

# GAMING NORTH KOREA

## ABOUT

The Chinese have long been obsessed with strategic culture, power balances and geopolitical shifts. Academic institutions, think tanks, journals and web-based debate are growing in number and quality and give China's foreign policy breadth and depth.

China Analysis, which is published in both French and English, introduces European audiences to these debates inside China's expert and think-tank world and helps the European policy community understand how China's leadership thinks about domestic and foreign policy issues. While freedom of expression and information remain restricted in China's media, these published sources and debates provide an important way of understanding emerging trends within China.

Each issue of China Analysis focuses on a specific theme and draws mainly on Chinese mainland sources. However, it also monitors content in Chinese-language publications from Hong Kong and Taiwan, which occasionally include news and analysis that is not published in the mainland and reflects the diversity of Chinese thinking.

The French version of China Analysis can be accessed online at [www.centreasia.eu](http://www.centreasia.eu).

### Introduction by François Godement

This issue of *China Analysis* reveals the stunning contradictions in Chinese experts' views of North Korea. Once upon a time, North Korea was openly seen as a bulwark or buffer state, and, more often than not, China played the role of a defense attorney in the Six-Party Talks, which have been on hold since 2010. However, this defensive approach co-existed with Chinese contempt for an outdated North Korean socialist autocracy, which reminded them of the worst of their own past, and with China's huge commercial and human exchanges with South Korea. Chinese officials always underlined the limits of their influence on North Korean decision-making, but they seemed to draw no consequences from it. But in 2010-2011, China drew much closer to North Korea, vastly increasing its economic influence as the DPRK was increasingly sanctioned at the UN. Chinese leaders seemed to give their blessing to Kim Jong-il's coming succession.

However, a new game is now beginning. North Korea is increasingly – and infuriatingly – independent from China. Not only has it twice tested the bomb and launched another ballistic missile in April 2012, it has also boldly detained Chinese fishermen in the Yellow Sea – reversing the game that China itself plays with its neighbours. In another surprising catch, a Chinese mining company accused the North Korean administration of violating contracts and ignoring investors' rights.

Viewed from Pyongyang, however, the situation may look completely different. After all, how can Beijing deny Pyongyang the right to nuclear deterrence that China itself acquired against the United States from the 1950s onwards? Why shouldn't North Korea assert its maritime claims, if necessary by creating diplomatic incidents, when China is doing just that itself? In spite of a fierce attachment to a nuclear and ballistic policy designed to enhance sovereignty and respect, North Korea's nationalism extends to suspicion of Chinese hegemony. In fact, less than two months after April's aborted satellite launch by Pyongyang, Washington has quietly resumed overtures to North Korea. The example of Burma, brought out of isolation by its fear of overreliance on China, is in everybody's minds.

Our sources in this issue of *China Analysis* show a lively debate on North Korea in the region. Shi Yin hong, a sceptical realist, describes the trap that China is walking into by antagonising maritime Asia and shows how Beijing's open-ended support for Pyongyang will backfire. But several analysts also coldly dissect the weaknesses of the North Korean regime and present friendly advice to the young and inexperienced Kim Jong-un: embrace globalisation, emulate other socialist transitions, and compromise between party factions. Their description of North Korea's economic predicaments reads like a handbook on China's own experience of reform.

Yet China is not giving up on the regime. On the contrary, it wants it to change, but only so it stays in power. Our analysts describe with realism the contradictions between Seoul and Washington, who never seem to be on the same wavelength. Ironically, they are critical of Seoul's hypocrisy over the North Korean refugee issue, since it asks a lot from China but does not want to take in more than a trickle of refugees itself. Beijing seems to have closed the book on Lee Myung-bak and is instead waiting for a more flexible successor to be elected at the end of 2012. While it is openly critical of the North Korean "military first" policy that has bled the economy, China blames the US for creating regional and regime insecurity. In an interesting twist, a security analyst proposes to help North Korea patrol the internet – an area, of course, in which Beijing has world-class expertise.

What could be Pyongyang's motivation to follow China's advice on reform and opening up? It could only be to escape Beijing's clutch and to balance between China and other relationships it has. The paradox is that China can feel secure about its ties with a weak and isolated North Korea, but would find it much harder to establish relations of trust with a reformed regime – let alone with a transition or a reunified country. Furthermore, its partial hold over an unpredictable regime serves as leverage for its relations with South Korea, which must consider the need to avoid alienating China. Thus a conservative South Korean president, wed in principle to the alliance with the US, has not hesitated to fan territorial issues just as China was also stepping up the pressure on Tokyo.

The game is on in North-east Asia. Suddenly, nuclear proliferation – Europe's key concern in the Korean peninsula – appears to be just a small corner of the overall picture.

## 1. Beijing's message to Pyongyang

by François Godement

Sources:

Chu Shulong, "China and strategic developments in North-East Asia", *Xiandai Guoji Guanxi*, No. 1, 2012, pp. 20-21<sup>1</sup>.

Liu Xinghua, "The political situation in North Korea and China's North-East Asia strategy", *Xiandai Guoji Guanxi*, No. 1, 2012, pp. 18-20<sup>2</sup>.

Shi Yinhong, "US power and influence in North-East Asia. The windfall effects", *Xiandai Guoji Guanxi*, No. 1, 2012, pp. 10-12<sup>3</sup>.

Wu Zhicheng, "A rational analysis of recent changes in the situation in North-East Asia", *Xiandai Guoji Guanxi*, No. 1, 2012, pp. 12-14<sup>4</sup>.

Liu Jiangyong, "Changes on the Korean peninsula after Kim Jong-un's rise to power", *Waijiao Jikan*, 13 July 2012<sup>5</sup>.

Beijing is taking the opportunity presented by Kim Jong-il's succession to recalibrate its policy on the Korean peninsula. In these contributions to a China Institutes for Contemporary International Relations (CICIR) debate on the Korean peninsula, as well as in a recent analysis by Liu Jiangyong, strategy experts are sending strong signals of a change in direction. These messages are directed above all at the North Korean leaders.

The writers all criticise China's policy in northeast Asia – some discreetly, some less so. Chu Shulong, one of the more subtle, says that although China's policy in the region may not be flawless, it at least tries to reconcile protecting North Korea and preserving peace in Northeast Asia. Shi Yinhong is more openly critical, saying that the United States, even though it had no new strategic plan, has been able to capitalise on China's mistakes to make gains in the region. Shi says that China has been trapped since the early 1990s by its own border claims. It has used a weak, passive strategy against the sophisticated American chess game of policy and diplomatic relations, when it should have been able to take advantage of the continued decline of US economic and trade influence.

<sup>1</sup> Chu Shulong is the deputy director of the Institute of International Strategic and Development Studies at Tsinghua University in Beijing, China.

<sup>2</sup> Liu Xinghua is assistant professor at Zhou Enlai School of Government, Nankai University in Tianjin, China.

<sup>3</sup> Shi Yinhong is professor of International Relations at Renmin University of China.

<sup>4</sup> Wu Zhicheng is professor of International Relations at Zhou Enlai School of Government, Nankai University in Tianjin, China.

<sup>5</sup> Liu is a veteran of CICIR who is today a professor at the Institute of International Studies at Tsinghua University.

