want North Korea's Denuclearization?: Shifting Geopolitical Calculations (Robert CARLIN)*

We are at a historical precipice. Despite the progress that was made during the Clinton administration, those achievements have evaporated, leaving us in a very different situation. While the basic elements remain stable, the strategic situation has steadily deteriorated. The United States does not desire a nuclear armed North Korea or a nuclear armed South Korea and Japan. Simply put, more nuclear weapons increase the likelihood of a nuclear weapon to eventually be used, intentionally or not. And one use increases the likelihood of more, raising the stakes of every mistake, misperception, and miscalculation. The DPRK seems to genuinely believe it has good reasons to pursue nuclear weapons, although in the long run they will regret that decision.

It seems clear that DPRK officials are pursuing a Pakistani model of nuclearization, although this has led to at least two major problems for Pakistan- a weak economy and dangerous international conflicts with its neighbors. On the other hand, the ROK has managed to modernize its economy and avoid major security threats, with the exception of the DPRK. Any future attempts to meaningfully denuclearize the DPRK are further complicated by the size of its arsenal- probably around 40 weapons, which have been acquired due to "16 years of bad decisions by US administrations".

There was a fundamental mismatch in negotiations during prior attempts to negotiate with the DPRK. The American side focused too much on the nuclear issue without incorporating it into a larger context change in terms of policy towards the DPRK. The Agreed Framework managed to patch this discrepancy, but when it fell apart both the Bush and Obama administrations were hamstrung by the same mismatch. The Trump administration possibly escaped the "laser-like" focus on the North Korean nuclear program, which may have been why 2018 seemed so hopeful. However, 2019 is still trapped by the same relational dynamics that have defined conflicts in the past. He predicts that unless some positive change is made by the end of January, we are likely to see a negative response from the DPRK. This in turn is likely to provoke an escalatory negative reaction from the Trump administration, which could prove disastrous.

*Presentation 1-2. North Korean Nuke in Chinese Geopolitical Equation (Dingli SHEN)*

A nuclear armed North Korea presents an unlikeable but unalterable reality. Although the DPRK has had major areas of contention with every major regional actor- the U.S., China, Japan, South Korea, the focus is on its nuclear capability. For nations, threat is the result of a capacity to inflict damage multiplied by the intent to inflict damage. Thus, the acquisition of nuclear weapons radically changes the balance of threats that the DPRK poses to the region.

It is this change in the balance of threats and President Trump's abundant political capital and "shoot from the hip" style that allowed him to pursue the two summits in 2018, a remarkable change in strategy. However, not even President Trump can do whatever he wants, and the American foreign policy establishment, especially John Bolton, convinced President Trump that secret North Korean nuclear enrichment facilities extended beyond Yongbyon. This led the Americans to send mixed signals: wanting a deal at any cost while also pursuing COVID. Kim Jong Un, meanwhile, was wise to move forward with summits, but ultimately gambled too much on the successful outcome of the Hanoi summit, leaving himself with no tangible alternatives.

It seems clear that Kim Jong Un was seeking a rational tradeoff: losing some of his nuclear stockpile and facilities in exchange for massive loosening of the sanctions regime. However, he was blindsided by additional American demands. His failure to bring back anything concrete from Hanoi seems to have eroded his authority and internal credibility as well.

China's position, however, is that a mutually beneficial compromise is possible, albeit it is unlikely to give either side precisely what they want. However, in arguing that the U.S. should relax its demands, China imperils its own credibility in the international scene, leaning too far into its image as the "uncle" of North Korea. Meanwhile, China has weakened its ties with North Korea due to its commitment to multilateral sanctions. This has led to the perception within the DPRK that China has betrayed its ally, making it "worse than America".

China was also alarmed at the rapid progress of the two summits, and found itself possibly being "left out" of a denuclearization deal- something that would be both embarrassing and harmful to its long term interests. This explains the sudden shift in friendliness between the two nations, as Xi Jinping and Kim Jong Un met five times in just fifteen months, despite years of no direct meetings beforehand. This led to a sudden swell in Chinese influence in Pyongyang, and Chinese officials seemed to genuinely believe that Kim Jong Un was serious about disarmament, though this is far from certain

Nevertheless, a deal may yet be reached. The DPRK may not be ready for COVID, but in twenty years they might be. If the U.S. is willing to ask for small, partial concessions, doled out over fairly long timeframes, this problem could potentially be solved. A good idea would be first to close Yongbyon, followed by a complete disclosure of nuclear materials, then a reduction of nuclear materials by 50% over three years, and so forth. The long term nature of these deals will reassure the DPRK that they will have a chance to work with the next administration after Trump. The DPRK is in dire economic straits and desperately needs a compromise. If the Americans are willing to accept a compromise deal rather than an ideal one, they may be able to improve the situation.

*Presentation 1-3. The North Korean Nuke and ROK's Geopolitical Calculation (Wooseon CHOI)*

The situation now is grave. The DPRK possesses around 40 nuclear weapons with sufficient missile capability to overwhelm the South Korean missile defense system. The high probability of American retaliation is likely to deter the North, but a fully developed nuclear arsenal in the DPRK increases the probability that a limited conflict may escalate to a nuclear exchange. Additionally, there is a real chance that the DPRK could use nuclear weapons as a counterforce attack while depending on the threat of ICBMs to deter American involvement. Thus, there is no question that the North Korean nuclear program poses a serious threat to South Korea.

