

Tomorrow's Northeast Asia



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**Prospects for Emerging East Asian Cooperation
and
Implications for the United States**

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PREFACE

The Korea Economic Institute (KEI) in Washington, D.C., in cooperation with the School of International Service (SIS) at American University, also in Washington, D.C., cosponsored an academic symposium at SIS on 20–22 October 2010 on “Tomorrow’s Northeast Asia.” This volume contains the papers that were presented at the symposium and subsequently refined.

The 2010 symposium focused on emerging and future challenges facing Northeast Asia. Papers and discussions fell under five broad topics:

- Prospects for emerging East Asian cooperation and implications for the United States
- The emerging role of South Korea on a global stage
- The future of energy security in Northeast Asia
- Engaging and transforming North Korea’s economy
- Finding room for a six-party solution to North Korea’s nuclear crisis.

The sponsors and authors welcome comments on the material in this volume. This is the 21st in a series of annual academic symposia on Asia-Pacific economic and security issues that bring together leading academics and policy professionals from throughout the region.

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December 2010

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SIX-PARTY TALKS AND CHINA'S GOLDBLOCKS STRATEGY: GETTING NORTH KOREA JUST RIGHT

Drew Thompson and Natalie Matthews

ABSTRACT

China's ideal outcome for North Korea is a Goldilocks state—one that is not so strong to challenge China or so weak that its implosion threatens Chinese interests. China's multifaceted approach relies on economic engagement, bilateral interactions, and reducing North Korea's international isolation through promotion of multilateral talks. Chinese strategists believe that denuclearization requires not only engagement, but ultimately the reform and opening of North Korea's economy and society, which Beijing expects would enhance the North's security and ensure its long-term survival. The challenge facing Northeast Asia, however, is deep mutual mistrust in the region and the underlying problem of China's own insecurity, neither of which are effectively addressed by the six-party talks or other regional architectures.

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Introduction

In the spring of 2010, the Barack Obama administration was on the verge of endorsing a resumption of the six-party talks. China was playing its traditional role of setting the table for the talks, coordinating the structure of the process, and cajoling the North Koreans to go along. Suddenly, the 26 March 2010 underwater explosion that broke the South Korean navy ship, *Cheonan*, in two, killing 46 sailors, ended any hope of convening those talks.

China's subsequent response to the attack was far from satisfactory to South Korea, seriously harming China-ROK relations. Beijing made its support for the DPRK clear by preventing the passage of a UN Security Council resolution and shielding North Korea from being named in the UN presidential statement on the *Cheonan* incident. Furthermore, President Hu Jintao met Kim Jong-il during both his May and August visits to China. Under intense international scrutiny, Beijing made a clear strategic choice in the aftermath of the *Cheonan* to protect North Korea.

It is unfortunate that neither multilateral dialogue nor China's robust bilateral relationship has been able to deter a recent string of North Korean provocations beginning with a missile test in April 2009, a second nuclear test in May 2009, and then the *Cheonan* incident in March 2010, raising serious doubts in Washington, Seoul, and Tokyo about Pyongyang's sincerity. Despite China's effort to restart denuclearization talks, it appears that Beijing and Pyongyang's specific intention is to ease tensions on the peninsula. Because Pyongyang has given no indication of North Korea's willingness to give up nuclear weapons, there is virtually no optimism in Washington, Seoul, or Tokyo that this round of talks will succeed or even make measurable progress in their ultimate objective of separating North Korea from its nuclear weapons. China and North Korea's emphasis on convening the talks to ease tensions rather than to denuclearize demonstrates how deep the differences are between the parties and provides insight into China's interests in the six-party talks.

This paper will discuss China's interests in North Korea, China's and North Korea's objectives in reconvening the six-party talks, and where these interests and objectives overlap; the paper concludes with an analysis of Chinese perceptions of the United States and Northeast Asia security.