Shi sees the case of Japan as a key indicator of China's failures. Seven months after taking office, US President Barack Obama faced a highly unusual political upheaval when the Democratic Party and Yukio Hatoyama replaced the Democratic Liberal Party in government. Hatoyama as prime minister then announced Japan's withdrawal from Afghanistan, called for US marines to leave Okinawa<sup>6</sup>, and raised the idea of an Asian Community that would not necessarily include the US. After a few months of apparent flexibility, the Obama administration forced Japan to abandon these "romantic" foreign policy notions (浪漫, *langman*) and stick to its commitments on Okinawa.

Meanwhile, China's response to Hatoyama on the Asian Community was "cold and indifferent" (冷淡, *lengdan*). After Hatoyama stepped down, China revived the question of the disputed Diaoyu (Senkaku) Islands. This gave Obama a perfect opportunity to win over the Japanese Democratic Party and strengthen military ties with South Korea. The two North Korean attacks in 2010 (Cheonan and Yeonpyeong) also played into his hands<sup>7</sup>. In the end, South Korea abandoned its "sunshine policy" towards the North and became totally dependent on its military alliance with the US. The two sides have drawn up joint plans for the reunification of the country.

Shi says the Chinese leaders make a strategic error in believing that Japan is in decline; the Japanese leaders themselves argue in terms of a shared leadership with the US. He talks about the absence of high-level strategic dialogue since the recognition of Seoul in 1982. And he cites the mistakes made by China, such as its refusal to make any statement after the murder of the captain of a South Korean ship by Chinese fishermen, on December 10<sup>th</sup>, 2011. He talks about the Obama administration's determined outreach to Mongolia. And he notes the concern and anxiety of South-East Asian countries such as Burma about China's rise and about its increasing capacity to apply pressure to further its interests. China's expanding mid- to long-range naval forces and its "maritime activities" (海军活动, *haijun huodong*) are causing territorial frictions right across the China Sea. This has increased Washington's influence and strengthened its position. Shi thinks China's foreign policy needs to be changed, and calls for a new debate on the subject.

No other political analyst is quite so radical – but it is interesting that Shi's views are presented at all. What he has in common with the other experts, even if unevenly stated, is a genuine interrogation of whether Kim Jong-un and the North Korean Workers' Party can hold onto power going forward. The writers ignore the principle of non-interference in North Korea's internal affairs in order to look in detail at evidence that would never have been discussed in

<sup>6</sup> This is an exaggeration, as Hatoyama merely reopened negotiations about the marines remaining there that had theoretically been concluded.

<sup>7</sup> China has never acknowledged that the corvette Cheonan was sunk by a North Korean torpedo and has blocked any condemnation of Pyongyang at the UN.

the days of Kim Il-sung or Kim Jong-il. They paint a picture of Kim Jong-un as a young and inexperienced individual, with no previous alliances within the party, the government or the army. But they also describe him as a European-educated man who is both open and pragmatic. He is facing very serious challenges, both externally and internally. He must win over “public opinion” through tangible economic results, particularly in terms of providing food and energy. And he also has to somehow deal with the various factions in the administration. The army and the party disagree on reform. The army, which has built up its economic power base thanks to Western encirclement, represents an obstacle to economic reform. According to Liu Xinghua, Kim Jong-un’s top priority is therefore to reorganise the military-industrial complex through downsizing.

However, it would be premature to immediately dismantle the policy of *songun* (“military-first”; in Chinese, 先军, *xianqun*).

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Kim Jong-un must consolidate his grip on power by getting support from the bloc of ageing leaders, which excludes

any break with the Kim Jong-il era in the short term. Moreover, *songun* was conceived as a response to sanctions and international isolation. This situation must be resolved before any change in policy direction is made. The writers emphasise the changes necessitated by economic globalisation – North Korea must be willing to follow the example of other socialist economies.

None of the writers exempt North Korea from blame for the difficulties it faces in its regional and global environment. Its nuclear policy has been unhelpful, as were the Cheonan and Yeonpyeong incidents, which stalled progress towards reconciliation and caused Lee Myung-bak’s government to adopt a hardline stance. Chu Shulong points out, as do others, that Pyongyang cannot continue to seek nuclear weapons without provoking an even greater crisis and forcing the country into complete isolation. He also says that it is difficult for South Korea, Japan, and the US to revive the Six-Party Talks in the absence of any concessions from North Korea.

Chu draws a parallel between the strategies of the US and Japan, both of which are hostile towards North Korea and towards China. Liu Jiangyong compares the current state of relations under Lee Myung-bak to the post-1993 period, when Kim Young-sam was the South Korean leader. The tensions of that time were eased after Kim Dae-jung came to power in 1998. Liu suggests that the South Korean presidential elections at the end of 2012 could have a similar effect. Liu says that the US policy of containment is contributing to the militarisation of North Korea. If things

continue as they are, Kim Jong-un will need at least five to ten years in power, as well as a significant improvement in the international situation, before *songun* can be discarded. On the other hand, US and South Korean policies have often been out of step with one another. Liu is only exaggerating a little in saying that from 1993 to 2000, the Clinton administration was in favour of the “sunshine policy”, but it was blocked by Kim Young-sam. Then, from 2000 to 2008, when Kim Dae-jung favoured opening up, the Bush administration prevented it. In 2008, Obama returned to the policy of opening up, only to see Lee Myung-bak oppose it...

All in all, US policy is made up of a mix of sanctions and engagement with North Korea. But the US also has a commercial interest because of its involvement in the arms trade. South Korea has become its third most important client and purchased twice as many arms as Japan in 2009. Liu insinuates that whenever South Korea slows its procurement, the US takes a harder line on North Korea’s nuclear policy. The same thing occurs, he says, with Taiwan.

Liu thinks Kim Jong-un is willing to adopt a policy of openness. He sees the visit to Pyongyang of a French orchestra’s South Korean conductor in March 2012 as evidence that “North Korea has forged links with Europe.” The North Korean leader must try to obtain concessions from the Democrat administration in Washington before the US presidential election in November 2012. However, Liu is not optimistic about the future of the relationship. If both US and South Korea adopted a policy of openness, it could allow for a return to the 1994 agreement. But this agreement was made at the very start of the attempt to verify North Korea’s nuclear programme, and the programme has developed significantly in the years since then. Chu Shulong gives the pithy assessment: “do not expect major changes in the Korean peninsula.”

One thing that is new is the outspokenness of the Chinese analysts in talking about the trials that lie ahead for a very young leader. They emphasise the difficulties of economic reform, no matter how inevitable it is in the long run. Shi Yinhong is the only analyst who talks about the relationship between the situation on the Korean peninsula and China’s increasingly hardline policy towards its maritime neighbours in the Asia Pacific. Chu Shulong says it would be useful if China could bring Russia, “our largest neighbour”, into the Korean peninsula processes. Liu Xinghua talks about China-North Korea cooperation to protect the North Korean internet from outside infiltration in order to avoid the threat of change “from below” that was successfully introduced by the US into the Arab world. In short, while these Chinese analysts may stress the need for reform in North Korea, they see change as necessary in order to save the country rather than to promote reunification.

## 2. Failure to launch: the North Korean satellite test and China's influence on the Korean peninsula

by Antoine Bondaz

Sources:

Shen Dingli, Zhang Liangui, and Liu Jianguyong, "The launch of the North Korean satellite: a technical error but a political success", *Dongfang Zaobao*, 14 April 2012<sup>8</sup>.

