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Six-party negotiation on DPRK nuclear talk

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Nuclear negotiation with DPRK is a geopolitical as well as Inter-Korean issues. DPRK is one of important geopolitical issues of USA and handled by 6-party talk, while DPRK is also inter-Korean issue of ROK. The sequencing of the two processes has significant impact on the future of Korean peninsula and the stability of East Asia. However, negotiation between US and DPRK on nuclear issues has been dragged for a decade. The future of the Korean peninsula will depend on whether DPRK could survive with nuclear capabilities in the short-term and on how the balance of power would emerge between the U.S. China, Japan and Russia and especially on how Sino-American relations develop in the long-term. This paper intends to review the geopolitical context and diplomatic relationship in East Asia region and Korean peninsula. The interests and the options of six party talk members are reviewed adopting negotiation framework. Possible options are suggested to make the negotiation more successful.

Key words: North Korea, nuclear negotiation, six-party talk.

INTRODUCTION

Geopolitics

Globally, the world is in a transition in which power is shifting from mono-polarity to multi-polarity as the power of the U.S. was declining in relation to such other rising powers as China, India, Russia and Brazil. U.S. is no longer sole superpower as it was being diffused and transiting into many other poles. The more power was dispersed, the more other powers had effective veto power over collective action as Indian and Chinese veto foiled efforts to revive the Doha Round in 2008.

Even in this "Age of multi-polarity," the U.S. still remains the largest single aggregation of power spending \$800 billion annually on its military and with a GDP of some \$14 trillion, accounting over 25% of the world's total. China, for example, has grown at approximately 9% a year and the U.S. at 3% in the past two decades. Although, the power of China, Russia, India and Brazil is rising, few of them seem to be ready to share leadership

in providing peace and security as global public goods. This situation leaves the U.S. as the single global power to take leadership but the financial crisis has already "increased questioning of U.S. stewardship of the global economy."

The power of the U.S. in global economic relations has also been diluted by the rise of other powers. Clearly, there is urgent need for concerted efforts and cooperation to restore confidence and stability in the global financial market as the leaders at the G20 meetings in Washington in November 2008 and in London in April 2009 attempted. Despite these activities, confidence in the American dollar is falling rapidly. If Iraq cast a shadow on U.S. political and military credibility, the financial crisis has eroded America's economic power. As of December 2008 the dollar was maintaining some 63% of global foreign exchange reserves. And yet there is no other currency that could replace the American dollar as the leading instrument of foreign reserves. By default, all other

countries are still looking to the U.S. for resuming economic leadership, if not hegemony. This shift has profound effects on the future of East Asia and Korean peninsula.

US as a balancer in East Asia

In East Asia, multilateral institutions are still weak and short of advancing beyond a level of talk-shop. U.S is opting for the strategy of offshore balancing, for the gravity of global powers is shifting from West to East and China, upholding the tradition of providing stabilizing roles with the help of the alliances with Japan and South Korea but the intensification of Sino-Japanese rivalry might well prompt it to turn more to balancing ones. China pursues a uni-polar Asia as shown in its emphasis on the ASEAN-plus-Three concept even though the U.S. prefers a multi-polar Asia especially in its approach to the Asia-Pacific Economic Cooperation (APEC) concept, (Babson B, 2002).

Anxieties about Chinese hegemony among East Asian states including Southeast Asians have given rise to the emergence of China-centered balance of power involving even India and Australia.

The rise of China and the worries of other powers about Chinese ambitions for regional hegemony have paved the way to the reemergence of Sino-centric balance of power and ad-hoc regionalism like the six-party talks. Now China is reemerging as the most powerful of the Asian states to challenge the U.S.-led order. Efforts by Japan and other states to counter Chinese aspirations for regional hegemony and others' reaction to this have given rise to a new balance of power politics in Asia.

It is against this background that the U.S. role as a balancer or stabilizer makes a great deal of sense, for its presence is crucial to preserving regional stability and to prompting China to become "a responsible stakeholder" working together to sustain the international system in September 2005... Washington's strategy of offshore balancing is necessary to deter China from dominating East Asia and to reassure Japan, South Korea and other states for their security and open markets. In all probability, sustaining a good state of Sino-American relations is a key to ensuring peace, stability, and prosperity, not only in East Asia but throughout the world. In fact, the degree of interdependence between the U.S. absorbing 20% of Chinese exports and China buying one half of the U.S. Treasury bonds is tight. In September 2008, China became America's largest foreign creditor, surpassing Japan. Washington tried to integrate China into the international system by accommodating its rising power instead of containing it so that China could abide by Western rules and institutions. In fact, much of U.S. and Chinese interests do overlap in critical areas such as global growth, regional and financial stability, anti-terrorist campaigns, nuclear nonproliferation, and environmental protection (Funke and Holger, 2005).