Current Purpose of Six-Party Talks

Despite the failure of the six-party talks to achieve denuclearization, no competing process or mechanism has emerged as an alternative to shaping North Korean behavior. The United States, South Korea, and Japan have few palatable engagement options other than to continue to participate in multilateral discussions if they hope to achieve denuclearization. Although denuclearization is a lower priority for Beijing, it sees the six-party talks as the best way to defuse tensions in Northeast Asia despite the widespread belief in Beijing that the talks themselves will not achieve either denuclearization or a transformation of the DPRK. Even though the six-party-talks process has been less than successful thus far, it remains the default approach. Because it is favored by China, the process has the potential to survive Kim Jong-il and serve as the primary vehicle to engage a future regime in Pyongyang.

It is useful, therefore, to review China's overall interests in North Korea and the region and how those interests simultaneously coincide and conflict with the objectives of other members in the six-party talks. Identifying these areas of convergence and divergence will help the United States formulate its position and develop a diplomatic strategy that protects its allies' interests and encourages China to play a constructive part in not just convening a meeting but also taking the lead in finding a peaceful solution to the persistent crisis. This is particularly important to the United States, the dominant arbiter of security in the western Pacific, as it seeks to manage a complex relationship with China and vital alliances with South Korea and Japan.

China's Interests in North Korea

North Korea's nuclear weapons program, illicit activities, and human rights abuses focus the attention of the United States and its allies. In contrast, China takes a broader perspective toward North Korea that is primarily geostrategic in nature and includes economic considerations. In roughly descending order of importance, China's four predominant interests in North Korea are: to maintain a stable regional security environment, ensure the survival of the DPRK, support economic development in China's Northeast, and achieve a nuclear weapons-free Korean peninsula.

Maintain a Stable Regional Security Environment

Chinese leaders have determined that domestic stability can be achieved by pursuing steady economic growth. Economic growth requires stability on China's

periphery and a peaceful international environment. The foundation of China's foreign policy lies in achieving this domestic objective. In particular, China's periphery and border regions are both gateways to trade and a potential strategic vulnerability. China's domestic economic development relies on its ability to absorb capital from major economies, access raw materials, and export products to developed markets with their large middle classes. North Korea represents opportunities as well as potentially serious challenges to several of these needs. By constantly lashing out at its neighbors, North Korea undermines the peaceful environment that China seeks and threatens Beijing's important trading partners. Pyongyang's provocations, such as missile tests and artillery exercises following the torpedoing of the *Cheonan*, reduce investor confidence in China's Northeast and disrupt shipping, both of which are critical components of China's export-oriented economy.

North Korea's belligerence, militarized society, and development of nuclear weapons and their delivery systems drives a multinational military response that, although aimed at the DPRK, threatens China as well. Regional ballistic missile defense investments and surveillance heighten Chinese sensitivities and their own sense of insecurity. This was particularly evident in China's response to joint U.S.-ROK maritime exercises intended to deter North Korea. These actions and investments indirectly feed the fears of many Chinese strategists, particularly in the military, who believe a multinational military presence in Asia is part of a containment strategy. An extreme view among members of the People's Liberation Army (PLA) argues that the United States is pursuing a "C-shaped encirclement strategy" and that China's only friends are North Korea, Pakistan, and Myanmar (Dai Xu 2010).

The constant prospect of turmoil radiating from North Korean provocations and even the possibility of North Korea's collapse undermines regional security and therefore China's interests. The Chinese solution to this threat has been to continue to protect North Korea from international pressure and isolation. Yet by providing North Korea with only enough food and energy aid to survive, the country remains in a constant state of near starvation and collapse and therefore extreme insecurity.

Ensure the Survival of the DPRK

Despite China's tolerance for a weak North Korea, Beijing remains committed to the North's continued survival for three key reasons: to maintain a regional security balance, prevent a unified peninsula antithetical to Chinese interests, and avert a collapse that would threaten stability in China's Northeast.