Zhang Liangui, Xu Baokang, and Yu Meihua, "Temperature remains at fever pitch. Where is the Korean peninsula heading?", *Shijie Zhishi*, No. 2, 2012<sup>9</sup>.

On 16 March 2012, North Korea announced its intention to put the meteorological satellite Kwangmyŏngsŏng-3 into orbit. On the morning of 13 April 2012, the satellite launcher, Unha-3, took off from Sohae in the northwest of the country. It disintegrated in full flight, just 90 seconds after launch<sup>10</sup>. Western governments condemned the launch as an effort by North Korea to get around the ban on long-range missile testing. This article presents the opinions of five Chinese experts on the failure of the North Korean satellite launch.

The Chinese writers make a clear pitch for greater political pragmatism. Zhang Liangui thinks China must stop being passive and take on its responsibilities as a major world power. Liu Jianguyong talks about political succession, the progress of the missile programme, and the effectiveness of international sanctions. But the real heart of the debate is the dynamics of China-North Korea relations. China's room for manoeuvre is limited, since, as Xu Baokang says, Pyongyang is determined to avoid entering into a subservient relationship (侍大主义, *shida zhuyi*). Yu Meihua thinks managing the North Korean crisis is a test for Chinese diplomacy in the face of the United States' new regional strategy and Washington's refusal to give security guarantees to Pyongyang.

### Reactions to the launch failure

The writers in *Dongfang Zaobao* offer three different views on the satellite launch failure. Zhang Liangui says

<sup>8</sup> Shen Dingli is executive director of the Institute of International Studies and Director of the Centre for American Studies, Fudan University. Zhang Liangui is a leading expert on North Korea. He is professor at the Central Party School and a member of its International Institute for Strategic Studies. Liu Jianguyong is professor of International Relations at the Institute of International Studies, Tsinghua University.

<sup>9</sup> Xu Baokang is editor-in-chief of the North Korean edition of the *People's Daily*. Yu Meihua is director of the Centre for Peace Studies on the Korean Peninsula at the China Reform Forum (中国改革开放论坛朝鲜半岛和平研究中心, *zhongguo gaige kaifang luntan chaoxian bandao heping yanjiu zhongxin*), specialising on the North Korean nuclear issue.

<sup>10</sup> The Unha-3 rocket is thought to be a modified version of the Taepodong-2 long-range ballistic missile. Both tests of the earlier missile, in 2006 and 2009, were condemned by the UNSC.

the launch failed because it was too rushed. The North Korean leadership should be more careful in future about announcing new missile or nuclear tests. But the test had to be made. Atomic weapons are considered part of the revolutionary legacy (革命遗产, *geming yichan*) of Kim Jong-il, so a new nuclear test was needed to confirm the legitimacy of his son, Kim Jong-un. Besides, the 2006 and 2009 tests were not sufficient to help North Korea create nuclear weapons, especially if it plans to miniaturise them.

The three writers all say that this test is evidence of a new way of operating by the North Korean authorities. Where previous tests took place in secret, Kim Jong-un announced the launch of the North Korean satellite a month in advance. And North Korea gave notice to the International Maritime Organization about the East China Sea exclusion zone where debris was likely to fall. The authorities even invited the media and some foreign experts to observe the launch. This shows a new transparency in North Korea, a major change in direction that should be recognised and encouraged by the international community and that China must support. Liu Jianguyong sees signs of the possible normalisation of North Korea's "abnormal" foreign policy.

Shen Dingli says North Korea's launch was justified, since it has the right to use space for civilian purposes. The UN Security Council's Resolution 1718 (2006) was aimed at preventing North Korea from developing the capability to launch missiles. So it could be circumvented if North Korea, for example, authorised China to launch North Korean satellites. However, Zhang Liangui criticises this idea as naive in his article in *Shijie Zhishi*, saying that certain academics do not understand the North Korea issue. Even though it technically failed, Shen sees the launch as a political victory. He thinks it will help North Korea to develop its missile programme. Liu Jianguyong says the test was not a complete failure, because important data was recovered. The satellite could not be put into orbit, but the launcher is only at the trial stage.

China is participating in the international sanctions against North Korea. Zhang Liangui thinks the sanctions are useful and effective. They make it more difficult for North Korea to acquire technology and financial backing for the missile programme. But their power should not be overestimated. Despite the collapse of its purchasing power, North Korea can still acquire sensitive material through underground networks (地下走私网, *dixia zousi wang*). Liu says the continued technical failures are slowing down the nuclear programme, because North Korea has to stop the programme each time to find out the reasons for the failures. So, any new economic sanctions would be pointless. They would also be unacceptable to Beijing, because of the effect they would have on China as North Korea's main economic partner. This is why China does not openly oppose North Korea's tests. China did not block the UN Security Council's presidential declaration of 16 April 2012 condemning the North Korean launch. But unlike a resolution, the

UN's declaration has no legal standing and is not binding. So, there are no new sanctions in the pipeline that could end Pyongyang's programme.

### Increased tensions on the Korean peninsula

The articles in *Shijie Zhishi* are particularly concerned with the increase in tensions between the two Koreas. Kim Jong-il's death has not made the situation on the peninsula any better. Optimism has been fleeting (乐观的局面转瞬即逝, *leguan de jumian zhuanshun jishi*), and the hopes for change when Kim Jong-un took over the reins of power have dissipated. Even in the face of relative regional stability, Yu Meihua says that inter-Korean relations have become markedly worse. Xu Baokang alludes to "the unlikelihood of a large-scale war" but suggests that "a small-scale war will be difficult to avoid".

The two Koreas are already locked in a war of words (口水战, *koushui zhan*). North Korea has threatened to eradicate (铲除, *chanchu*) the South Korean

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government of Lee Myung-bak<sup>11</sup>. North Korea announced on 6 May 2012 that it was reactivating its nuclear defence capability (自卫性核控制, *ziweixing he kongzhi*) and now talks about a crusade (圣战, *shengzhan*). South Korea has carried out new military exercises with its ally, the US. It has launched a military observation satellite into orbit and increased its budget allocation for the resettlement of North Korean refugees (脱北者, *tuobeizhe*). And it continues to carry out psychological warfare against the North (心理战, *xinli zhan*).

The writers think that inter-Korean relations are extremely poor and that local conflict is possible. Zhang says the two Koreas have conflicting objectives. South Korea did not immediately react to the North's provocations in 2010<sup>12</sup>. But later, it responded by replacing Defence Minister Kim Tae-young with the hawkish Kim Kwan-jin. And President Lee Myung-bak announced that, if North Korea attacked again, its military installations along the border would be destroyed using any means necessary. So, Zhang says, the South Korean government and military establishment are thinking about revenge (报仇的心思,

*baochou de xinsi*). President Lee wants to teach the North a lesson (一次教训, *yi ci jiaoxun*) before he leaves office at the end of 2012. Xu Baokang says that Lee's party, Saenuri, won the legislative elections in April 2012 because of the hard line taken by the Lee administration<sup>13</sup>. There is fault on both sides for the escalation of tensions and the heightened risk of conflict.

On the difficult issue of reunification, Yu Meihua says neither North Korea nor South Korea wants reunification on equal terms. Instead, each side wants to absorb the other. North Korea wants to follow Vietnam's example of reunification, where the Communist country took over its rival. South Korea would prefer to look to Germany, where the liberal country absorbed its communist neighbour.