The DPRK believes that these weapons are crucial for its survival, which makes them extremely unlikely to voluntarily disarm themselves. No diplomatic normalization, security guarantees, or economic incentives are likely to outweigh survival, thus making it extremely unlikely that a negotiated deal is possible. Firstly, there are real technical difficulties in verifying the end of a uranium enrichment program. This is complicated by a lack of diplomatic skills on both sides and a mismatch in negotiation style. Because the DPRK does not actually seek to fully denuclearize, it is pursuing limited piecemeal deals, while the Americans instead prefer comprehensive solutions. It seems probable that these negotiations will collapse by the end of the year, though more progress might be made after the American election.

If talks do fail, the only way forward for South Korea is deterrence- a stronger air force and increased cooperation with the U.S., which may deter possible attacks from the North. However, it is important to note that war is simply too risky for all involved. No actor stands to gain from it, and all have much to lose. Thus the greatest peril is simple miscalculation or thoughtless escalation.

For these reasons, any possible denuclearization is likely to be only partial denuclearization, at best. A combination of pressures and incentives may allow a settlement to be reached, though that settlement is unlikely to be CVID. However, even in this contingency, tensions on the Korean peninsula are likely to remain high, as both North and South Korea have reasons to distrust each other. Tensions may be reduced, but North Korea will remain an immediate threat to the ROK and the United States. North Korea will continue to consider South Korea a major threat poised to absorb it. A fully or partially denuclearized North Korea will relieve some tension, but will not change the fundamental dynamics of the region.

*Discussion*

The discussion portion of the conference revolved around three questions that were posed by the moderator, one each to Professors Carlin, Shen, and Choi.

To Carlin, the question was, "How comparable was the situation in North Korea around 1998 to the present day?" Carlin believes that the situations are in many ways quite similar. In 1998 there was much talk in the media of North Korean cheating on agreements, an embattled American president facing impeachment, and the situation seemed quite dangerous. However, in many ways, the situation is very different now. In 1998, the DPRK possessed no nuclear weapons and

probably no fissile material. Now, however, the situation has escalated. Additionally, it is unclear if Kim Jong Un intends to follow the playbook of his father and grandfather, which placed a high priority on normalizing relations with the U.S. as a means of counteracting its disproportionate reliance on China.

The moderator asked Shen about the probability that China will accept a nuclear North Korea as a fait accompli, reducing American strategies to merely management of the North Korean capabilities. Shen responded that while politically China is unlikely to accede to a de facto nuclear state in North Korea, pragmatism demands that the Chinese accept the situation in which they find themselves. He also expressed the opinion that there is a real chance of realignment of the DPRK towards the U.S. and away from China. Cognizant of this possibility, he foresees Xi Jinping moving aggressively to keep North Korea aligned with China, even if this means accepting an otherwise unpalatable reality.

To Choi, the question was, “What is the BATNA (Best Alternative to Negotiated Agreement) in the negotiated agreement? And how can a compromise be reached between the need for verification with that of lifting or easing sanctions?” He responded that the ideal situation would be a fully denuclearized North Korea with a normalized relationship with the U.S. and a thriving economy without international sanctions. However, it seems clear that the DPRK simply does not want such a deal. The more plausible outcome would be for the DPRK to agree to a comprehensive approach with a freeze on nuclear activities being traded for some minor sanctions relief as the first step. The chief barrier to this would be agreement on the level of verification. The professor pointed out that it is nearly impossible to truly verify the history of uranium enrichment programs, and so full verification is unlikely. However, even an imperfectly verified agreement can be politically presented as denuclearization. This would result in some speculation as to just how complete North Korean denuclearization really has been.

Moon then raised the subject of hostility in the region and the manner in which it seems to be the foundation of the security issues it faces. Carlin responded by saying that North Korean complaints of hostility from the U.S. are insufficiently specific, and are mostly a rhetorical strategy to delay negotiations. Hecker concurred with this analysis, and also pointed out that of any American president, Donald Trump has given by far the most reason to believe he is not hostile. Hayes further pointed out that according to Gramsci’s theory of hegemony, the interregnum period between hegemonic powers, will see erratic behaviors. He believes the actions not just of President Trump, but the leaders of other liberal democracies and authoritarian states reflect this interregnum. This great flux, as old patterns of behavior give way and trust is lost, are being emphasized by other dynamics, such as massive climate change causing unprecedented destruction in Australia, the U.S., and north of the DMZ.

The next question, fielded by Shen, involved the possibility of decoupling between the U.S. and South Korea. He argued that the possibility of decoupling remains small, and that American overtures, such as the demand for increased South Korean funding for U.S. garrison troops, are unlikely to result in a significant departure from the status quo. However, in the unlikely possibility of partial decoupling, especially the pullout of American troops, Shen argued that China would be quick to attempt to fill the power vacuum in the region. However, there would be a possible positive outcome in that China could use this moment to “prod” North Korea for

further concessions regarding denuclearization and demilitarization. They could buttress this by making public promises to honor their obligation under the UN charter to defend South Korea if it is attacked, thereby signaling to the DPRK that it is unwilling to tolerate adventurism. Choi added to this that the worst outcome would be U.S. pullback of troops without denuclearization of North Korea. In this case, he believes South Korea would be under extreme pressure to develop missile weaponry of its own.

