



## **Strengthening Security and Stability: Prospects, Problems, and Opportunities** by Arnold Kanter

Superficially, at least, security developments in Northeast Asia, and especially on the Korean Peninsula, over the past year have generally been positive. Compared to twelve months ago, North Korea has gone from being a riveting preoccupation to more of a continuing security concern. It now seems less like a menace and more like a problem. In other words, rightly or wrongly, the centrality of the North Korean issue has diminished.

At the same time, it is important to emphasize that the security environment on the Korean peninsula and in Northeast Asia more broadly is still fragile – even brittle – in the sense that seemingly independent incidents can interact and cascade to produce disproportionately large consequences. More fundamentally, the basic variables that define peace and security in the region remain largely unchanged.

Looking back over the past year, three developments related to the “North Korea issue” stand out.

First, the food situation in North Korea, although still quite serious, does not appear to be quite so dire and desperate. Whatever the facts, humanitarian relief is becoming just one aspect of the North Korea issue – and perhaps more an instrument of policy – rather than a predominant focus and preoccupation. It must be quickly added, however, that there continues to be scant evidence of any of the economic changes in North Korea which will be required to arrest and reverse that country’s continuing, steady decline.

Second, the policy review undertaken by former Secretary of Defense William Perry also produced several beneficial results. Ironically, the most immediate – and perhaps most important – of these benefits have had little to do with changes in North Korean behavior in the sense that it remains to be seen what, if any, will be the results of what might be called the “Perry process” on Pyongyang’s own decisions and actions.

The first beneficiary has been U.S. policy, or at least U.S. politics, on the North Korea issue. Recall that the Perry report had its origins in a Congressional requirement for a fundamental review of U.S. policy toward North Korea. That requirement, in turn, grew out of what might politely be termed Congressional dissatisfaction with the Clinton administration’s approach. Secretary Perry’s report has made a contribution to managing that Congressional dissatisfaction. It is somewhat more doubtful, however, that Congressional concerns have been substantively assuaged. That is, the Perry report has done little to change the fact that the Clinton administration’s policies toward North Korea remain more tolerated than supported by Congress and most political

pundits, and that the domestic political climate in the United States for bolder steps has not measurably improved.

The second beneficiary was U.S. relations with Japan and South Korea. An important corollary benefit was that the intimacy and visibility of this process enhanced the ability of Japanese and South Korean leaders to manage their respective domestic politics on the North Korea issue. Whatever else the Perry report produced, it resulted in authentic consultation and coordination among Washington, Tokyo, and Seoul. (To a lesser but still important extent, the same was true of consultation with Beijing. On the other hand, it does not appear that there have been more than perfunctory consultations and coordination between Washington and Moscow on the North Korean issue.)

The contrast – or at least the perceived contrast – with the process leading up to the 1994 Agreed Framework could not have been starker. (As such, the Perry process had the additional benefit of helping to assuage concerns about American unilateralism, at least with respect to this specific issue.) It also is likely that the close coordination among the three – and arguably four – capitals is a fact not lost on North Korea.

Finally, it is worth noting that several very big bullets were dodged over the past twelve months. Three, in particular stand out. First, North Korea permitted the United States to inspect the underground facilities at Kumchangni, and those inspections did not reveal any evidence of a clandestine nuclear program. Whatever one thinks about the Kumchangni controversy, e.g., that it was a particularly vivid example of American paranoia about North Korea and/or of deft North Korean manipulation of U.S. concerns, just imagine how different the discussion of the North Korean issue would be if Pyongyang had refused to permit the inspection to go forward, or if the inspection had increased rather than assuaged American fears.

Second, the exchange of naval gunfire in the Yellow Sea last summer did not escalate into a serious military confrontation, much less mortally wound Kim Dae-jung’s “sunshine policy.” That is not what many policy analysts would have predicted if presented with such a scenario before the fact. Maybe we were all just lucky, but it is at least interesting to speculate about whether that incident may indicate something more important about the North Korean regime.

Third, the anticipated test of the Taepo-dong missile did not occur. It often is easy to miss the importance of what does not happen, but that should not let us underestimate the significance of what otherwise may seem to be a modest, largely symbolic U.S.-DPRK deal that resulted in a missile test moratorium and a relaxation of economic sanctions. This is not because a missile test would have had much impact on

the near term military balance. It would not. Rather, it is because a missile very likely would have set in motion a series of decisions in capitals which could have produced consequences ranging from an acceleration of theater and strategic missile defenses to an unraveling of the Agreed Framework on the North Korean nuclear program.

At the same time, it also is easy to forget how ephemeral the missile test moratorium may prove to be and how quickly we could confront the problems we thus far have avoided. This is part of more general issue which is considered below. For now, suffice it to say that on the North Korea issue, it is less a matter of things having gotten better over the past twelve months as it is a matter of things not having continued to get worse.