These regional tensions are allowing Kim Jong-un in Pyongyang to consolidate his grip on power. Zhang says military confrontation is the quickest way for the new North Korean leader to show his calibre and assert his leadership. In the current situation, destabilising factors, whether external or internal, do not represent any danger to the administration. Although, Xu says, a "fortress is often destroyed from within", there are no indications that regime change is likely.

### A diplomatic triangle: Korea, China, and the US

The commentators in *Shijie Zhishi* talk about the "return" of the US in North-East Asia. Xu Baokang thinks that the US is using the North Korean issue as part of a plan to encircle China. This is a serious problem for China. It wants to achieve political ascendancy and to build a harmonious world, but the US is trying to prevent its rise. Yu Meihua thinks that the US cannot at the same time increase its regional influence (拓展, *tuozhan*), set up a strategic dialogue in which everyone involved can have full confidence, and continue to put pressure (挤压, *jiya*) on China.

Zhang says that Washington is clearly weighing the possibility of surgical strikes against North Korean nuclear installations. Robert Gates, the former US Defense Secretary, has said that long-range North Korean missiles could threaten the US within five years, and that a solution must be found before that happens. Meanwhile, the US is developing closer ties with its Japanese and South Korean allies. Yu says China and North Korea will have to take steps to counter US activity, which will exacerbate tensions between the major powers in the peninsula.

<sup>11</sup> In a communiqué of 23 April 2012, the North Korean government called for the eradication of the government of South Korea. It said that President Lee had shown himself to be "disrespectful" towards the people of the North and towards the regime's founder during the celebrations marking the 100th anniversary of Kim Il-sung's birth on 15 April.

<sup>12</sup> On 26 March 2010, the South Korean corvette Cheonan was torpedoed by a North Korean minisub, causing the death of 46 seamen. Nine other people, including an anti-mine diver, died in the rescue operations, according to the results of an international inquiry called by South Korea. On 23 November 2010, the South Korean army engaged in an artillery exercise off Yeonpyeong Island. The North Korean army, saying this exercise was within its territorial waters, responded by bombing the island, killing four people (two military personnel and two civilians).

<sup>13</sup> Saenuri, also called New Frontier, is the new name for the Grand National Party, South Korea's main conservative party. It is descended from the Republican Democratic Party of Park Chung-hee, whose daughter, Park Geun-hye, is now at the helm of the GNP. The conservative party won the Presidential elections in December 2007 against the Democratic Party. After its defeat in the 2010 local elections and the municipal election in Seoul in 2011, the party won 43% of the votes in April 2012, representing 152 of the 300 seats, compared with 37% for the Democratic Party.

All the writers recognise that the nature of the alliance between China and North Korea is not the same as that of the US and South Korea. South Korea depends heavily on Washington and cannot act without its consent, as shown by the fact that the US has command of the alliance's combined forces until 2015. North Korea, on the other hand, wants Beijing's unconditional support (无条件地支持, *wutiaojian de zhichi*). This, Zhang and Xu say, limits China's room for manoeuvre. North Korea is opposed to any subordinate role (侍大主义, *shida zhuyi*) in its relationship with its powerful neighbour. Throughout the administrations of Kim Il-sung, Kim Jong-il, and Kim Jong-un, the concept of *juche* (in Chinese: 主体思想, *zhuti sixiang*) has been one consistent guiding thread. The idea says that North Korea must maintain political independence at all costs. So, North Korean attitudes towards China are ambiguous. It is rumoured that North Korea gave the US advance notice of its satellite launch project as early as 15 December 2011 – that is, before the death of Kim Jong-il. But the launch was kept secret from China, showing the limits of Chinese influence. Zhang says that it is “outmoded” and “naive” to think that China can improve the situation on the peninsula by itself.

Shen Dingli writes in *Dongfang Zaobao* that American attempts to trade economic assistance for an end to North Korea's nuclear programme are unlikely to succeed. Yu Meihua agrees that economic aid in exchange for nuclear disarmament (经援换弃核, *jingyuan huan qihe*) would most likely be ineffective. But she thinks that giving Pyongyang security guarantees in return for disarmament (安全换弃核, *anquan huan qihe*) is both possible and also a good idea. Shen thinks these guarantees could include the US recognising the North Korean state and signing a new peace treaty to replace the Panmunjom Armistice<sup>14</sup>.

Zhang Liangui disagrees. He thinks denuclearisation of the peninsula is an unrealistic vision, even if China were to offer nuclear protection to its North Korean neighbour, and even discussing the possibility of it is foolish (非常愚蠢, *feichang yuchun*). North Korea will never abandon its atomic weapons. They are indispensable to its becoming a strong and prosperous nation (强盛大国, *qiangsheng daguo*), which has been an official objective of the regime since 1998. The policies of appeasement and engagement are a futile waste of effort.

According to Yu Meihua, China should not be criticised for trying to protect North Korea, because the US is mostly to blame for the crisis on the peninsula. And Washington's non-proliferation policy is unjust, because it ignores the Israeli and Pakistani programmes while attacking the programmes of Iran and North Korea.

<sup>14</sup> The Panmunjom Armistice, called after the abandoned village on the inter-Korean border where the agreement was signed on 27 July 1953, ended the hostilities that had begun on 25 June 1950 with the North's attack on the South. This armistice was never signed, however, by South Korea's Syngman Rhee and is not a peace treaty. Only a peace treaty would put an official end to the Korean War.

## Future prospects for Beijing's North Korean policy

Of all the writers, Zhang Liangui is the most critical of Beijing's policy on North Korea. He says China is too “passive” towards its neighbour. China has become a country of real international importance, and it needs to engage in some proper strategic thinking (战略上的思考, *zhanlüe shang de sikao*). North Korea's nuclear weapons and test zones are too close to the border and so pose a direct threat to China's security space. China must do everything it can to prevent another test, which, if an accident were to occur, could potentially devastate north-eastern China. Yu Meihua disagrees, saying that China cannot use force against North Korea (不可能对朝鲜动武, *bu keneng dui chaoxian dongwu*). Any violence would create a lose-lose situation (两败俱伤, *liangbai jushang*) for South and North Korea as well as for the major regional powers. Yu also points out that China is categorically opposed to the use of force and continues to strongly support the North Korean regime<sup>15</sup>.

Xu asks whether, if a new nuclear test does take place, China will stick to its traditional policy or be more flexible, since too strong a reaction could destabilise the peninsula. China has a difficult choice to make. It can try to maintain balance between North and South Korea in its policy. Or, as Yu Meihua advocates, it can move closer to North Korea, so as to counter the “return” of the US to Asia. Yu says China should do more to support its neighbour through strengthening its economic development, which is concentrating at the moment on the development of light industry and agriculture. But she says that North Korea cannot succeed in rejuvenating its economy simply by adopting the Chinese model in its entirety. Reform in Vietnam began after unification, and North Korea has limited natural resources and financial and human capital, with few experts on liberalisation policies. A peace treaty has still not been signed and neither the US nor Japan recognise the country. And the nuclear question remains undecided. These factors make it a poor moment for any real liberalisation of the North Korean economy. As a result, the role that China can play is crucial, but limited.

<sup>15</sup> The meeting between Hu Jintao and Kim Yong Il (金永日, Jin Yongri) in Beijing on 23 April 2012 is evidence of this. Kim Yong Il was the North Korean Prime Minister between 2007 and June 2010 and is now Secretary of the Central Committee of the North Korean Workers' Party.