The final question revolves around the efficacy of multilateral talks in the case of North Korea. Shen argued that many layers of multilateral talks might be effective- two, three, four, or six party talks all may have their place. Conversely, Carlin disagreed, arguing that history shows multilateral talks to be too distracting and untenable with the DPRK. Instead, Carlin argued that only one on one talks allow the back and forth necessary to make real progress on the issues.

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**Luncheon Session: How to Break the Current Nuclear Stalemate on the Korean Peninsula**

*Moderated by Chung-in MOON, Discussed with Robert CARLIN, Peter HAYES, and Siegfried HECKER*

**Siegfried HECKER** Senior fellow, Stanford University's Center for International Security and Cooperation (CISAC)

There are technical barriers to breaking the stalemate with North Korea. North Korean capabilities can be estimated to be around 40 weapons. While North Korea does not have effective ICBMs yet, their weapons can be mounted on Scud and *Nodong* missiles. This makes it dangerous to South Korea and Japan, as well as possibly American troops further afield, though not in the United States itself. With more time, North Korea will be able to develop their nuclear capabilities extensively.

Currently, the North Korea continues to produce fissile materials, especially uranium. It is believed that North Korea did not produce plutonium this year, but this was due to technical reasons, not political ones. In addition to facilities being redone, evidence points to an effort to revamp the five megawatt reactor in Yongbyon, allowing North Korea to continue to produce five or six weapons per year. Facilities continue to be used and operated. Additionally, the year has seen extensive missile tests, especially those using solid fuel rockets, which are faster to move and deploy and easier to hide.

Thus, North Korea developing nuclear capabilities are of concern. North Korea can become a great nuclear threat if decisions are made to return to nuclear testing and producing weapons. In response to this, Hecker and Robert Carlin proposed a ten-year plan to break the stalemate, called "Halt, roll back, and eliminate". This plan involves the use of phased steps designed to soothe North Korean concerns about American hostile intentions. Another possibility floated by Hecker involves an offer to help North Korea transition from a military nuclear program to a civilian one, which may be easier to sell than insisting on full denuclearization.

**Robert CARLIN** Visiting Scholar, Center for International Security and Cooperation, Stanford University

Immediate and short term goals must be made to break out of a negotiating deadlock. In addition, steps that stakeholders will take have to take must be examined more seriously. One possible way forward would involve a freeze on the production of fissile materials since North Korea already has enough for 40 weapons. While difficult, this would allow the U.S. to continue negotiations with North Korea. In exchange, the U.S. could take a dramatic but symbolic action, such as recognizing North Korea as a state, and helping to establish an embassy. As far as sanctions relief, little can be done to mitigate American sanctions, but concerted effort at suspending UN sanctions is possible. This would give North Korea an opportunity to consider

the efforts being made by the U.S. to accommodate North Korea, while not completely buying into proposals made.

Moving forward with the process of denuclearization would help North Korea with the current sanctions because it would propel the Security Council to review its resolutions as changes as being made. This would be a clear sign of good faith for both North Korea and the UN because it would allow suspended sanctions to be resumed if anything goes wrong. By thinking carefully about what the sanctions are used for, those sanctions that are symbolic but don't directly affect the nuclear program could be negotiated.

**Peter HAYES** Director, Nautilus Institute

There is little hope in quickly resolving the nuclear aspects of negotiations. However, peacekeeping talks have great potential. Conventional arms control talks have been effective at Panmunjeon, and aside from building diplomatic momentum, they also contribute to lower risks of miscalculation and unintentional escalation. In exchange, agreements could be made to loosen energy sanctions, which is often characterized as “the essence” of sanctions on North Korea. This would be wise since North Korea has already taken actions to minimize the impact of energy sanctions, meaning they've already had their full effect, and no longer apply increasing pressure.

Ultimately, two suggestions can be made: “1) Allow partial re-export of coal to China in order to pay for imports from China, particularly of food and other critical goods that are essential for the livelihood of the NK population and 2) Introduce a package for sanctions relief, designed to introduce isolated microgrids, small scale renewable wind power, supplemented by local hydropower, and diesel generators, that are aimed at the welfare generating public centers such as hospitals, clinics, and schools.” These microgrids would allow tangible benefit to be delivered in as little as six months, providing invaluable trust-building.

### *Discussion*

When faced with the question of why the Hanoi summit failed, Robert Carlin described it as a “process failure”, a cascade of errors. This included a lack of working level negotiations, which failed to anchor top-level talks; Kim Jong Un's refusal to compromise on his demands; and a refusal to discuss the full range of materials in Yongbyon. Hecker places blame on the divide in American strategy, including real differences between John Bolton and President Trump. He also highlighted a tactical failure by the North Korean negotiators to define what exactly they would be willing to trade regarding the question of nuclear security. Although an offer was eventually made, it was articulated only as “literally President Trump was walking out of the room”. Thus, while strategically both sides had the right idea, tactically they failed to execute it effectively.

Moon asked why, if the U.S. knew what a “big deal” Yongbyon was, they did not seek to rectify these tactical mistakes after Hanoi? Instead, a deal centered on Yongbyon and partial sanctions relief seems to have been simply dismissed.

Hecker concurs with the assessment that Yongbyon is a major component of the North Korea nuclear program, since that appears to be the only facility capable of producing plutonium and tritium, which are critical to the production of more sophisticated weapons. Robert Carlin added that as to why further negotiation failed to reach an agreement regarding Yongbyon, the American perspective seems to be that though plutonium and tritium production at Yongbyon are important, they are not enough, and that the DPRK must turn over its uranium enrichment programs as well. . Since Kim Jong Un had already declared an end to missile tests and nuclear tests, it seemingly did not occur to the American delegation to reward them for those, whereas the North Koreans felt they'd already made the first move.