Six-party talk

Under the current circumstance, the six party talks represent an ad-hoc concert of powers and remains a testing ground for regional institution-building, for they do have potential to turn into more formalized regional security dialogues or mechanism should they succeed in accomplishing a nuclear-free Korean peninsula by making concerted efforts. The U.S. initiated these talks in 2003 and China brokered their realization. Although, the participants including Japan, Russia, North and South Korea did agree on the final goal of achieving the verifiable denuclearization of the Korean peninsula in a peaceful manner, they also have disagreed as to the concrete methods of so doing. China has yet to go beyond merely brokering roles between North Korea and the U.S. North Korea did promise to freeze its nuclear facilities in Yongbyon in February 2007, but is yet to accept a verification protocol on its declared programs, let alone its undeclared highly enriched uranium programs and proliferation activities involving Syria and other countries.

But unless North Korea makes the strategic decision to dismantle its nuclear arsenal completely and unless China pressures the North to do so more actively, where these talks would lead is unclear. It is in this sense whether or not the six-party talks yield fruit will be a most important litmus test for regional institution-building in Northeast Asia even though the Obama administration is serious about encouraging such efforts made at other Asian talk shops like the ASEAN Regional Forum (ARF) and the East Asian Summit.

In the six-party talk, China faces the dilemma between two goals; Korea peninsular without nuclear arsenals vs Stability of DPRK as a buffer state. First, nuclear arsenals in Korea peninsular might invite rearmament of Japan and lead to proliferation of nuclear capability, which is not desirable to China. Second, in addition to the traditional ties between China and DPRK, China wants to keep status quo of DPRK's regime as the buffer against US power. Chinese policy swings between two conflicting goals.

Moreover, China can capitalize on the information advantage on DPRK's nuclear capability in the relationship with US. China enjoys the ambiguous position of DPRK on Nuclear capability. China has superiority in estimating and controlling DPRK's nuclear capability, which is a significant advantage over US in case of high ambiguity. Six-party Talk is an ideal for China to maximize her diplomatic capital, and China has little incentive to give up Six-Party talks (Figure 1).

The vertical axis represents the Chinese Bargaining power and the horizontal axis represents nuclear capability of DPRK. When the actual nuclear capability of DPRK is in the limited area, the second goal (buffer states) dominates over the first goal (nuclear proliferation in East Asia) and China can enjoy heightened bargaining

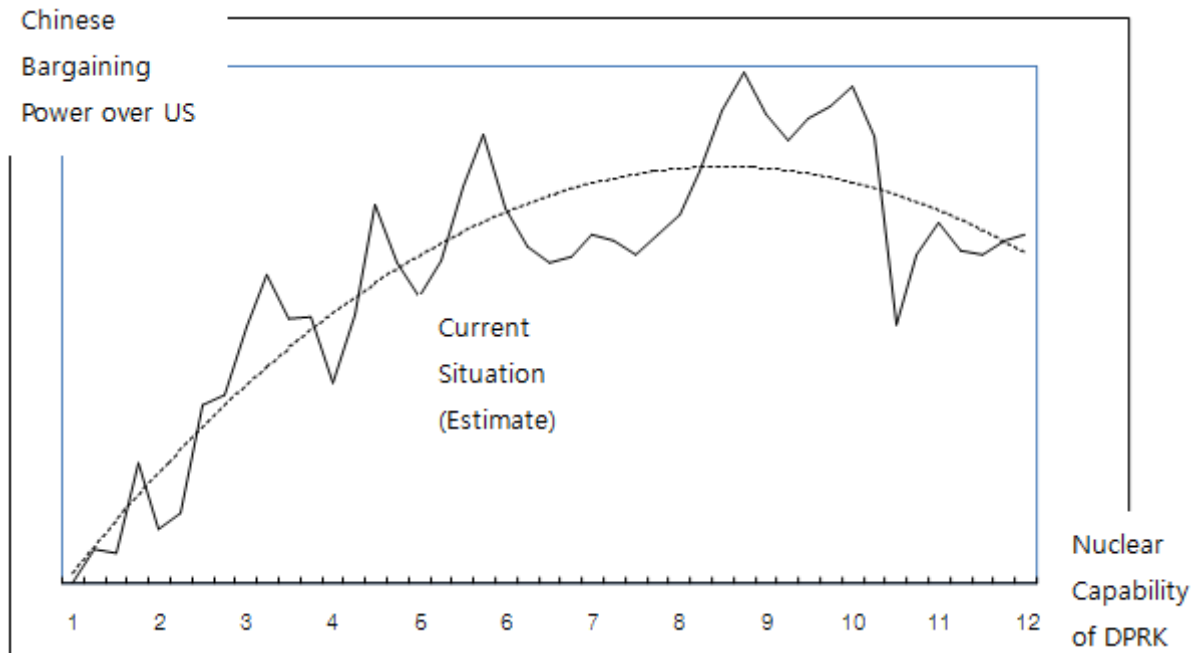


Figure 1. Chinese bargaining power (Vertical) vs nuclear capability of DPRK (Horizontal).

power over US. In case, the nuclear capability of DPRK is obviously significant, the first goal dominates the second goal and Chinese bargaining power will be subdued.