### 3. Chinese perspectives on North Korea's economic reform

by Nathan Beauchamp-Mustafaga

Sources:

Piao Yinzhe, Li Shenghua, and Yan Yingen, "A powerful impetus for North Korean economic reform: China-South Korea economic cooperation," *Jingji Wenti Tansuo*, No. 12, December 2011<sup>16</sup>.

Gong Yutao, "The current situation and trends of North Korea's economic reforms and its influence on the Korean Peninsula," *Yunnan Caijing Daxue Xuebao*, No. 151, May 2011<sup>17</sup>.

Zhu Liaoye and Xu Yonggen, "Analysis of prospects for economic reform in North Korea," *Liaodong Xueyuan Xuebao (Shehui Kexue Ban)*, Vol. 13, No. 5, October 2011<sup>18</sup>.

Zhang Huizhi, "Exploring the development model of the Democratic People's Republic of Korea," *Dongbeiyu Luntan*, No. 98, June 2011<sup>19</sup>.

Zhang Liangui, "Will North Korea have 'reform and opening'?" *Guoji Shiye*, May 2010<sup>20</sup>.

Cui Yan, "Analysis of the effects of North Korea's currency reform on China-North Korea trade," *Zhongguo Shangjie*, No. 2, February 2010<sup>21</sup>.

Since the first crisis in 1994, most of the world has been more concerned with North Korea's nuclear programme than with its economy. But Chinese experts watch their treaty partner and troublesome neighbour for any developments that could affect Chinese-North Korean relations, the Korean Peninsula, or the region of northeast Asia. They are particularly interested in the progress of economic reform in North Korea. Chinese commentators are mostly optimistic about the long-term prospects for economic reform in North Korea, with the help of improved international cooperation.

<sup>16</sup> The meeting between Hu Jintao and Kim Yong Il (金永日, Jin Yongri) in Beijing on 23 April 2012 is evidence of this. Kim Yong Il was the North Korean Prime Minister between 2007 and June 2010 and is now Secretary of the Central Committee of the North Korean Workers' Party.

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<sup>18</sup> Gong Yutao is a lecturer in the School of Marxism at Minzu University of China.

<sup>19</sup> Zhu Liaoye is a researcher in the Korean Studies Institute at the Jilin Academy of Social Sciences. Xu Yonggen is associate professor of Japanese at Changchun University.

<sup>20</sup> Zhang Huizhi is the associate dean of the Northeast Asian Studies Academy at Jilin University.

<sup>21</sup> Zhang Liangui is a professor of Korean studies at the Central Party School of the Communist Party of China Central Committee.

### Twenty-eight years of economic reform

Over the last three decades, the Democratic People's Republic of Korea (DPRK) has introduced several economic reforms, but they have largely been unsuccessful. Chinese commentators are more hopeful about the prospects for a series of new initiatives put in place since January 2010. Zhu Liaoye and Xu Yonggen say that the history of North Korean economic reform begins in 1984, with the introduction of the Joint Venture Law (合营法, *heyinying fa*), an early attempt to attract foreign investment<sup>22</sup>. Next came the creation of two Free Economic Trade Zones in 1991<sup>23</sup>. The zones failed to attract significant investment. Most writers think real reform began on 1 July 2002 ("7.1经济改革" or "7.1措施", 7.1 *jingji gaige* or 7.1 *cuoshi*). On that date, Kim Jong-il's government adopted a more liberal economic policy, allowing a degree of privatisation and some economic independence in agriculture and business. They also raised wages and adjusted prices.

The currency reform of December 2009 was officially intended to halt inflation and eliminate illegal black markets<sup>24</sup>. The reform gave North Koreans seven days to convert their old currency to the new currency at variable rates and in limited quantities<sup>25</sup>. But the reform set off unrest, and the government was forced to relax its strict limits and to provide compensation in the form of subsidies. Most commentators see the 2009 currency reform as a failed effort to curb inflation and to eliminate inequality and corruption. Cui Yan, though, thinks it was actually an attempt by the state to reassert control over the economy. He says that the reform's key aim was to "reclaim the private capital that was circulating in the markets and to monitor markets so as to bring the entire national economy back under the umbrella of the centrally planned economy."

The most recent wave of economic reform began in January 2010. In quick succession, North Korea announced the Ten-Year Strategy Plan for National Economic Development (2011-2020); created the Taepung International Investment Group and the State Development Bank; and elevated the Rason Economic and Trade Zone (罗先经济贸易区, *luoxian jingji maoyi qu*) to the new status of "special city" (特别市, *tebie shi*). These initiatives coincided with an unprecedented four visits by Kim Jong-il to China between May 2010 and August 2011. These events have generated a lot of debate in China on the prospects for economic reform, its possible development path, and the role that the international community should play in the process.

<sup>22</sup> Cui Yan earned a master's degree from Heilongjiang University.

<sup>23</sup> The 26-article Joint Venture Law was promulgated on 8 September 1984. It was modeled after China's 1979 Joint Venture Law and allowed foreign investment in North Korea for the first time.

<sup>24</sup> The two zones, Rajin-Sonbong and Chongjin, were located in northeast North Korea.

<sup>25</sup> There have been five currency reforms since the founding of the Democratic People's Republic of Korea: one in 1947; one in 1959; one in 1979; three in 1992; and most recently, one in 2009.

## Economic reform: prospects and roadblocks

The authors agree that North Korea should continue to reform its economy, saying that reform is the only way for the country to ensure economic prosperity and political stability. Zhu and Xu say that economic reform is “historically inevitable [and that] North Korea has reached a point where it cannot survive without reform.” They add that reform is the proper socialist direction. Real reform could make North Korea self sufficient in grain production and enable it to rejoin the international community. Gong Yutao says that “without economic reform there can be no economic development” in the country. North Korea should adopt reform so as to achieve the government’s goal of becoming a strong and prosperous country (*gangseong daegug*, 强盛大国, *qiangsheng daguo*) by 2012. Reform is also needed if the government is to maintain political control and ensure a stable transfer of power, a point that is consistent with Kim Jong-un’s statement in November 2011 that “food is more important now than bullets”. Gong says that North Korea has been able to adapt to help bolster its economy in the past: it has carried out various agricultural reforms since 2002 in response to food shortages. He believes that the country will once again embrace change. Gong thinks that successful economic reform could act to reduce tensions in the peninsula, by giving North Korea a non-military basis for confidence in its interactions with the South. And reform will give North Korea improved leverage in future unification discussions. Both countries hope for eventual unification, but the country with the stronger economy will be the one that drives the process.

There are many signs that North Korea intends to continue with economic reform. Gong Yutao and Zhang Huizhi point to North Korea’s New Year editorials in 2010 and 2011 (元旦社论, *yuandan shelun*) as evidence for a renewed focus on economic reform<sup>26</sup>. Gong says that North Korea’s increased liberalisation since 2002 shows that the country is making progress towards a China-style “reform and opening” (改革开放, *gaige kaifang*). Zhang Huizhi sees evidence of commitment to economic reform in the two Economic Development Zones that North Korea is developing with China, the Rason zone and the new zone at Hwanggumpyong and Wihwa Islands (黄金坪、威化岛经济区, *huangjinpingshi weihuadao jingji qu*)<sup>27</sup>. She thinks now that North Korea has begun the process of liberalisation and international economic cooperation, the DPRK government will be unable to stop the progress of reform.