The news agency YTN asked about the perception that Yongbyon was a small deal and therefore a bad deal. Hecker responded that Yongbyon is by no means a small deal, and that perception comes from two claims. The first is that the North Koreans have given up Yongbyon before, making further negotiations a case of “buying the same horse twice”. The second claim is that Yongbyon is too old to function properly, and is therefore not essential to the North Korean nuclear program. However, Hecker pointed out that in fact Yongbyon has been massively expanded and upgraded since the 1990s, and any claims that it is decrepit simply do not square with what he has seen of its operation. In fact, Yongbyon was built in 1986, making it newer than any American plutonium production facility. Hwang Yeong Su agreed, and suggested a deal combining Yongbyon closure with CTR deals for North Korean nuclear scientists and the conversion of a military program to a civilian program. This proposal seems to meet with a broad agreement among the panelists. Hayes also argued that since closing Yongbyon would negatively impact the North Korean energy sector, care must be taken to redirect its military program towards a civilian energy program, and that expanded microgrids make an excellent starting point for that project.

Byungchul Lee came back to the notion that “Yongbyun is buy[ing] buy the same horse twice”, asking if that is indeed true. Hecker asserted that it was not, and that Yongbyon has been expanded and upgraded significantly. These upgrades include “hot cells” for tritium extraction, an entirely new centrifuge complex, and even rerouting the river nearby to assist in the new cooling system. However, these technical details are hard to communicate politically, and so the perception of the same horse continues. He suggested that one way to escape this conundrum would be for North Korea to give the Americans “a plus”, such as turning over some missile systems. This would allow the American delegation to make the political case that this is a new deal with new gains, and would allow talks to progress. Moon Added that currently both sides are putting preconditions on further negotiations, in that the North Koreans require a complete and irreversible withdrawal of hostile policies, while the Americans require dismantling the nuclear program before negotiations could resume. Moon asserted that this was not a good approach, and that the resumption of working level talks without precondition would be a much better strategy, so as to acquire the kinds of “small successes” that would allow the political case for a comprehensive deal to be effectively made.

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**Session 2: Denuclearization of North Korea and Geo-Economic Opportunities and Challenges**

*Chair: Bong-geun JUN*

*Panel: Thomas BIERSTEKER, Wonho YEON, Marina KUKLA, Sang-min SHIM, Tatsujiro SUZUKI*

*Presentation 2-1. Inter-Korean Economic Relations and International Sanctions Regime: Can the ROK Overcome Their Trade-Off? (Sang-min SHIM)*

Following the Panmunjeon summit, North and South Korea agreed loosely to make progress on four areas- forestry cooperation, the resumption of Gaesung industrial complex and Geumgang tourism complex. The most progress was made in the issue of connecting and modernizing roadways in North Korea. This requires special case by case exemptions from the UN sanctions committee, but though inspections were begun not much other progress has been made. This is partially because further progress on Gaesung and Geumgang complexes would seem to violate sanctions 2371 and 2397, prohibiting joint ventures and the transfer of heavy machinery, respectively.

This suggests that one of the chief obstacles to further inter-Korean cooperation is the language of the UN sanctions themselves, which do not always seem to allow for exceptions. One possibility revolves around UNSC Res. 2397, which states that the “UNSC is prepared to strengthen, modify, suspend, or even lift the sanctions in light of the compliance of North Korea.” There is a strong possibility that a prepackaged deal could be agreed to by the DPRK, which would constitute “compliance” and therefore work around the UN sanctions, allowing ultimately for a loosening of the sanctions regime. He sees few other ways that South Korea alone could foster geo-economic cooperation in the face of the UN sanctions.

*Presentation 2-2. International Sanctions on North Korea: Have They Been Effective? (Thomas BIERSTEKER)*

UN sanctions on the DPRK are by far the most extensive UN sanctions regime in place today. The scope of these sanctions are large, targeting individuals, economic, and non-economic sectors, and affect the entire populace in some respects. Unlike the case of Iran, UN sanctions on the DPRK are the most important element since they are enforced by both Russia and China, albeit inconsistently. However, the American “maximum pressure” strategy has reached the limits of its effectiveness, and now faces the erosion of consensus in the UN.

Of any target, the DPRK may be most resilient to very broad sanctions regimes. This is due to the nature of its command economy, its history of exalting self-reliance (*juche*), and its lack of integration with the broader world economy. Together, these make the effectiveness of the overall sanctions regime far less than it might otherwise be.

In evaluating the effectiveness of sanctions, one must be clear as to their aim. There are three purposes to the UN sanctions- to coerce or change behavior, to constrain behaviors by increasing costs, and to signal both the target and other members of the international community. Of these three purposes, the sanctions are meeting with some modest success at constraining behavior, and clearly are failing to control behavior. The question of normative signaling is still an understudied one, and so it is hard to evaluate the effectiveness of the sanctions regime in that way, though the normative impact of the regime seems to have been very effective.

Implementation of the sanctions is also difficult. Access to the international financial system seems to continue somewhat, largely through diplomatic personnel and the use of cyberspace and cyberattacks, which account for \$2 billion dollars of income each year. Additionally, ship to ship transfers help to bypass other sanctions, although China denies this. Also, there are signs that annual petroleum limits have already been breached by Russia as early as April of 2019. Nevertheless, there is no sign of large scale importation. There is a strong possibility that Russia and China are using their relaxed implementation to signal their reticence to the overall regime.