It is in US interest to apply an offshore balancing to the Korean peninsula, coupled with some other ad hoc efforts of regionalism, it would likely treat the Korean question (Funabashi, 2007) as being ancillary to preserving a regional balance of power or stability by putting more emphasis on its bilateral relations with China and Japan and on its efforts to sustain a coalition of the willing as regional activity. The future of the Korean peninsula will depend on whether DPRK can survive with nuclear weapons and on how the balance of power in East Asia or the world's most important bilateral relationship between the U.S. and China evolves. Divided between the North and the South and located at a strategic periphery where the interests of major powers are intersecting, whatever happens in the peninsula is bound to affect the major power relationship and vice versa. In the short run, the future of the peninsula hinges on what happens inside DPRK and how China, the U.S., Russia and Japan respond. As long as DPRK clings to the nuclear weapons option as a means for survival, its political and economic future is unlikely to be smooth. How the U.S., China, Japan and Russia react, will depend on the future of the Six-Party talks and on the state of Sino-American and Sino-Japanese relations.

During several nuclear tests, DPRK understood that the high value of demonstrating its nuclear capability outweigh the downside risk (Noland, 2008). As long as Kim Jong Il relies on "military first politics" for his power

base and as long as Beijing prefers "sustaining stability" in its buffer state even with a few nukes to facing a chaotic collapse, there is little incentive for Kim to give up his nuclear weapons. It is doubtful that Pyongyang would agree to dismantle its nuclear programs verifiably, mainly because it could not be sufficiently assured of its own survival after having abandoned the most precious assets that had enabled it to attract enormous attention and generous compensations from Washington, Beijing, Tokyo and Seoul. By all means, therefore, Pyongyang would continue salami tactics of extracting maximum aid for every concession. Neither could security guarantee or diplomatic normalization ensure the very survival and legitimacy of the DPRK unless the latter dares to undertake drastic opening and reforms.

North Korea will find difficulty in managing the much needed reforms because of the changed political-economic landscape. Time is not on North Korea's side. Decision makers in Pyongyang will find that their actions will have countervailing reactions or that their intended policy goals lead to unexpected results. Questions of Kim Jong Il's health and succession coupled with a deteriorating economy make the reform more difficult (Noland, 2000).

DPRK is facing a major crossroad in 2009. The endgame of DPRK's nuclear venture has always been an uncertain and high-risky business for all the countries involved. The internal situations of DPRK make the future of the Korean peninsula more uncertain. There have been many researches and studies on inducing North Korea's gradual changes and achieving a peace regime on the

Table 1. Multiple issues coexisting in the relationship between US and DPRK.

	Nuclear	Diplomatic	Economic	Human right
US	Non-proliferation, no sale of nuclear materials	Equal distance between US and China	Adopt market economy, join world trade system	Improve human right and democracy
DPRK	Develop Nuke and missiles for bargaining chip	Open diplomatic relationship with US, Isolate ROK	Get energy, ODA and loans from ROK and WB	Domestic political stability

Korean peninsula. Yet, there have not been many researches done on the case of North Korea's drastic changes. Various scenarios could be imagined with regard to the aftermath of the DPRK's changes.

To prepare for this uncertainty, South Korea must carry out contingency planning and strategic dialogues with all parties as early as possible. DPRK's sudden change would have a tremendous impact on the Northeast Asian security configuration that would determine the future of the Korea peninsula. It is a prime example of "low probability" but "high impact" event. Therefore, prudent analysis on every level is required when dealing with DPRK and stakeholders. Prudence would suggest that South Korean government understands the process, implications, and consequences of changes since South Korea's national security interests are at stake.

RECOMMENDATION

DPRK question presents a challenge in international relations that defies easy resolution. In spite of various sanctions, DPRK has had an aggressive posture in international diplomacy. Kim Jong Il has promoted regime security through a militant posture including nuclear capability, long-range missiles, etc. US negotiation strategy seems not very productive faced with confrontation diplomacy. There are several areas where US negotiation policy can be improved.