<sup>26</sup> Previous currency reforms allowed a 1:1 conversion. But the 2009 reform set the exchange rate for cash at 100:1. Bank deposits valued under 150,000 won could be exchanged at 10:1, and accounts over 150,000 could be exchanged at 1000:1. The government also set a limit on the amount of currency a family could convert; the limit was initially set at 100,000 won, but was later raised to 500,000. Any amount over 500,000 won was required to be deposited in a bank. Total deposits were at first limited to 300,000 won. This was later raised to 3 million won.

<sup>27</sup> Every year, the three major state-run North Korean newspapers publish a joint editorial on 1 January. This editorial is generally seen as containing the North Korean leadership’s policy outline for the coming year.

Other commentators are not so confident about the momentum of reform or the chances for the development of a market economy. Zhang Liangui does not believe true economic reform will happen in North Korea. He thinks the economic policy changes so far have not been good faith efforts at reform. Zhang says the goal of North Korea’s economic reform has been to support the “military-first” policy (*songun*, 先军政策, *xianjun zhengce*) by creating new sources of funding for the military’s nuclear and missile programmes. The reforms of early 2010 took place because the North Korean military needed foreign currency after UN sanctions cut off traditional revenue streams, such as Japanese remittances, South Korean donations, and arms exports<sup>28</sup>. Zhang notes that the National Defence Council announced the January 2010 initiatives, not the cabinet, which is officially in charge of the economy. He believes the real purpose of the Rason Economic Zone is to deal with North Korea’s oil supply problems by diversifying import sources and acquiring foreign currency through transit fees.

North Korea has reached a point where it cannot survive without reform.

Zhu Liaoye and Xu Yonggen agree with the other writers that North Korea’s

past reforms failed because they did not go far enough and because the government did not make consistent efforts to implement them. The current reforms could easily be stifled by the government’s fear of political instability, the lack of public will for reform, the absence of an overarching plan, and the resistance of state-owned enterprises. Piao Yinzhe, Li Shenghua, and Yan Yingen say that international sanctions are the biggest factor limiting North Korea’s ability to make far-reaching changes. The dichotomy between the military-first policy and the needs of economic development is also a problem. Zhang Huizhi agrees that international sanctions are an obstacle to reform, as is the government’s fear of social instability and of challenges to its authority, especially given the difficulties inherent in the handover of power to Kim Jong-un.

Any deeper economic reform in North Korea will only happen with government approval. But both Zhang Liangui and Zhang Huizhi note the distrust in state-run newspapers for the term “reform and opening”. As one North Korean article said: “the people of every country in the world who value self-determination must clearly recognise the danger of the conspiracy of ‘reform’ and ‘opening’ advocated by the imperialists, and must confront it with maximum vigilance.”

<sup>28</sup> Rajin-Sonbong has been rebranded as the Rason Economic and Trade Zone in a renewed attempt to attract foreign investment. Rason is located near the city of Yanji in Jilin province, China. Hwanggumpyong and Wihwa Islands Zone was jointly created in 2011 by China and North Korea. The single administrative region takes in both islands, which are located near the city of Dandong in Liaoning province, China.

## The way forward: the role of China and the international community

Future progress on economic reform will be slow. But prospects for success can be improved by trying new things. Zhang Huizhi thinks that reforms “outside the system” (“体制外”改革, *tizhiwai gaige*) could be the key to economic reform in North Korea. She says that changes made outside the planned economic system could help “build new organisations that can develop markets and promote market reforms”. Independence from the system could allow changes to be put in place without leading to the typical problems of economic liberalisation: inflation, inequality, corruption, materialism, and black markets. Zhang thinks the new investment company and the state investment bank are examples of this new kind of reform<sup>29</sup>. Meanwhile, Rason can act as a laboratory for the North Korean government to test economic reform policies without having to be afraid of causing political instability. She says these and other similar initiatives could eventually lead to the creation of a new economic system. Zhu and Xu agree that reform will only come from above – in other words from the leadership. They think reforms will start with privatisation in agriculture, possibly based on China’s 1970s household responsibility system (包产到户, *baochan daohu*).

International support for reform could help drive reform externally and integrate North Korea into the international economic system. The first step to creating international support is to increase economic cooperation between China, North Korea, and South Korea. Piao, Li, and Yan think that the three countries could find their interests are aligned if they bring together China’s Chang-Ji-Tu project (长吉图开发开放先导区, *changjitu kaifa kaifang xiandaoqu*), North Korea’s desire to become a strong and prosperous nation, and South Korea’s wish to become the economic hub of Northeast Asia<sup>30</sup>. China and South Korea can guide North Korean restructuring by actively promoting reform in their economic cooperation with the country. Their cooperation should first focus on improving the North Korean economy through better agricultural, energy, and industrial policies and through subsidising North Korean imports to China and South Korea. They should promote change by convincing North Korea to end its military-first policy, by giving financial aid for reform, and by recommending further liberalisation to North Korean leaders.

<sup>29</sup> The United Nations Security Council passed Resolution 1874 in June 2009 in response to the DPRK’s second nuclear test a month earlier. Before that, Resolution 1718 was passed in October 2006, sanctioning North Korea for its first nuclear test in early October of that year. Resolution 1874 strengthened the earlier ban on arms exports and luxury imports and put further limitations on international trade and investment with North Korea.

<sup>30</sup> Note that since the article was written, the Taepung International Investment Group has been closed – in August 2012 - due to poor performance. The development bank has also recently been dismantled. See [http://english.chosun.com/site/data/html\\_dir/2012/08/06/2012080601275.html](http://english.chosun.com/site/data/html_dir/2012/08/06/2012080601275.html) for more information.

China can encourage economic reform by sharing its own experience and by continuing to invest and trade with North Korea. North Korea will have its own, unique road to reform. But Zhu and Xu, among others, say that the experiences of China and Vietnam can be useful as points of comparison. They can offer successful examples of a similar transition to a market economy. Zhu and Xu say that “China and Vietnam’s reform and opening show that development comes only with reform and opening, and development is the only thing that can bolster the ruling party’s authority and ability to govern, as well as improving the quality of life of the people and winning the hearts while strengthening the socialist system.” Zhang Huizhi thinks China-DPRK economic cooperation is a good opportunity for North Korea to deepen reform by learning from China’s successful integration of socialism and capitalism. At the same time, working together could demonstrate to the world that North Korea is serious about reform. Zhu and Xu note that China’s experience shows transition to a market economy can disrupt the government’s hold on power. But they also say that China’s example shows that economic reform does not necessarily have to be linked to political reform.

The international environment will dictate the extent to which a reformed North Korea can be integrated into the international community. North Korea must convince the world to end sanctions, because isolation and lack of capital represent serious obstacles to reform. Zhu and Xu say that UN sanctions make other countries afraid to establish trade or invest in North Korea. Another factor in making countries wary of doing business with North Korea is the influence of the United States, which has a sizeable part to play in reform in the country. All the writers cited the need to improve relations between the US and North Korea as a precondition for real reform in the country. Zhang Huizhi believes improved ties with the US would allow North Korea to access loans and aid funding from the International Monetary Fund, the World Bank, and other international organisations. Zhu and Xu are suspicious of US motives on North Korea. They think the US wants to make North Korea a member of the “free world” by handing it over to South Korea. Gong says the US “has never abandoned its goal of toppling the current North Korean government”.