Given the coercive and constraining failure of the sanctions regime, other tools should be brought to bear. These include negotiation and mediation- something the UN cannot provide if they are perceived to have “taken a side” by implementing full spectrum punitive sanctions. Now is a good time to loosen the sanctions, which would, counter-intuitively, make them more effective. Just as in Libya in the 1990s or Iran in the case of the JCPOA, release of sanctions can be a useful political tool. UN sanctions are “overused and under-utilized”, meaning their full effectiveness is not reached due to a lack of targeting. Relief of sanctions is more powerful, both as a signal and as an incentive, than their original imposition, which makes this a valuable time to consider their use in further negotiations.

Further steps could include the relaxing of voluntary measures, such as caps on diplomatic staff or the creations of exemptions for fishing rights or the creation of a safe banking channel for humanitarian goods. Taken further, caps could be raised on the amount of petroleum imported, or other sorts of goods, or work visas for North Korean workers. A cap could even be created by turning a complete ban into a partial ban, in the case of coal, seafood, or textiles. Furthermore, one could temporarily suspend certain sanctions, in the case of individual listings or sectoral measures. Finally, one could create incentives by providing incentives to infrastructure investment, regional banks, or IFIs. These are all options that should be carefully calibrated in future negotiations.

*Presentation 2-3. Moon's New Northern Policy: Putin's Eastern Policy and DPRK (Marina KUKLA)*

There seems to be a breakdown in Korea-Russian communication, but this problem can be addressed. Historically, some things must be taken as a given. The first is that multilateralism doesn't work in Northeast Asia. Second, there is a lack of institutions to facilitate Korean-Russian communication. Finally, Korean-Russian interactions lack identity, and require “new shared values and new ideas”.

Beginning a decade ago, Russia began to pivot to Asia, seeking more active relations with East Asian countries, and the development of Russia's eastern territories. However, South Korean attempts to bridge the gap with Russia have largely failed, since they tend to focus on multilateral approaches, which have a poor track record in the region. Additionally, the Russian government sometimes blames South Korea for failing to invest in Russia's far east, something else that inhibits closer cooperation. Furthermore, the UN sanctions on the DPRK are also inflicting significant collateral damage on Russian attempts to invest in their own eastern regions.

Furthermore, Russia and South Korea need a stronger bilateral relationship that exists outside of the realm of North Korea problems. North Korea itself seems to prefer bilateral relations, so a special focus on it doesn't help it, South Korea, or Russia. Hence, efforts should be made to foster cooperation on other topics, rather than wasted in an attempt to solve the unsolvable in a short timeframe. To that end, a new identity ought to be formed around Russian-Korean interactions, which will allow Korean enterprises in Russia to thrive, as well as allow Russia's eastern regions to thrive as well.

*Presentation 2-4. Walking on a Tight Rope?: Geopolitical Calculation and China's Sanctions on North Korea (Wonho YEON)*

Five core interests are presented in China's North Korea policy prior to and post 2018. White papers from 2011, 2017, and 2019 indicate that China's interests are state sovereignty, national security, territorial integrity and national reunification, China's political system established by the constitution and overall social stability, and basic safeguards for ensuring sustainable economic and social development. China supported American and South Korean diplomatic engagement with North Korea in 2018 to increase the stability of the region, but was simultaneously cautious about being isolated in the process or losing North Korea in the event it commits to a full-scale strategic repositioning closer to the United States and South Korea.

China currently faces many new challenges within the framework of American unilateralism, protectionism, hegemony, and power politics. It has responded to these challenges by emphasizing multilateralism, the rule of law, and international governance by the United Nations. Due to the belief that problems were mostly imposed on China by the United States, China has been compelled to seek enforcement of multilateral policies. This accounts for the Chinese policies that observe UN sanctions against North Korea. As a result, balancing between two contradictory goals has led China to walk a tightrope.

In China's 2018 New Year's statement, China prioritized economic developments. As such, there might be greater room for trade between China and North Korea. Wang Yi has mentioned that economic sanctions should be relaxed for this reason. Moving forward, China has two possible policy goals. When North Korean and American relations improve through another summit and denuclearization negotiations make progress at the working level, China will most likely seek greater engagement and stress multilateralism. On the other hand, if relations deteriorate, China will seek alternative options.

*Presentation 2-5. Geo-energy, Nuclear Fuel Cycle, and Energy Security of North Korea  
(Tatsujiro SUZUKI)*

Energy assistance has been an important component of North and South Korea relations. Energy assistance to the DPRK has been a part of all agreements: 1994 US-DPRK Agreed Framework; 2005 Joint Declaration of Six Party talks; and 2007, as a part of the initial phase of the implementation of the above joint statement. Even under sanctions, North Korea was seeking energy cooperation with Azerbaijan, South Korea, and others. Although such assistance was not enough for North Korea to abide by the agreement under the Six Party Talks, it is clear that energy and economic assistance can and should be a part of the items to be included for a possible denuclearization agreement.