Prospects. Looking ahead, three issues stand out as having the greatest potential to define the security environment in Northeast Asia in the coming months, and perhaps years. They are the "North Korea" issue, the "Taiwan" issue, and the "missile defense" issue. Two points about this trio should be stressed at the outset. First, peace and security in Northeast Asia depends critically on the successful management of each of these enormously challenging issues. Second, these three issues interrelate and interact in ways which make the whole an even greater challenge than the sum of the parts.

The North Korea issue. The central fact about the North Korean issue is that none of its features has changed in any fundamental way over the past year nor, indeed, do any of them show clear signs that such a change may be underway. (If anything, the issue of North Korean missiles has now joined concerns about the North Korean nuclear program in a tie for first place.) That is, the nuclear problem, the missile problem, the food and structural economic problems, etc. are all substantially the same as they were last year.

If anything has changed, it is only that, correctly or not, the sense of urgency or crisis surrounding them has diminished. To generalize the point made above, these issues are not so much on the way to being resolved as they are simply not getting worse. Moreover, neither the policies in place to address these problems, nor the domestic political contexts in which they are embedded, have become notably more resilient. That is, all it might take to put us back to where we were earlier this year or in 1994 would be one seemingly small decision or isolated action. Such a development could be the security equivalent of pulling on the loose thread on a sweater and having the whole sleeve fall off. Simply imagine, for example, the likely reactions and responses to a Taepo-dong test, or a move to reprocess fuel rods, or the discovery of what appears to be new suspicious activity at an underground site, to say nothing of an exchange of gunfire at sea or across the DMZ. And as North Korea's acquisition of MiG aircraft from Kazakhstan or continuing rumors about exchanges of North Korean missiles for Pakistani nuclear material suggest, we may have more opportunities than one would like to see whether this gloomy assessment proves to be valid.

The Taiwan issue. With the election of the Taiwan president in March and his inauguration in May, the coming

months could prove to be a delicate, if not a dangerous, time on the "Taiwan issue." Campaign politics on Taiwan are virtually certain to increasingly spill over into the cross-Strait context, and to spawn moves and countermoves between Beijing and Taipei. The interplay between Beijing and Taipei, in turn, probably will increasingly interact with the American election campaign in ways that will be overwhelmingly more unhelpful than constructive.

At a minimum, U.S.-China relations will come under increasing strain, a development that by itself will make the security environment in Northeast Asia at least a little less stable and the management of the North Korea issue at least a little more difficult. One also cannot exclude the possibility that the North Korea issue itself somehow will become entangled in the intersection of cross-Strait interactions and U.S.-China relations in ways that make the management of that issue more difficult and complicated, not only between Washington and Beijing, but also with Tokyo and Seoul. These dynamics, in turn, would further increase the political pressure to deploy theater and strategic missile defenses that then would ricochet through the region in ways that would be unlikely to be beneficial.

The missile defense issue. The missile defense issue is already a complicating factor in managing the regional security environment in general, and the North Korea issue in particular. As noted above, it also is increasingly likely to intersect with the North Korea issue and the Taiwan issue in the coming months, making the management of all three even more challenging. Whether one regards the American commitment to pursue theater and strategic missile defenses as a sensible response to a legitimate security concern, or as the outgrowth of some peculiar political and ideological forces at work in the American body politic, the role that the North Korean missile program has played as a kind of engine powering the missile defense program cannot be overestimated. This is beyond dispute in the case of the United States. It also appears that something like an analogous process is at work in Japan. Suffice it to say that if North Korea conducts another Taepo-dong test, the pressure to deploy missile defenses will become virtually unstoppable, and whatever chances there are of managing the missile defense issue in a mutually acceptable manner will all but disappear.

Conclusion. Even if one believes that developments in the region over the past year have been more positive than negative, the next twelve months could look quite different. As one looks ahead, the prospects for strengthening peace and security are sobering, the problems are familiar, and the opportunities are scant. This should not be regarded as grounds for despair, or an argument in favor of a radical change in policy. On the contrary, it is a case for continuing down the policy track the U.S. and its allies are now on, and making the most of what has been achieved.

At the same time, this assessment argues for treating North Korea – like many other regional security problems – as an issue that will benefit from attentive management, rather than as a problem that will be "solved." "Managing" the North

Korea issue may not sound like much, but it should be regarded as a goal that not only is realistic, but ambitious. Indeed, avoiding even the worst of the possible outcomes will take creativity, skill, political courage, and more than a little luck. If now is no time for pessimism and despair, neither is it a time for complacency or for putting policy on “auto-pilot.” Political leaders on both sides of the Pacific could make no worse mistake than to downgrade the priority they give to maintaining and strengthening peace and security on the Korean Peninsula or elsewhere in Northeast Asia.

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