We can see that over the past 30 years, the DPRK government has been hesitant to fully embrace economic reform. But, as Xu explains, the leadership will eventually be forced to make fundamental changes to its economic system. Reform will be essential to ensure the survival of the regime and of the country, and to fulfil the regime’s promises of economic development to the people of North Korea.

#### 4. The conflict between Seoul and Beijing over illegal North Korean immigrants

by David Péneau

Sources:

Chen Xiang, Guo Zhejun, and Huang Shanfa, “Revelations about the organisations of illegal North Korean immigrants”, *Fenghuang Zhoukan*, No. 8, February 2012<sup>31</sup>.

Chen Yan, “South Korea’s action is inadequate – what right has it to ask others to make efforts?”, *Hunqiuwang, Opinions*, 19 March 2012<sup>32</sup>.

Gao Zugui, Shui Junyi, and Song Xiaojun, “Experts think South Korea is stirring up the issue of the ‘*tuobeizhe*’ for internal political reasons”, *Fenghuang Zhoukan*, No. 8, February 2012<sup>33</sup>.

Lei Zhihua, “Friction between China and South Korea – it is impossible to stay the same when the rest of the world is changing”, *Nanfangchuang*, 30 March 2012<sup>34</sup>.

In February 2012, China sent a large number of illegal immigrants back to North Korea. South Korean civil society responded with vociferous protests, especially from organisations defending the rights of North Korean refugees. The South Korean government and parliament made formal protests and threatened to bring the matter before the United Nations High Commission for Refugees (UNHCR) in Geneva. These articles by Chinese authors comment on the situation of North Korean immigrants in China. They analyse the motivations of the South Korean government, for whom 2012 is an election year. And they assess the potential impact of the issue on relations between China and South Korea.

The conflict between China and South Korea over illegal immigrants has been going on for some time, and it regularly complicates relations between Beijing and Seoul. China sees the immigrants as illegal economic migrants, whereas South Korea considers them political refugees<sup>35</sup>.

<sup>31</sup> The Chang-Ji-Tu project was proposed in 2009 as an economic development plan for the cities of Changchun, Jilin, and Tumen in Jilin province.

<sup>32</sup> Chen Xiang, Guo Zhejun and Huang Shanfa are journalists with the Hong Kong weekly *Fenghuang Zhoukan*.

<sup>33</sup> Chen Yan was previously editor-in-chief of the weekly, *Zhongguo Xinwen Zhoukan*. He is now editor-in-chief of the periodical *Jingji* and director of the Centre for Research on Japanese Companies.

<sup>34</sup> Gao Zugui is the director of the Institute of World Politics at the China Institutes of Contemporary International Relations. Shui Junyi is a journalist who works for the Chinese public television station CCTV, where he is the anchor of *Global Watch*, a programme in which he and his guests comment on international affairs. Song Xiaojun is an officer in the Chinese military and an expert advisor to CCTV and Phoenix TV on military affairs.

<sup>35</sup> Lei Zhihua is a journalist who works for *Nanfangchuang*.

All four articles defend the position of the Chinese government. They deliberately use the term *tuobeizhe* (脱北者, which means, “inhabitants of the north who have left their country”) rather than *nanmin* (难民, “refugee”), which automatically designates someone as a political refugee under the 1951 Geneva Convention on Refugees. Lei Zhihua quotes Andrei Lankov, a Russian Professor at Kookmin University in Seoul and an expert on South Korea, who says that it is incorrect to call North Korean immigrants “defectors” (叛逃者, *pantaozhe*)<sup>36</sup>. The writers have relatively radical views on the issue: not one of them acknowledges that at least some illegal immigrants could have fled North Korea for political reasons. Gao Zugui even denies the existence of political persecution in North Korea. Chen Xiang, Guo Zhejun, and Huang Shanfa describe in their articles the illegal migration networks in China. Lei Zhihua, Cheng Yan, Song Xiaojun, Gao Zugui, and Shui Junyi talk about the motivations that underpin the South Korean government’s attitude to the question.

#### Underground networks with diverse motivations

The flow of North Korean migrants began with the 1994-1998 famine in North Korea. The number of people leaving the country decreased after the economic situation improved and China set up regular food assistance to North Korea<sup>37</sup>. Some migrants cross the Russian-Korean border, but the vast majority leave North Korea via the Chinese border, travelling through the autonomous prefecture of Yanbian in Jilin province, home to a sizeable Korean-Chinese minority. Chen Xiang, Guo Zhejun, and Huang Shanfa describe the South Korean underground organisations set up in China. These networks help North Koreans to leave their homeland, transit through China and its neighbouring countries, and, for some, immigrate to South Korea. The writers say that these organisations are motivated by three different drives. Some want to promote human rights, others have religious reasons for helping immigrants, and others are motivated by profit. The commentators particularly note the powerful South Korean Christian organisations that have missionaries in every region of China. These missionaries establish small groups of illegal immigrants, whom they train for periods of several years, with the eventual aim of returning them to North Korea to preach and to help other North Koreans to cross over into China. Chen, Guo, and Huang say that some of the preachers have a history of involvement in South Korean secret service operations, and that their activities are financed by South Korean and American firms in China. But they do acknowledge the humanitarian dimension of some of the clandestine organisations that help immigrants. Lei Zhihua says the South Korean government directly finances these operations on Chinese soil.

<sup>36</sup> Shui Junyi is here quoting the spokesman for the Chinese Ministry for Foreign Affairs, who says that there is no reason to call these people “refugees”.

<sup>37</sup> In the article “North Korean refugees in Northeast Asia” (*Asian Survey*, University of California Press, 2004), Andrei Lankov estimates that there are 100,000 illegal North Korean immigrants in China, many of whom live among the Korean minority in Jilin Province. These estimates are approximate.

Chen, Guo, and Huang are particularly worried about the organisations that help illegal immigrants to enter foreign embassies and consulates in China or to pass through China on their way to other countries. Many migrants try to leave China because they are afraid of deportation to North Korea if they are arrested by the Chinese police. Chen, Guo, and Huang describe the various methods used to get out of the country. Some Christian organisations plan ways to get into foreign diplomatic missions in Beijing or Shenyang (Liaoning Province), where the North Korean immigrants can request refuge. But China has stationed more police around diplomatic missions, making it difficult to get inside.

The clandestine rings, which are sometimes part of larger mafia networks, also try to help North Koreans reach South Korea via China hidden in cargo ships that go between Shandong Province and South Korea. Other organisations transport the immigrants to refugee camps in Thailand or to Cambodia, where they seek asylum in the South Korean embassy. The route most favoured today is to disguise small groups of North Koreans as tourists and bring them all the way from the China-Korea border to Mongolia. Under pressure from both the United States and South Korea, Mongolia has set up refugee camps on the border. Here, North Koreans are allowed to remain while they wait to become naturalised South Koreans and leave the country. In reference to the paths that black slaves travelled from the Southern United States to the North-eastern United States and Canada in the nineteenth century, the transit routes are called “underground railroads” (地下铁路, *dixia tielu*).