Some suggestions surrounding the Comprehensive Security Framework (CSF) would involve an "Asian Super Grid, connecting all of Northeast Asia, including Russia, China, North and South Korea. The CSF would require the prohibition of conventional or other attacks on civilian nuclear facilities in the region, multilateral control for fuel energy, and the banning of reprocessing. Multilateral cooperation is needed as there is no single international organization to verify nuclear weapons. A new institutional scheme needs to be established: one could be a regional or mutual scheme such as the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC). If a nuclear free zone is developed, a mutual inspection system can be designed as well. Finally, a cooperative threat reduction and a CTR scheme with DPRK are needed, drawing lessons from CTR between Russia and the United States toward the end of the Cold War.

*Open Discussions*

Questions regarding North Korean sanctions and nuclear energy were made. What are the effectiveness of sanctions, especially after 13 years. How do suspensions of sanctions work? To this question, Biersteker raised that 13 years is not a long period of time. A theory suggests that threatening sanctions are more effective than lifting sanctions and that evidence on longer sanctions are complex. Thus, it is difficult to evaluate. For example, the Somalian sanctions have existed since 1991, but it is hard to determine whether or not they are working. Thus, sanctions must be examined as episodes with different times and new packages. They are also not the ends to the means, but have a larger purpose. Unfortunately, people believe that more sanctions are better, but that is a naive way to think about how sanctions work. This is the theory that has been practiced in Washington, D.C. over the years. With regards to the issue of nuclear energy, it was asked at what point North Korea would be given the right to use nuclear energy. Suzuki believes that in principle, full energy cooperation would be possible when North Korea returns to the NPT. However, this will take too long. Thus, one way suggested would be to help North Korea safeguard through a phased approach. Jun closed this discussion by stating that North Korean denuclearization issues should be supplemented by a multilateral approach with economic incentives to help mitigate trust issues between North Korea and other countries.

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**Wrap-Up Roundtable: In Search of New Breakthrough**

*Chair: Chung-in MOON*

*Panel: Peter HAYES, Joon-hyung KIM, Bong-geun JUN, Sang-hyun LEE*

**Chung-in MOON** Vice-Chairman and Executive Director, APLN

Presentations and discussions have been held regarding geopolitical barriers and the denuclearization of North Korea. Questions on how barriers can be removed have arisen and consequently, whether or not removing those barriers are the solution is unclear. During this roundtable, panelists will further delve into these important issues.

**Peter HAYES** Director, Nautilus Institute

There is great importance in observing the situation and circumstances surrounding North Korea. Since the mid-1980s, many have known about Yongbyon and the implications of region. While it is unfortunate that 30 years have passed without much progress, there can be solutions made with the right political will and alignment. More attention needs to be paid to expanding the interconnected issues surrounding North Korea. A regional framework must be designed that is consistent with global principles that restrains, curtails, and reduces the role of nuclear threats, and maintains relationships between states and regions with and without nuclear weapons. For this, participation from every country is needed. The rest of the world spoke last year in the Nuclear Weapons Prohibition Treaty, and most intend to assert their rights to create a world without a nuclear threat. The positions between those who have nuclear weapons and those who desire elimination of weapons must meet halfway. This would be the first stepping stone that does not simply deal with North Korea on its own, but also between states such as, Japan and China, China and South Korea, China and Russia, the United States and North Korea, and Russia and China. The relationship between China and North Korea must be considered carefully as well. To do this, it must be acknowledged that an inter-Korean denuclearization agreement must have a legal framework. A question regarding how North Korea can be legally held accountable arises. A possible solution to this could be a regional treaty, a multilateral treaty for a nuclear free-zone that would impose legal obligations to all parties in the region. However, this cannot be achieved overnight as conversations with North Korea for a legally binding commitment to end their nuclear threat in addition to an inter-Korean agreement and a bilateral declaration between the United States and North Korea must be accomplished first. Furthermore, how the nuclear threat plays out between the parties in the Asia region as dynamics between South Korea, Japan, and China are changing. South Korea is in a good position to take a leading role.

**Joon-hyung KIM** Chancellor, Korea National Diplomatic Academy

South Korea taking leadership is still a challenging endeavor as political barriers to engagement remain. There are currently two barriers. The first one is geopolitical, while the second is a lack

of trust between the United States and North Korea. Historically, there have been great opportunities to break barriers in the mid-90s as the northern policy at that time was innovative for a conservative Noh Tae Woo administration. However, miscalculations were made. Cross-recognition may have been the best solution, but the collapse of North Korea was also considered possible, although neither situation eventually occurred. This became a huge strategic mistake with which we are still coping today, especially now as tectonic change is happening in South Korea. In South Korea, many likened these circumstances to opening five hell gates at once. South Korea is facing diplomatic difficulties and has faced obstacles in the past, but currently, too much is happening simultaneously. Many countries, and not just South Korea, are insecure about the future, which was not the case during the Cold War. During the Cold War, it was very clear as to who was the enemy and who was a friend, but now, it is not so clear a bifurcation. Rather, relationships are interdependent. The U.S. and China are neither enemies nor friends. It is the first time in history where it might take several more decades to determine who is the enemy and threat. The United States and China may never collide; however, tensions have made it difficult for countries in East Asia. The fault line from South Korea, East China Sea, the Taiwan Strait and the South China Sea were discussed previously. Lines can be drawn as fault lines creating more tensions in the area. As a result, it is no surprise that many scholars have labeled the Korean Peninsula as a geopolitical curse like the Balkans. It is especially precarious because of changes in the liberal international order. While this phrase was created by Americans, it has been widely accepted due to the values that it encompasses—democracy, free trade, and stable international relations. As such, a new Cold War has been predicted, and divisions and tensions between North and South Korea can propel security populism and strategic rivalry between the United States and China. Thus, strategic alliance dichotomy seems to be a myth. Questions regarding the alliance between the United States and South Korea and alternatives to that alliance have arisen. Mediums such as YouTube have helped circulate conservative views in South Korea. While President Trump has changed the dynamics between North Korea and the United States from a bottom-up to top-down approach, discussions between the two states have not solidified strong outcomes. While Kim Jong Un and Donald Trump have met three times, promises were not kept, which have increased the levels of distrust. While the United States maintains the rhetoric of being flexible, this has not been the case. An obstacle to avoid is declaring a deadline. Rather, at a critical time, working level meetings must be held without provocations. Although changes of positive outcomes seem slight, there remains some hope.

