

**Toward a More Effective Strategy to  
Deal With North Korea**

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## ***Introduction***

Perceptions of a problem can help define its solution. This axiom can be applied to international relations, specifically the nearly two decade old problem of nuclear proliferation in Northeast Asia. Despite intensive effort by the world's superpowers United States, China, Japan, and Russia plus South Korea, the Democratic People's Republic of Korea (DPRK or North Korea) continues to enhance its nuclear weapons capability.

Simultaneously this small, economically impoverished nation is also developing its ballistic missile capability as recently demonstrated by the revelation of photographs depicting a large new ballistic missile testing site on North Korea's northwest coast. It is only a matter of time before Pyongyang's generals are able to wed a nuclear warhead to a ballistic missile. Once this has been accomplished, North Korea will be able to legitimately declare itself a nuclear power. Equally worrisome will be the fact that the price to induce it toward nuclear disarmament will most certainly spiral upward.

A contributing reason for the inability of the Six Party Talks, particularly the United States, to compel North Korea to halt its nuclear weapons program could be the persistent gap between the primary antagonists' respective perceptions of the problem. For almost two decades, the United States, South Korea and Japan have relied on economic inducements (engagement) and sanctions (containment) to win or force an end to North Korea's nuclear weapons ambitions.

## ***Competing Strategies***

The fact remains that more than a half century of extensive economic sanctions on North Korea have failed to achieve their desired goals. United States sanctions anchored in the US Trading with the Enemy Act (TWEA) and U.S. Terrorism List were reinforced in 2006 with UN Security Council (UNSC) sanctions imposed after North Korea exploded its first nuclear bomb. Japan the same year added its own economic sanctions. Nevertheless, North Korea persists in pursuing its nuclear ambitions and resisting resolution of the Japanese abduction issue.

Similarly China and South Korea over the past decade have favored economic inducements to bring an end to North Korea's nuclear weapons program. Beginning in 2002, China increased its investment in North Korea and facilitated increases in bilateral trade. South Korea even earlier initiated its own economic inducement program that combined food aid with training in advanced agricultural techniques and computer use and technology. Initially North Korea hesitantly responded positively to Seoul's overtures. One of the most impressive accomplishments of Seoul's "economic cooperation" strategy has been the establishment of the South-North built and operated Kaesong Joint Industrial Zone.

Despite the impressive accomplishments of "economic engagement" by China and South Korea, the effort, like economic containment, has achieved disappointing results in terms of ending North Korea's nuclear weapons program.

One reason for this lack of success appears to be the absence of strategic coordination between the United States and Japan, on the one hand, and China and South Korea on the other. This divergence has enabled North Korea to blunt the effectiveness of US and Japanese economic sanctions by allowing it to accept the economic benefits of Chinese and South Korean economic inducements.

### ***Vacillation Between Containment and Engagement***

Further eroding the effectiveness of an “economic containment” strategy has been the vacillation in US strategy toward North Korea. During the Clinton Administration between 1993 and 2000, the US government vacillated between economic inducements (the phasing out of sanctions, the supplying of heavy fuel oil [HFO] and building of two light water nuclear reactors [LWR]) and the retention of sanctions, and withdrawal (as demanded by a Republican Congressional majority) of funding for the LWR project.

The Bush Administration’s record between 2001 and 2008 is less impressive. This administration initially reverted to “economic containment.” It withheld humanitarian aid, halted financial support for food monitors in North Korea and by 2005 ended the decade long US Army effort to recover the remains of US military personnel who had died in North Korea during the Korean War. All the while the Bush Administration openly criticized South Korea for its “economic engagement” of North Korea and pressed Japan to lead an international effort at the United Nations in October 2006 to impose more sanctions on North Korea.

Additionally the United States launched the “Proliferation Security Initiative (PSI).” Its announced purpose was to prevent international trade in nuclear contraband, but in reality it concentrated on disrupting North Korea’s export of arms and alleged distribution of illegal narcotics and counterfeit goods. To buttress the effort, the US Department of Treasury began to seize North Korean financial assets in international banks claiming that these funds had been earned through illegal activities. Most notable was the US seizure of North Korean funds in Banco Delta Alfa, a bank in the Chinese port of Macau.

Abruptly at the start of 2007, the United States shifted away from “economic containment” to economic inducements. PSI was de-emphasized, funds at the Banco Delta Alfa were “unfrozen” after intense effort and the US Treasury Department silenced its campaign alleging that North Korea was the source of much internationally illegal contraband.