### Seoul’s demands, actions, and motivations

Deportations of North Korean immigrants have become a real social issue in South Korea. Chen Xiang, Guo Zhejun, and Huang Shanfa describe how members of parliament and the government are pressured by religious movements and by associations for North Korean refugees. Every time there is a deportation, South Korean activists demonstrate in China or outside Chinese diplomatic missions, and the South Korean authorities make official protests. But the writers criticise the hypocrisy of the authorities and people of South Korea and of Western states. The South Korean authorities protest to China about the deportations of North Koreans, but they will not take the immigrants into South Korea. Cheng Yan draws a parallel between the North Korean immigrants and the Vietnamese boat people. He says that the US, Europe, and Japan welcomed in hundreds of thousands of Vietnamese people in the 1970s. But they have not offered to take in North Korean immigrants. Lei Zhihua says that South Korea is not trying hard enough to solve the problem. China tried to find a solution by working with the Kim Dae-jung government, but it never received any clear response from South Korea on taking in immigrants. Even though South Korea accepted 2,809 immigrants in 2008 - way more than the 312 immigrants accepted in 2000 -, Cheng Yan thinks the country’s efforts are entirely inadequate<sup>38</sup>. He condemns

Korean society as being quick to protest and yet “cold-hearted” (冷淡, *lengdan*) towards the North Korean immigrants in South Korea. These immigrants experience serious difficulties in adapting to their new country and they represent the most disadvantaged section of South Korean society. Chen Xiang, Guo Zhejun, and Huang Shanfa say that there is no consensus in South Korea on bearing the cost of receiving these immigrants or on aid to North Korea in general. Cheng Yan says that if South Korea does not have the “decency” (像样, *xiangyang*) to take responsibility for the immigrants, “do not ask others to do what you cannot do yourself” (己所不欲, 勿施于人, *yisubuyu, wushiuren*).

The writers say that South Korea’s political agenda is the real reason for the South Korean government’s reaction to the deportations. The legislative elections of 11 April 2012 seemed as if they would be difficult for President Lee Myung-bak’s conservative party, Saenuri. The party’s pro-American policy has angered nationalists.

China sees the immigrants as illegal economic migrants, whereas South Korea considers them political refugees.

The signing of the controversial Free Trade Agreement between the US and South Korea gave rise to the largest

demonstrations that South Korea had seen in 20 years. With his popularity in free fall and facing direct attacks in parliament and within his own party, Lee decided to “play the North Korean card” as a political tool, so as to unite his party and the people behind a political project. Lei Zhihua compares the issue of the illegal immigrants to a “toy” for Lee Myung-bak’s party (玩这种“脱北者”游戏, *wan zhezong “tuobeizhe” youxi*). Shui Jinyi says South Korea deliberately “stirred up” (热炒, *rechao*) the issue of North Korean immigrants for internal political reasons. The question of the immigrants, like that of sovereignty over Socotra Rock<sup>39</sup>, was used to mobilise South Korean nationalism and deflect criticism of Lee’s policies. Lei Zhihua says the issue of North Korean immigrants has been “politically hijacked” (政治绑架, *zhengzhi bangjia*) to affect South Korea’s internal politics. Song Xiaojun says that parliamentary life is generally very boisterous in South Korea. But he says that candidates these days have no restraint in election campaigns. They use sensitive subjects that could affect neighbouring countries for their own selfish domestic political purposes.

Song Xiaojun says that using South Korean nationalism against China is unfair. Bilateral relations should not suffer just because of Lee Myung-bak’s electoral needs. The writers say that some people in South Korea have spoken out against Seoul’s support for the immigrants. South Korean companies do a lot of business with China, which

quoted by Chen Xiang, Guo Zhejun, and Huang Shanfa.

<sup>39</sup> The BBC puts the number of North Koreans who have fled to South Korea since the 1950s at more than 20,000 (“Seoul urges China on North Korean refugees”, *BBC News*, 22 February 2012).

<sup>38</sup> Lü Chao, of the Academy of Social Sciences in Liaoning Province,

is the number one importer of South Korean goods. And South Koreans do not all agree that they should have to pay the costs of resettling North Koreans in South Korea.

### Strategic reconfiguration in Asia

North Korean immigrants have been part of a long-running series of clashes that have complicated China-South Korea relations ever since the election of Lee Myung-bak in 2008. Lei Zhihua says that diplomatic tensions occur at regular intervals. He talks about China's reaction to the Cheonan attack and the bombardment of Yeongpyeong Island in 2010, the provocations on sovereignty over Socotra Rock in the East China Sea – the latest one took place in March 2012 –, the murder of a South Korean coastguard by Chinese fishermen in December 2011, and other issues of the kind. The question of North Korean immigrants has only recently become a source of conflict. He says the origin of all these frictions lies in the pro-American diplomacy of President Lee, whose team is “very Westernised in the way it sees the world” (思维方式非常‘西化’, *siwei fangshi feichang xihua*). Lei Zhihua thinks it is a pity that advisors with an affinity for China have been sidelined from the president's inner circle.

Tensions between China and South Korea must be seen in the context of a shift in the geopolitical balance of East Asia. The rise of China has overturned the traditional strategic order in East Asia, and South Korea has to deal with a new relationship between Washington and Beijing. The writers see the fraught relationship between South Korea and China as a natural consequence of this rebalancing. Lee Myung-bak's South Korea has decided to confirm its closer ties to the US, which seems like a mistake to Lei Zhihua, given China's new power. Lei thinks that in diplomacy, South Korea has made “bad investments” (错位, *cuowei*). The friction between South Korea and China is the result of a structural imbalance in South Korea's foreign policy between China and the US. Lei Zhihua sees a gradation between the South Korea-US relationship, which is a “strategic alliance” (韩美战略同盟关系, *hanmei zhanlüe tongmeng guanxi*), and the South Korea-China relationship, which is no more than a “relationship of strategic cooperation” (韩中战略合作伙伴关系, *hanzhong zhanlüe hezuo huoban guanxi*).

Shui Junyi says the question of North Korean migrants is just a new way for the US to put pressure on China. Threatening to criticise China on human rights at the UNHCR puts South Korea in the Western camp. Song Xiaojun says that crying human rights gives Seoul a way to get Western governments on its side, and to unnecessarily internationalise the issue. Song says, though, that Lee Myung-bak's way of dealing with this question of immigrants has the potential to hurt as well as help him. The South Korean President risks alienating part of the electorate as well as causing the country's already tense relations with North Korea to worsen. This could contribute to a deterioration of the security situation on the Korean peninsula. It is not certain whether the Obama administration would support Lee Myung-bak if

it were to threaten the fragile relations between Pyongyang and Washington.

Song Xiaojun is the only one of the writers to refer, although only briefly, to the possible impact of the issue on relations between South Korea and North Korea and, more generally, on the security situation on the peninsula.

Lee Myung-bak's frequent visits to Beijing, which seemed like symbols of the thaw in China-Korea relations, go hand in hand with provocations and official protests. The China-South Korea bilateral relationship seems locked into a cyclical rhythm of ups and downs. Repeated “diplomatic friction” (外交摩擦, *waijiao moca*) is, Lei Zhihua says, a hallmark (标签, *biaoqian*) of China-Korea relations. Lei quotes Shi Yuanhua: “Cheonan, the bombardment of Yeongpyeong Island, and the fisheries dispute are the history of this relationship, the issues of illegal migrants and Socotra Rock are the present, and new problems will appear in the future” to carry on the cycle.

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