**Bong-geun JUN** Acting President, Institute of Foreign Affairs and National Security, KNDA

Multiple strategies are being considered by the South Korean government, such as the peace regime approach. The peace regime approach begins with a war-end declaration and ends with a peace treaty. However, no progress is being made on this. While the war-end declaration was thought to be a great first step, there are those who are worried about what would then happen to the U.S. forces and U.N. Command (UNC) in South Korea. Another indirect approach toward the peace regime was through implementing new relations between the United States and North Korea. This is one of the better approaches taken as it would be less unclear as to the future of U.S. forces and UN Command when assisting with the facilitation of this relationship. In the event that the United States and North Korea sustain direct diplomatic normalization measures, most South Koreans and Americans will begin to accept the independence and interdependence

of both countries. Thus, direct bilateral relations between the United States and North Korea must be achieved to allow for a real peace regime or peace treaty. Secondly, a complementary regional approach must be taken, especially when current U.S.-DPRK bilateral relations are being expedited through a top down approach. Otherwise, it will take much time for diplomats and bureaucrats to achieve a breakthrough. South Korea, China, and Japan can also play more significant roles with North Korean nuclear issues, especially since when North Korea becomes much more armed with nuclear weapons, it will have a strong striking capability causing great adversity to South Korea's neighboring countries. Taking advantage of the current moment is very important. The United States- North Korea negotiations are at a stalemate. Both countries need to provide a roadmap for denuclearization and corresponding measures. South Korea will also need to provide corresponding measures. Historically, crises have driven a sense of urgency in addressing these kinds of issues. Circumstances need to be change now. There are always cycles of U.S.-North Korea nuclear negotiations. These cycles are only aggravated, and result in no positive outcome. Roughly calculating North Korea's nuclear capabilities, they double every eight years. Today, North Korea has 40 nuclear weapons; thus, if actions are not taken now, in eight years, North Korea will have 80 nuclear weapons. A nuclear deal today will be much cheaper than tomorrow's bargaining price. While great efforts have been made, not much has been accomplished. Perhaps returning to the basics can assist in gaining perspective on the nuclear issues. Why do some countries go nuclear, while others surrender their arsenals? Not one country has given up weapons as a result of sanctions. Four factors can be observed, such as security, prestige, domestic politics, and decisions made by the leadership. Security and leadership decision factors can particularly affect a country's choices in going or suspending nuclear actions. Thus, without relieving North Korea of its security related issues, denuclearization cannot be achieved. However, Kim Jong Un has signaled that he is ready to make a real decision. While he may not give up all nuclear weapons, a trade can be achieved. Thus, this moment in time and willingness must be used to open the slight window of opportunity that has been presented.

**Sang-hyun LEE** Senior Research Fellow, Sejong Institute

The current stalemate in the denuclearization process of North Korea can be further discussed. The major stakeholders' position can be addressed. With regards to the Korean policy, the Moon administration is attempting to induce denuclearization through peace—a peace-first policy. Kim Jong Un's policies may be prioritized toward a regime-security-first policy in order to guarantee its regime survival. While the United States has emphasized its America-first policy as well, It seems to be more about money-first. Thus, making it hard to believe that President Trump is concerned about denuclearizing North Korea. Even with China, its China Dream is about making China a great power comparable to that of the United States. In addition, Japan is focused on its alliance with the United States. Among these countries, North Korea seems to be the most desperate, and in international politics, he is the most resolute player in winning the game. Thus, it can be presumed that Kim Jong Un will win. A greater sense of urgency is needed in order to find a way to move forward with the denuclearization process. With interests that the United States and North Korea, there is still opportunity for the two countries to deal. For example, with North Korea indicating their willingness to give up Yongbyon, the United States can offer the declaration to end the Korean War. Practical solutions that must be dealt with flexibility remain.

## *Discussion*

**Thomas BIERSTEKER** Professor, Graduate Institute, Geneva

Peter Hayes's approach to thinking about the bigger picture in dealing with geopolitical challenges brings to light the need to be pragmatic. Multilateralism is another option to explore as it will take more than one country to arrange solutions to denuclearize. Thus, multilateral actions need to be taken as well, where China plays a bigger role. This is crucial because of China's geography and significance in trade. The United States must remain in the picture as well, but expanding the roles and responsibilities of other countries may prove to be helpful. Bob also raised important questions about the American approach in thinking of sanctions as goals. Domestic politics play a role in geopolitics, and the motivations and positions that different key players have must be examined. It is ironic that the greatest hope for breakthrough came from President Donald Trump. While he is no innovator or master, he does provide an opportunity. His interests and need to have some victory before the American elections next year can be advantageous. The United States is currently institutionally uncertain, which can be observed in many European countries as well. Under these circumstances, multilateralism is fundamentally inconsistent with Donald Trump's approach as seen through his administration's fundamentally anti-multilateral activities in the last three years. The United States and North Korea both have interests that is required for steps to be taken. Not much time is left in December, but using confidence building measures that have already been alluded and a package of reliefs and incentives can be helpful. Geopolitical barriers will remain, but greater engagement needs to come from other countries, such as China for multilateral ways to be used in the denuclearization process.