The notion of maintaining a “balance” of power may not be widely shared, but it is a significant factor in the minds of Chinese leaders and strategists. China’s persistent sense of encirclement and isolation runs counter to conventional thinking in the face of globalization and China’s ever greater integration with the rest of the world. However, conservative mind-sets stoke Chinese geopolitical fears that would be exacerbated without the existence of the DPRK. In some ways, China views the region as stacked against it: five Northeast Asian countries align two (China and North Korea) against three (Japan, South Korea, and the United States). Further tipping the balance, the world’s sole superpower continues to support what China considers a renegade province, in what many Chinese feel is a strategy to divide China and keep it weak. The loss of the DPRK, particularly if it is subsumed into the Republic of Korea to create a new entity, would tip the scales in the minds of some Beijing strategists away from China’s favor.

Faced with this paradigm, China’s preference is to ensure the survival of the DPRK and maintain the status quo. In addition, supporting North Korea is politically popular in China, which makes changing that policy difficult. Historical ties between China and the DPRK remain salient, particularly among certain important constituencies such as the PLA and PLA families who made sacrifices during the Chinese intervention on the peninsula in the 1950s. Chinese civilian leaders cannot afford to alienate the PLA as an institution, particularly in the run-up to the 18th Party Congress in 2012.

Chinese strategists fear a unified peninsula that is friendlier to the United States than to China. Simplistically, it is sometimes said that North Korea plays the role of a buffer state for China, as its continued existence prevents U.S. troops from digging in along China’s border. However, modern technology has made the notion of a buffer state less relevant today. Leapfrog technologies defeat territorial barriers, essentially shrinking distances between bases and targets.

China is particularly sensitive to military surveillance on its periphery, which is currently a significant issue in the U.S.-China security relationship. China bristles at U.S. collection platforms operating in international waters close to China’s coast, resulting in well-documented incidents such as the EP-3 collision in 2001 and the USNS *Impeccable* incident in 2009. While current intelligence collection efforts take place several miles off China’s shores, if North Korea becomes a U.S. ally, the world’s most advanced technologies could be deployed in fixed positions within feet of the red line marking China’s border.

Chinese fears of Korean irredentism would be heightened in the event of unification. Beijing worries that the government of a unified peninsula run by the current

political elite from Seoul might not respect Sino-DPRK boundary agreements. Even if a unified peninsula were ruled by political descendents of the DPRK, there is no indication that a more powerful unified Korea would not challenge the existing border demarcation. Disputes over islands in the Tumen and Yalu rivers and the demarcation of the land border around Mt. Paektu (Changbaishan) have been sources of tension since before the PRC and the DPRK were political entities. Although these disagreements have been shelved for the moment, mistrust remains not only over these relatively small pieces of real estate but also over Korean claims to large swaths of northeastern China. Aspirations to recover territory historically controlled by the Koguryo kingdom and other Korean dynasties persist in South Korea. Furthermore, some South Korean lawmakers have challenged the legality of a 1909 Sino-Japanese agreement that recognized Chinese sovereignty over the Korean region of Gando, roughly corresponding to present-day Yanbian prefecture in Jilin Province. China worries a unified government might feel confident enough to seek sovereignty over multiple territorial claims, particularly Mt. Paektu. Currently divided between China and North Korea, Mt. Paektu is claimed by both North and South Koreans as the birthplace of the Korean people, and it is known as the “sacred mountain of the revolution” to Korean communists.

China’s ideal outcome for North Korea is a Goldilocks state, one that is neither too strong to challenge it nor so weak that its implosion threatens Chinese interests, particularly in the Northeast. North Korea’s seemingly perpetual weakness fueled by self-defeating policies and peculiar strategies frustrate China on many levels—most egregiously its failure to embrace market reforms. The DPRK’s continued economic mismanagement, constant war footing, and aggression contribute to its own weakness. North Korean provocations increase its isolation, heightening the risk of its own collapse. Sharing a 1,400-kilometer border makes China acutely aware of the potential for North Korean problems to spill across, thereby threatening social stability and economic development in northeastern China. Not only would a mass exodus of refugees and perhaps even remnants of the Korean People’s Army pose significant costs to China, but the possibility of instability in the comparatively fragile northeastern provinces presents a direct threat to Chinese interests.