The United States then stunned Japan at the beginning of 2008 by indicating to North Korea it would be dropped from the US terrorism list and a half century of TWEA sanctions would end if Pyongyang filed a complete and verifiable declaration of its nuclear materials and programs with China, host of the Six Party Talks. When North Korea in July 2008 rejected US demands that it submit to “international standards” for verification of its nuclear declaration, President Bush declared in August a suspension of economic inducements by retaining North Korea on the U.S. terrorism list and continuing the TWEA sanctions.

Meanwhile, South Korea under its newly elected President Lee Myung-bak also began to vacillate between economic containment and engagement of North Korea. All that Lee's vacillation accomplished was to allow North Korea to pick and chose its options regarding economic inducements and disincentives. After his February 2008 inauguration, Lee set preconditions for North Korea's receipt of South Korean food aid. North Korea ignored Lee's demands because at the same time it was able to accept the United States' offer of 500,000 tons of food aid. Similarly North Korea unilaterally shut down its once decade long lucrative deal with South Korea that had earned Pyongyang much hard currency by allowing South Koreans to tour North Korea's Diamond Mountain resort area. The negative economic impact of North Korea's choices was minimized by China's growing investment in and trade with North Korea.

### ***The Failure of Economic Strategies***

The sum results of nearly half a century of economic containment and engagement are not impressive. Economic sanctions have prevented North Korea from prospering economically, but at the same time it has survived. It has achieved this through adaptation and exploitation. When its primary champion the Soviet Union collapsed, North Korea survived by engaging the United States in economically beneficial negotiations, relying on extensive humanitarian assistance from the international community and pressing its people to work harder and endure hunger, cold and sickness. All the while North Korea's government told the North Korean people that their suffering was a consequence of US economic sanctions, not the failed policies of the nation's socialist economic system.

By 2000, North Korea was recovering from the Soviet Union's collapse. It succeeded in repairing its relations with China and Russia. South and North Korea embraced one another in economic cooperation and political reconciliation. North Korea had also expanded its diplomatic ties in Europe, Southeast Asia and South America.

But just as the situation began to improve for North Korea, the Bush Administration reverted to the Cold War strategy of "containment," the diplomatic and economic isolation of North Korea aimed at compelling it to submit to Washington's demands that it end its nuclear weapons programs. North Korea rejected the Bush Administration's pressure, rejected its international commitments under the Treaty on the Non-proliferation of Nuclear Weapons (NPT) and reactivated its nuclear weapons program. Once again the leadership in Pyongyang commanded the North Korean people to endure hardship because of the alleged "imperialists" (United States and Japan) efforts to "strangle" North Korea.

The bottom line is that half a century of economic sanctions and inducements, for a variety of reasons, have failed to achieve North Korea's nuclear disarmament. Obviously a more effective strategy is needed to achieve this goal.

### ***North Korea's Perception of the Nuclear "Problem"***

Pyongyang's perception of the nuclear "problem" is radically different from that of the international community. From Washington, Tokyo, Seoul and elsewhere, North Korea's pursuit of a nuclear "deterrent capability" is seen as a global and regional

threat. Globally, North Korea's nuclear program is viewed as a potent threat to the international community's efforts to halt nuclear weapons proliferation. In Northeast Asia, North Korea's nuclear ambitions are considered a threat to regional peace and stability as well as each concerned nations' national security and economic prosperity.

Pyongyang sees the situation very differently. For it, acquisition of a nuclear weapons capability is a solution, not a problem, to its foremost national defense concerns. North Korean leader Kim Jong Il and his generals view possession of nuclear weapons as the best guarantee of national survival. As he and his father repeatedly declared, national survival and Korea's unification require that they defend the "homeland" against the "hostile policy" of the "imperialists," i.e. the United States and Japan.

### ***The Problem According to Juche***

Unlike the democratic societies of the United States, Japan and South Korea, consistency of foreign policy priorities, strategy and tactics is readily achieved in an authoritarian society like North Korea. Consistency is sustained by the propagation of a single political ideology – *Juche*. Too often it has been dismissed as a mere re-interpretation of Marxism-Leninism. Careful analysis of *Juche* clearly establishes it as a distinct ideology of pervasive and continuing importance in North Korea.

North Korea's founder Kim Il Sung enshrined in *Juche* as one of his nation's foremost priorities the nation's defense against "imperialism" using a "self reliant defense." Kim's son and successor Kim Jong Il, when composing his thesis entitled *On the Juche Idea* (1982), identified "self-reliance in defense" as "a fundamental principle of an independent state ...," and he continued,

Imperialism is a constant cause of war, and the main force of aggression and war today is US imperialism." To this he added, that national "...reunification ... is a question of putting an end to the foreign domination and intervention in south Korea, establishing national sovereignty throughout the country, linking again the blood ties of the divided nation, and realizing unity as one nation.