First, US foreign policy is obsessed with mono issue and needs to diversify with multi issues

North Korean issues are multi dimensional: plutonium, enriched uranium, proliferation, counterfeits, terrorist list, human rights, abduction, refugees, etc. US negotiation is focused on the nuclear issue, while leaving other important issues out of the bargaining table. Some issues face trade-off with other issues, and the sequencing issue of transition can be critical to minimize the costs of unification (institution building such as currency tax, ownership, corporate, land usage). Multi-dimensional negotiation will improve the US bargaining power.

Multiple issues coexist in the relationship between US and DPRK as shown in Table 1.

Second, US has communication with one man in DPRK

DPRK has undergone significant changes arising from the on-going degradation of the state, rampant corruption, and the worsening of its economy, including food shortages. Famine has been repeated in DPRK. The public distribution system is severely broken and the isolation from the outside world is no longer feasible. In spite of upgraded border control, more citizens get outside information to differing degrees. The economy experienced marketization process (Stephan and Marcus, 2008, 2006, 2005) and is largely affected by what goes on in the black markets. The traditional strong control has its limit and is loosening.

DPRK society can be classified into 4 classes (Table 2): US has communicated with the leader, not even with the 1st class. The interests of the leader and each class do not necessarily coincide. For example, the leader is interested in the stability of political system (ex, succession plan), while the first class enjoys the scarcity of food by selling rationed rice at the black market. The second class shows sign of corruption and has some access to information, but the third class has no information and remains as the stabilizing force of the society. Finally, the fourth class participates in market activities (in DPRK and China) and has access to information.

DPRK refugees in South Korea and in China can be effective channels of communication to the 3rd and 4th classes in DPRK. For example, DPRK refugee can send US\$ to their relatives in DPRK and can even contact them on the phone. Corruption in DPRK border provides futile ground for spread of information and exchange of people. US government needs to organize the team to communicate with these groups in coordination with ROK (government or non-government agencies). Support and training of DPRK refugees in the third country (Mongolia, Thailand or Russia) for humanitarian goal can be effective program (Babson, 2002). It can also serve the objectives to upgrade their capacity as the changing agents in DPRK society.

Third, US do not coordinate with government and non-government institutes of Allies countries

Nuclear talk of DPRK is a geopolitical as well as inter-Korean

Table 2. Classification of DPRK society into 4 classes.

Number	Percentage	Class
1 st class	10	Elite class with stakes for status quo
2 nd class	20	Technocrat and bureaucrat who receive benefits
3 rd class	30 (40)	Working class with jobs and rations
4 th class	40 (30)	Self employed and unemployed without rations

issues. It is one of important geopolitical issues of USA and handled by 6-party talk, while DPRK is also inter-Korean issue of ROK. The sequencing of two processes has significant impact on the future of Korean peninsula and the stability of East Asia (Michell, 1998). Therefore, dialogue and cooperation of stakeholders in Korean peninsula as well as the third countries is needed. Lack of coordination (in speed and contents) especially between US & ROK will diminish the effectiveness of diplomatic efforts. In order to make the dialogue more effective, non-government agency can be utilized to avoid risk of complications.

Fourth, US can improve flexibility with two channels of dialogue with DPRK; Bilateral table and Six Party Talk Table.

Since DPRK under Kim Jong Il has little incentive to give up its efforts for Nuclear capability, and China can capitalize its advantage over US, US can maintain flexibility and control by using two channels of dialogue with DPRK instead of adhering to only Six-Party Talk framework. US can also put specific conditions before the start of bilateral talk such as unconditional inspections, etc.

Conclusion

After 10 years of agreement between DPRK and USA, it is appropriate to reevaluate the situation of Korean peninsula. To achieve the goal of peace and security, there is need to consider the swings of four pendulum: (1) geo-politics of North East Asia (China, Russia, Japan), (2) US domestic politics, (3) North-South relation, and (4) domestic politics in south Korea. The road to peace is like waling on the fence while 4 pendulums swing independently. Any one of them can spoil the efforts of peace and stability and might cause significant opportunity cost or even human cost.

2009 will be a meaningful turning point for North Korean issues. To prepare for this uncertainty, South Korea must carry out contingency planning and strategic dialogues with all parties. DPRK's sudden change would have a tremendous impact on the Northeast Asian security configuration that would determine the future of the Korea peninsula.

In order to prepare for uncertainty, the U.S. and South Korea must conduct contingency planning; other powers

also must carry out strategic dialogue on plausible scenarios that might emerge on the peninsula. The focus of planning is on providing the military, diplomatic and economic means and on mobilizing the political will and support. To ensure peace and stability, the bilateral U.S.-Korean alliance needs to be upgraded, share common security and economic interests. With all the wisdom of South Korea and world community, we have to exert efforts and resources to manage the critical transition process.

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