Support Economic Development in China’s Northeast

Economic considerations are a sometimes overlooked issue when Chinese interests in North Korea are assessed. With official trade totaling \$2.79 billion in 2008, China is North Korea’s largest trading partner although this commerce is economically insignificant to China. Fewer than 200 Chinese companies have

invested in relatively small projects in North Korea. Because of the very difficult regulatory environment, indications suggest that few of these joint ventures are profitable. Regardless, U.S. officials are often frustrated by China's economic engagement with North Korea, which they see as undermining U.S. and other countries' sanctions efforts. Of course, China objects in principle to the use of economic sanctions as a coercive tool, preferring to use economic engagement to pursue its interests.

Few Americans appreciate that China does make the connection between economic and security interests in North Korea and is not selectively ignoring Pyongyang's transgressions in pursuit of parochial economic interests. A Chinese scholar recently explained to a South Korean journalist (Lee 2010) that China's engagement with North Korea is intended to "shift the international focus from geo-politics to geo-economics."

Beijing sees economic engagement with North Korea as bringing three important benefits: regime survivability, expectations of more moderate behavior by the DPRK, and economic opportunities for Jilin and Liaoning provinces. Beijing assumes that economic growth would increase regime resiliency and sense of security in Pyongyang, which they hope will check DPRK tendencies to lash out. In addition, more openness and growing prosperity in North Korea would benefit Jilin and Liaoning provinces, whose companies represent more than half of Chinese investors in North Korea. For these reasons in particular, Chinese leaders have actively sought to promote economic opening in the DPRK although they remain frustrated with the slow pace of reform.

For China, economic development enhances its security from both internal and external threats. This is particularly true in border regions where domestic instability encounters exogenous threats. In this sense, encouraging China-North Korea trade creates a win-win paradigm in which generating wealth on both sides of the border enhances DPRK regime survival while simultaneously benefiting the strategically important provinces of Jilin and Liaoning. China's investments in these two provinces have boosted their own GDPs and created the conditions, on the Chinese side at least, for improving commerce with the DPRK. These infrastructure investments provide another important benefit to China's security because they increase the government's ability to control the border space more effectively. Highways facilitate the rapid movement of forces from rear areas to the border, and communications infrastructure improves situational awareness and the morale and effectiveness of security personnel in remote bases.

The success of regional economic development plans for northeastern China may rest on North Korean willingness to pursue economic reforms. Landlocked Jilin Province ranks 22 out of China's 31 provinces in terms of GDP. Jilin's share of GDP from foreign trade is 19 percent compared with 70 percent for China as a whole. To boost its economy, Jilin has successfully won endorsement from the central government for the establishment of the Chang-Ji-Tu regional development program to position the region as a new hub for Northeast Asian trade. Jilin plans to invest heavily in infrastructure to establish a commercial corridor connecting Changchun City, Jilin City, and Tumen City, a key border crossing with North Korea. The project's ultimate goal is to link this economic development zone with North Korea's Rajin port, which sits approximately 50 kilometers from Tumen. At the March 2010 National People's Congress, the governor of Yanbian prefecture announced that a private company had secured a 10-year lease on a pier at Rajin port although massive investments in North Korea, in addition to a more permissive environment for both transshipments and investors, are needed to make that project viable.

Beijing's efforts to prod North Korea in the direction of a Chinese-style reform and opening make China hesitant to use financial tools to coerce Pyongyang. Doing so would undermine China's own strategy to reform North Korea through engagement. Therefore, Beijing defends its economic relationship and protects its "normal trade" with North Korea from the U.S.-led strategy of sanctions. North Korea's isolated resources and markets represent a unique opportunity for Chinese companies that enjoy the benefits of semiprivileged access and geographic proximity. Korean-speaking Chinese in the Northeast are the only significant population of Korean speakers able to do business legally with North Korea as a result of U.S. and South Korean sanctions, giving them a competitive advantage in the North.