In other words, for both North Korea's founder and current ruler, "self reliant defense" against "imperialism" is an all encompassing concept that includes the nation's foremost goal, reunification and not just national or regime survival.

According to *Juche*, the greatest impediments to national defense and reunification are "flunkeyism" and "imperialism" of the United States and Japan. "Flunkeyism" refers to South Korea's alleged reliance for its national survival on the "imperialist" United States and Japan. Kim Jong Il in 1982 defined it as originating with "bigoted nationalists and bogus Marxists." In essence it means, "an attitude peculiar to slaves serving and worshipping big powers and developed countries, ..." The worst form of flunkeyism, according to Kim Jong Il, is "servility to US imperialism." For example, the perceived "flunkeyism" of South Korea's previous rulers (Park Chung-hee and Chun Doo-hwan in particular) and incumbent President Lee Myung-bak has garnered them Pyongyang's wrath and labeling as a "charlatan" and "traitor."

Juche for more than a half century has labeled US policy toward North Korea as “hostile.” North Korea accented this view at the very beginning of US-North Korea nuclear negotiations that began in New York in June 1993. On June 3, North Korea’s chief negotiator and First Vice Minister of Foreign Affairs Kang Sok-ju declared from a prepared statement,

Our decision to withdraw from the Nuclear Non-proliferation Treaty (NPT) is the consequential outcome of the policy pursued by the United States so far over the last four decades since the end of the Korea War, a *policy of hostility* against the Democratic People’s Republic of Korea. (Emphasis added.)

A decade later, Pyongyang’s Foreign Ministry spokesman echoed this sentiment,

As far as the nuclear issue on the Korean Peninsula is concerned, it cropped up as the U.S. has massively stockpiled nuclear weapons in South Korea and its vicinity and threatened the DPRK, a small country, with those weapons for nearly half a century, pursuing a *hostile policy* toward ...”

Again in 2004 North Korea’s chief delegate to the UN General Assembly, Vice Minister of Foreign Affairs Choe Su Hon, continued the same theme when he told the assembly, “the nuclear issue is the product of the deep-rooted *hostile policy* on (sic) the DPRK pursued by the United States for more than half a century.” A resolution of the nuclear issue, Choe proclaimed, would be achieved, “If the United States renounces practically its *hostile policy* on the DPRK including the cessation of nuclear threats, the DPRK also is willing to scrap its nuclear deterrent accordingly.”

For North Korea, therefore, the foremost national priority is to provide for the nation’s security and not merely its economic survival. For Pyongyang’s leadership, the solution must first ensure national security and only second sustain the national economy and provide for the people’s welfare.

### **Going in Circles**

Between 2001 and 2007, the incumbent Bush Administration dismissed North Korea’s claims of a “hostile policy” as mere rhetoric. Accordingly, it and its allies continued to perceive the solution to the nuclear problem on the Korean Peninsula to be one of either economic sanctions or inducements. While South Korea persisted between 2001 and 2008 to accent economic inducements, the United States emphasized economic sanctions. Japan likewise went from accenting inducements under Prime Minister Koizumi (his September 2002 summit with Kim Jong Il in Pyongyang) to economic sanctions under Prime Minister Abe. Neither sanctions nor inducements have achieved sustainable results.

Not until 2007 did the United States finally recognized the significance of North Korea’s concerns regarding the US “hostile policy” toward it. US chief negotiator to the Six Party Talks met with his North Korean counterpart Kim Gye Kwan in January 2007 to formulate a new approach to ending the second Korean nuclear crisis.

Hill reportedly promised to take steps that could demonstrate to North Korea the discontinuation of the United States' "hostile policy" toward the DPRK. Hill began by struggling to unfreeze North Korea's fiscal assets at Banco Delta Alpha in Macao. The endeavor proved far more complicated and time consuming than anyone could have imagined. But then Hill apparently promised North Korea that the US would drop it from the US terrorism list and end the TWEA sanctions once North Korea had filed a "complete and verifiable" declaration of its nuclear programs and materials. US economic inducements seemed to have won Pyongyang's cooperation. But then both sides failed to deliver on their promises and the situation promptly resumed its prior posture.