**Siegfried HECKER** Senior Fellow, Stanford University's Center for International Security and Cooperation (CISAC)

President Donald Trump may be not simply our best, but only hope in conjunction with Kim Jon Un and President Moon Jae In to address North Korea related issues. Through Singapore and the Olympics, the United States was able to present to the North Koreans that the hostile policy of the United States is reconcilable. Regarding Hanoi, tactical mistakes were made on both sides. As a result, as Thomas Biersteker has mentioned, using sanctions relief could send the right messages to North Korea. As opposed to the Obama administration, President Trump has driven North Koreans to the table. Had a Democrat won, discussions might not have come this far. Thus, it is important to think through how much progress President Trump can make during his administration.

**Sung-hwan MOON**, Deputy Director for Policy Planning, Ministry of Foreign Affairs

The key points of the Korean government was raised by Foreign Minister Kang the other day. While direct elements to add to this theme of making an alternative breakthrough to resolve this stalemate situation and denuclearization of North Korea cannot be made, the current situation surrounding how policies are made through the Korean government, MOFA, indication bureau, and the Department of Defense can be made. More and more stakeholders around the Korean Peninsula are beginning to see the Korea issue including the denuclearization issue of North

Korea as part of a global and regional issue—the Indo-Pacific issue. South Korea is now more than ever urgent in resolving this inter-Korean issue to bring peace as early as possible. This is the most imminent and urgent issue to tackle during this era. The circumstances revolving around the Peninsula are major powers, and they tend to see denuclearization and the inter-Korean issue as part of their regional strategy. As a result, contestation and contextual questions arise. This stage has come much faster than expected when Chinese Dream and the Chinese Belt and Road Initiative and the U.S.-Japan's Indo-Pacific vision began to emerge. It is expected that the two powers will one day fall apart or collide. While it was believed that this will take some time, since the summer of this year, the Korean government and affiliated bureaus began to see the question regarding the United States and China raised. And they tried to form some sort of special team only to form some ideas on how to come up with concrete ideas to survive and to navigate this new wave of rivalry. In terms of an alternative, as Foreign Minister Kang said yesterday, it can only be hoped that the United States and North Korea will have some sort of dialogue – whether it is at the working or political level. And hopefully by the end of this month or early next month, the policy planning team of MOFA and associated ministries of the South Korean government will present more ideas about how to survive and keep national interest during the rivalry between superpowers.

**Moo-jin HA**, Director of International Cooperation Division, Ministry of Unification

The Ministry of Unification perceives the need for a deal as pressing. Some believe that this ministry is losing leverage in engaging with North Korea. Thus, the United States needs to be persuaded to engage with North Korea through sanctions relief. There is currently a window of opportunity, but this window is becoming more narrow.

**Peter HAYES** Director, Nautilus Institute

The last time the United States changed the strategic landscape globally and regionally in ways that affected the North Korean issue was on September 28, 1991 when President George Bush Senior unilaterally announced the withdrawal of tactical nuclear weapons around the world. And everything that is being dealt with today is the reverberation of that decision, which is being continued because those issues have not yet been resolved. However, that was unilateral decision made through presidential leadership. It changed everything. And this is a similar moment in time, when such possibility exists. However, relying on Donald Trump for that kind of change would be an error. It's possible that he could stumble into peace and into a regional strategy that offers a future for North Korea just as he could stumble into a war. Some aspects of President Clinton in 1994 after President Carter came out from his embrace with Kim Il-sung to stop the war serves as a reminder. Another historical moment that comes to mind is the CNN interview with President Clinton after Carter came out. Not the CNN interview with Carter, but the CNN interview with Clinton. What was so striking was when Clinton was asked to articulate his policy not on North Korea and its nuclear threat, but on Korea, he had a panicked look in his eyes. He didn't have a Korea policy. He hadn't thought about how to integrate North Korea into a regional strategy, and normalize relations. It may well be true that Donald Trump is desperate for a signature achievement, but it can be seen that part of his failure in Hanoi was the fact that the United States does not have a coherent strategic vision for this region. Thus, it remains unclear what kind of regional system will be resilient against the kinds of capricious and arbitrary

decisions that have been made. It is not simply the responsibility of South Korea to think through and envision a regional future that could give ways for regional and political leaders to realize their vital interests. The ideal path would be for Korea as a middle power to articulate, promulgate, and test ideas, seeing how it fits with different leaders and states and then adjusting them to adapt them. No one else is located at the intersection in so many ways as South Korea.

**Chung-in MOON**, Vice-Chairman and Executive Director, APLN

More questions have been raised as opposed to answers. Thus, there is all the more reason to continue such workshops. Thank you very much for participating in this workshop. It was productive and to some extent provocative. Thank you very much to the observers and staff, particularly Dr. Kwon Eun-ha, Deputy Executive Director of APLN. She worked very hard along with Ms. Park, the program official. And to all the staff of Korea National Diplomatic Academy, again thank you. And lastly, thank you to Dr. and Chancellor and Professor Kim Joon-hyung for co-hosting this conference. Thank you very much.