Currently lacking significant international competition in the DPRK, certain Chinese interests might be harmed by unification and will likely be wary of any change in the status quo. Unification of the peninsula in South Korea's image would likely result in a steep decline in South Korean investment to China as Korean capital becomes concentrated in rebuilding the North. China is the top destination for South Korean overseas investment, with the United States coming in second. According to the Korea Trade-Investment Promotion Agency (KOTRA), from 2001 to the third quarter of 2008, South Korea's cumulative outbound foreign direct investment to China was \$20.8 billion compared with \$14.8 billion to the United States (Chung and Hyun 2010). Certain regions in China would suffer from a dramatic reduction in South Korean capital, particularly Liaoning and Shandong provinces. Furthermore, Chinese investments in

North Korean joint ventures might dissolve should DPRK partners suddenly cease to exist. Dissolution would directly affect economic interests in Jilin and Liaoning, which make up more than half of the legitimate investments in the DPRK. Korean-speaking traders in these two provinces would also lose one of their key competitive advantages.

Achieve a Nuclear Weapons-Free Korean Peninsula

China genuinely desires a nuclear weapons-free Korean peninsula, which would reduce regional security threats and tensions. Beijing, however, does not consider the DPRK's nuclear program and weapons a direct threat to China, placing the issue at the bottom of this list of Chinese interests in North Korea. Although it is doubtful that Pyongyang's nuclear weapons are pointed at Beijing, provocations could result in regional reactions that subsequently harm China's interests.

Over the long term, China is significantly harmed by Pyongyang's determination to acquire a nuclear deterrent. Importantly, Pyongyang's effort is an indication of the deep mutual mistrust that underlies the China-DPRK relationship. Beijing's security guarantees are obviously inadequate for North Korea. Perhaps it is not a coincidence that China's closest allies, North Korea and Pakistan, have tested their own devices, and now possibly Burma seeks its own nuclear deterrent. This has implications for China's future rise as more than an economic power. The inability to extend deterrence to three countries on its border raises questions about whether China is capable of building functional security alliances with genuine trust and mutual confidence.

China's Objectives in Reconvening the Six-Party Talks

China primarily views a resumption of the six-party talks in 2010 as a way to ease tensions in Northeast Asia that have escalated dangerously since the last round of talks in 2007. According to a Beijing-based expert who was interviewed in September 2010, Chinese analysts believe that peace, followed by denuclearization, are the two major objectives of the talks. Kim Jong-il's August 2010 visit to northeastern China was widely reported in the Chinese media after he left, with the frequent use of the phrase, "early resumption of the six-party talks to ease the tension on the Korean peninsula." Kim Jong-il himself was quoted by Xinhua in an article on 30 August 2010 as saying the DPRK "is not willing to see tensions on the peninsula." Rarely was denuclearization stated as the objective for this round of talks.

China's broad national interests and the objectives of the six-party talks simultaneously coincide and conflict with one another. Some of China's strategic interests, such as a positive U.S.-China relationship, are noticeably helped by the six-party talks while they may complicate other Chinese concerns on the peninsula, such as hopes for an expanded China-DPRK economic relationship. China's interest in the six-party talks is based on three practical considerations: managing its big-power relations, ensuring North Korean regime survival, and, last, eliminating nuclear weapons from the peninsula.

Big-Power Relations

Chinese analysts feel that their central role in convening the six-party talks contributes to better relations with the United States, often called the most important bilateral relationship in the world. When asked whether the talks were a positive factor in the U.S.-China relationship, one Chinese expert who was interviewed in September 2010 responded, "Definitely so, despite criticism in the United States on China's role in the process."

The China-U.S. relationship seems subject to cycles of tension driven by numerous issues: the U.S. relationship with Taiwan, trade and investment, human rights, and proliferation. As China rises and its international interests expand, a certain level of friction between the two countries is to be expected, particularly where their geostrategic perceptions diverge. Driven by domestic politics and a self-perceived need to promote nationalistic sentiments in support of the Communist Party's legitimacy, Chinese public opinion has shifted during the past 30 years to growing exasperation with the United States, which has likely implications for the formulation of China's foreign policy.