### ***What Has Achieved Results?***

A review of historical precedent suggests that whenever the United States has taken steps perceived in Pyongyang as a fundamental reversal of its "hostile policy," North Korea has responded positively and concretely. This first became evident in 1991 when former President Bush addressed the United Nations General Assembly on September 27. He said:

Last year, I cancelled U.S. plans to modernize our group-launched nuclear weapons ... I am, therefore, directing the United States to eliminate its entire worldwide inventory of ground launched short range – that is theater – nuclear weapons. We will bring home and destroy all our nuclear artillery shells and short-range ballistic missile warheads.

Soon after North Korean leader Kim Il Sung authorized talks with South Korea that led to the Joint South-North Declaration of the Denuclearization of the Korean Peninsula" signed at the end of 1991. President Bush in January 1992 then confirmed his South Korea counterpart Roh Dae-woo's statement that there were no nuclear weapons in South Korea. North Korea followed by ratifying its long anticipated nuclear safeguards agreement with the International Atomic Energy Agency. Alas this progress collapsed in the fall of 1992 because of North Korea's refusal to allow the IAEA to take steps to verify its declaration of how much plutonium it had previously produced.

After two years of tension and intense negotiations, North Korea signed the "Agreed Framework" with the United States. The significance of this document is that it combined national security, diplomatic and economic inducements into a single package designed to phase out North Korea's nuclear program while phasing in normal diplomatic and commercial US-DPRK relations. Vital elements of the agreement included the US pledge to discontinue its large annual joint military exercises with South Korea and to phase out economic sanctions.

By the summer of 1996, in a separate agreement with the US Department of Defense, the United States began joint US Army-Korean People's Army (KPA) recovery operations to recover the remains of some 8,000 US military personnel who died and were left behind in North Korea during the Korean War. These joint operations placed increasing numbers of US military personnel in North Korea from April to October every year until 2005. North Korea considered the presence of US military

personnel working in its territory with the Korean People's Army (KPA) to be an informal but effective guarantee that the United States would not the safety of its personnel by attacking it.

The agreement eventually collapsed in December 2002, because of multiple reasons. One decisive cause was President Bush's declaration of a "pre-emptive nuclear strike" doctrine against any nation he deemed a threat to the United States. He followed this one month later by pronouncing North Korea a member of the "axis of evil" against which he felt compelled to defend the United States with his doctrine of "pre-emptive strike."

In other words, the Korean Peninsula Energy Development Organization's (KEDO) discontinuation of its supply of HFO and halting of the LWR project alone did not convince North Korea to break with the Agreed Framework, to expel IAEA inspectors and to withdraw from the NPT. More likely North Korea took these drastic steps because it perceived the United States reinforcing its "hostile policy" toward it. Subsequently, marginal progress in the Six Party Talks stumbled along until 2007 when the United States finally took steps to convince North Korea that it would eventually phase out its "hostile policy."

Conversely, North Korea became willing to move away from pursuing a nuclear weapons capability only after former President Bush in 1991 initiated the withdrawal of US tactical nuclear weapons from the Korean Peninsula, the Clinton Administration formulated an agreement that took steps to address North Korea's concerns about national defense, and in 2007 the latter Bush Administration promised to phase out its "hostile policy" by ending its designation of North Korea as a "terrorist" nation.

### ***Conclusion***

Success and failure are superlative teachers. Unfortunately, for too long, history has been ignored except in North Korea. From the past record of US-North Korea dealings we can learn what strategy and tactics have been most effective in nudging North Korea toward our desired goals. This is obviously much easier said than done. A formidable problem in this regard is the continuing political dueling in the USA, Japan and South Korea over whether to rely on economic containment or engagement, sanctions or inducements.

Ultimately this debate could prove futile because it does not address North Korea priorities. These are not just regime survival but national defense. Its quest for economic prosperity and concern about its population's basic human needs are of secondary importance to North Korea's leadership. Kim Jong Il made this obvious in 1998 when he reiterated his doctrine of "military first politics" (*songun chongji*), a doctrine he defined in his 1982 thesis *On the Juche Idea*. This doctrine recognizes the reality that North Korea's most potent political force and decisive group of policy makers are Kim's generals.

A more effective strategy for dealing with North Korea would thus appear to require:

1. a recognition in Washington, Tokyo and Seoul that Pyongyang seeks an end to what it calls the "hostile policy" of the United States, and

2. Trilateral coordination and cooperation between Washington, Tokyo and Seoul regarding how to deal with North Korea.

Otherwise, North Korea will soon become a *de facto* nuclear power. Then the price of ending its nuclear ambitions could literally sky rocket. At the same time, we must anticipate the possibility that once North Korea's generals have wed a nuclear warhead to a ballistic missile they could refuse to dismantle their "nuclear deterrent capability" regardless of what is offered them.

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