Unprecedented anti-U.S. sentiments were expressed in Chinese official media by various commentators, particularly PLA flag officers, during the spring and summer of 2010. By September, however, those voices had largely been reined in by the senior leadership. Major General Luo Yuan (2010), who wrote numerous opinion pieces denouncing the United States and making vague threats about retaliation against U.S. warships operating in the Yellow Sea, declared in a September article that "The U.S.-China relationship is now the world's most important relationship"; he went on to quote former secretary of state Henry Kissinger and President Barack Obama and to affirm that the United States and China are stakeholders that share numerous global interests and should cooperate rather than fight. Likewise, Admiral Yang Yi (2010) was quoted in Hong Kong's *Wenweipo* newspaper three days later that Sino-U.S. relations benefit both countries while confrontation would cause harm.

Their motivations for prominently criticizing the United States and expressing an expanded interpretation of Chinese sovereignty over Asian waters are unclear but were interpreted by many as evidence that China was becoming more arrogant and assertive. It is presumed that both of these highly visible commentators were convinced by civilian leadership to change their tone in order to improve the atmosphere for a visit to the United States by President Hu Jintao in early 2011. Regardless of the government's impetus for setting a conciliatory tone in Sino-U.S. relations, it will undoubtedly improve prospects for the six-party talks.

China's effort to reassemble the six parties for talks may be interpreted as an attempt to relieve pressure from the international community because of its support for Pyongyang, particularly following the *Cheonan* incident. If nothing else, Beijing has invested heavily in developing a positive relationship with South Korea and recognizes that its *Cheonan* response has done significant harm to China-ROK ties. Leading the effort to reconvene the six-party talks will not repair the damage overnight, but it represents a tangible reminder of Chinese strategic priorities, not just for U.S.-China relations but for China-ROK relations as well.

The six-party talks have generally been viewed as a positive factor in the U.S.-China relationship by Chinese analysts and officials. Maintaining a mutually beneficial relationship with the United States remains central to China's foreign policy. China's economic achievements to date would not be possible without U.S. investment, access to U.S. markets, and U.S. contributions to regional stability, including the maintenance of secure and open global sea lanes. China has been able to build its economy to the second largest in the world without having to spend national resources to maintain a military of commensurate strength. The six-party talks represent an important opportunity for China to demonstrate to the United States and the world that it is contributing to global security and nonproliferation and is otherwise attempting to live up to somewhat vague expectations that it act as a "responsible stakeholder."

For their part, U.S. officials are conspicuously generous toward China when recognizing its constructive role in convening the six-party talks. This is consistent with Chinese leaders' efforts to show their own people they are a world leader—a "big country" as they term it—and a responsible member of the international community. Therefore, China has achieved significant mileage from the process despite its lack of progress in achieving denuclearization.

Although the six-party talks themselves are consistent with China's overall strategic interests, they do pose a potential risk to China in its big-power relations. When the six-party talks are going well, satisfaction increases with China's role, trust is built, and tensions are reduced in the region. However, if other countries should conclude China is merely going through the motions or is not committed to the six-party talks' ultimate objective of denuclearizing North Korea, then China faces significant reputational risk. This greatly complicates China's task. China needs to cultivate at least an inkling of neutrality in the process in order to reassure the United States and South Korea, because protecting Pyongyang increases suspicions of Chinese strategic intent. Abandoning the DPRK, however, might have the unintended consequence of creating a crisis of confidence in North Korea, thereby hastening its demise. Likewise, China cannot publicly pressure North Korea for the same reason. China's dilemma is particularly salient while North Korea is in the midst of an opaque power transition and believed to be exceptionally fragile.

Regime Survival

The six-party talks indirectly address China's broader security concerns on the peninsula by contributing to Pyongyang's prospects for survival. China believes that keeping the United States engaged with North Korea in the context of the six-party talks reduces the chances of a preemptive attack on the DPRK. For Pyongyang, and even some in Beijing, this was a significant concern in 2003 following the U.S. invasions of Afghanistan and Iraq. It is unclear, however, if the Obama administration's decision to drop preemption from the May 2010 National Security Strategy has enhanced North Korea's sense of security.

Engagement with North Korea through the six-party-talks process is part of a wider Chinese effort to engage the DPRK and encourage more coherent economic policies. Beijing expects that bilateral as well as multilateral engagement will encourage more moderate and responsible behavior from Pyongyang, reducing the chances of a sudden change in the status quo on the peninsula. China also hopes that the six-party talks will reduce North Korea's exposure to external economic threats. Although sanctions on North Korea are primarily enacted through the United Nations process, unilateral measures are also taken by the United States and its allies against North Korea, such as the executive order issued on August 30, 2010 (Obama 2010). Inasmuch as the six-party talks become a forum for negotiations that result in limitations on sanctions, China's support for the talks corresponds with both its economic and longevity goals for North Korea.

Nuclear Weapons

Despite focus on “the six-party talks to ease tension” in the region, according to a Xinhua article, “DPRK Top Leader Kim Jong-il Hopes for Early Resumption of Six-Party Talks,” published on 30 August 2010 the stated goal of the process remains achieving a nuclear weapons-free peninsula. The DPRK has reiterated many times (for example, Xinhua 2009; 2010) its position that it is willing to make efforts toward denuclearization. Despite Beijing’s new assurances about the prospects for renewed six-party talks following Kim Jong-il’s August visit to China, expectations are low in Washington, Seoul, and Tokyo that the DPRK will willingly give up its nuclear weapons in the near future, particularly so long as Kim Jong-il remains on the scene.

Chinese analysts often point to the DPRK’s own sense of insecurity derived from its unresolved conflict with the United States as North Korea’s justification for acquiring a nuclear deterrent. Those analysts believe that should the DPRK’s security concerns be properly attended to by other countries, chances greatly increase that North Korea would give up its weapons. That assessment neatly dovetails with China’s self-defined interests. Providing North Korea with security necessarily ensures its continued survival. According to one Beijing-based Chinese expert in September 2010: “If they could have confidence in the survival of their state, which depends greatly on ending the war status between the DPRK and the United States and introducing a new peace regime on the Korean peninsula, there are great chances that they would, willingly or unwillingly, give up the nuclear weapons.” China’s vision of peace on a denuclearized peninsula is therefore predicated on the continued existence of the North Korean state.

Chinese Perceptions of the United States and Northeast Asia Security

It goes without saying that the United States looms large in any discussion of the Korean peninsula. For China, maintaining a constructive relationship with the United States is vitally important, and at times North Korea undermines China’s broader interests, including those that coincide with America’s. While China is focused on maintaining stability on its periphery, U.S. attention on North Korea is defined by the continuing nuclear crisis and outrage over human rights abuses. In marked contrast to Chinese priorities, nonproliferation, particularly preventing terrorists and rogue states from acquiring nuclear technology and weapons, is a top U.S. concern. North Korea’s provocations and tendencies toward proliferation justify a robust U.S. military presence in the western Pacific. China pays a cost for its inability to rein in North Korea, particularly in the diminution of

China's own deterrence. China is clearly distressed by the presence of U.S. air and land-based missile defense systems, Aegis cruisers, and an array of other military hardware deployed to deter North Korea, as they are equally capable of confronting China.

Importantly, the United States sees direct linkages between the North Korean and Iranian threats. China maintains friendly relations with both and is therefore seen as undermining international efforts to coerce them. In both situations, China's strategic interests outweigh concerns over proliferation. Similarly, the threats posed by Iran and North Korea target U.S. allies rather than the U.S. homeland itself. In Washington, Beijing's cooperation is considered necessary to resolve either threat. Likewise, the United States has two primary foreign policy tools in its toolkit for dealing with Iran and North Korea—sanctions and engagement. The intent of the U.S. sanctions strategy toward both North Korea and Iran is to impose costs on pursuing a nuclear weapons program outside of internationally recognized regimes. Sanctions imposed on either country are intended to deter the other.

Despite the shuttle diplomacy by Wu Dawei, China's special representative for Korean peninsula affairs, following Kim Jong-il's August visit to China, Beijing's eagerness to restart talks is not shared by Washington, Seoul, and Tokyo. The United States in particular made clear that it is not prepared to participate in another round of six-party talks until the DPRK has halted its pattern of provocative behavior and makes progress fulfilling its denuclearization commitments. U.S. officials have stated that they need to see demonstrative acts that the DPRK intends to give up its nuclear weapons and comply with commitments made in 2005 and 2007 before they will return to talks. Furthermore, the United States will not participate unless it is certain that South Korea is completely supportive. A declaration by China that North Korea is now prepared to come back to the table is insufficient. The United States has commitments to its allies in the region and coordinates particularly closely with South Korea in how to deal with the North. In light of the *Cheonan* incident, a demonstration of changed DPRK behavior, such as progress in North-South relations, is needed prior to a resumption of the six-party talks.

Although renewed Chinese enthusiasm for jump-starting the six-party talks appears to be a means in itself for easing regional tensions, the United States insists (Crowley 2010) that the DPRK first demonstrate that it is prepared to engage more constructively with its neighbors and "earn its place back at the negotiating table." The U.S. emphasis on the need for North Korea to end provocations, including acknowledging its role in the *Cheonan* incident and following

through on steps from the 2005 and 2007 joint statements, diverges from Chinese expectations of the measures needed to resume talks. While both Beijing and Washington might be mildly uncomfortable with the lack of progress with Pyongyang, U.S. “strategic patience” can be expected to continue until North Korea takes concrete actions and South Korea is satisfied.

China is willing to promote the six-party talks for the talks’ largely symbolic value as a return to stability in Northeast Asia. The Obama administration is highly skeptical that the DPRK is ready and willing to actually engage in denuclearization, giving up both weapons and materials; this skepticism significantly reduces the chances that the next round of six-party talks will make progress barring a dramatic gesture on the part of North Korea.

Neither China nor the United States believes that the six-party talks will succeed in separating North Korea from its nuclear weapons in the short term. China’s strategy is one of engagement, and the six-party talks are simply one facet of that strategy. Beijing believes that the six-party talks process, rather than the actual negotiations and terms they produce, are an opportunity to maintain a tenuous link between North Korea and the other powers of Asia. Chinese analysts believe that getting North Korea to give up its nuclear weapons will require a combination of the six-party talks process and, most important, a reform and opening of North Korea’s economy and society.

The question remains: when China sits down at the six-party talks, are the Chinese overt or covert advocates for North Korea? In contrast with South Korean expectations of future unification of the peninsula, China appears to be committed to an enduring status quo, believing that denuclearization is predicated on the permanent survival of the DPRK. For the time being, Beijing’s refusal to acknowledge the results of the international investigation into the fate of the *Cheonan* makes it exceedingly difficult for China to play the role of an honest broker. Faced with history and divergent interests, it is doubtful that any of the concerned parties can claim neutrality when it comes to challenging North Korea and its self-perceived interests.

From China’s perspective, the nuclear issue is only one of several barriers to improving regional security. Resolving the North Korean crisis does little to improve China’s overall security unless it somehow miraculously changes the regional balance of power in China’s favor. Rivalries between China and Japan and between China and the United States are in many ways a far greater long-term concern for Beijing. The question is: Does a non-nuclear North Korea improve China’s security? The answer perhaps is yes, if North Korea continues

to survive and Japan and the United States end their military hegemony in the western Pacific. Obviously, none of these conditions is currently acceptable to the United States or its Asian allies.

In this context, China's insecurity mirrors North Korea's, though perhaps on a different scale. China's inability to guarantee North Korea's security and protect it against external threats is an underlying issue that is not adequately addressed by the talks. In this sense, the challenge in Northeast Asia is not only convincing North Koreans to get rid of their nuclear weapons and changing their behavior, but also addressing underlying problems of China's own insecurity and mutual mistrust in the region.

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