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China's Nuclear-Armed Proxy—North Korea: Hostile Surrogacies and Rational Security Adjustments

Shepherd Iverson

Structured Abstract

Article Type: Research Paper

Purpose—The purpose of this article is to anticipate the policy options of great and middle powers in East Asia, and to pressure China to support Korean reunification and stop economically supporting the Kim regime.

Design/methodology/approach—I review historical and contemporary scholar-ship, journalist reports, and unclassified government documents to argue for an alternative interpretation of current affairs.

Findings—On the basis of my analysis, I found convincing evidence that China's overt and covert atavistic Cold War foreign policy includes a surrogate client-proxy relationship with North Korea that extends its reach into the Middle East as well as indirectly threatening the United States and its allies.

Practical implications—My analysis of rational security adjustments by Japan, South Korea, and the United States to the North Korean nuclear missile program suggests a growing security threat may convince China to change policy.

Originality/value—This research challenges the consensus view that China has distanced itself from North Korea because of its nuclear missile program. We may glean intentions from scripted narratives and symbolic gestures, but if one looks at China's behavior, a different view comes into perspective. From this more inductive

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view of the geopolitical situation, China's in-kind aid to North Korea helps underwrite Pyongyang's nuclear missile progress. It is time the international community observes behavior and recognizes rhetoric.

Keywords: deterrence, East Asia, hostile surrogate, Middle East, nuclear-armed proxy, proliferation, security adjustments, strategic acquiescence

Introduction

For more than twenty years diplomats have failed to reverse nuclear proliferation in North Korea. It is unrealistic to expect renewed diplomacy—Six-Party Talks—will convince the Kim regime to agree to relinquish what it perceives is its primary means of security and international respect. If history is our guide, Pyongyang may agree to resume talks and temporarily accede to non-onerous concessions in order to calm concerns while it quietly continues to miniaturize a nuclear warhead to attach to an intercontinental ballistic missile. It seems the only reason the Kim regime might consider changing course is if China threatened the drastic reduction or elimination of economic support. However, it is unlikely China would abandon North Korea unless it became clear this alliance posed a security threat.

There are at least two ways this could occur: through international pressure or as the result of concerns over rational security adjustments. First, the international community could sanction China as an accomplice for underwriting the existence of a regime whose illegal missile exports and technology transfers destabilize the Middle East, and whose illicit nuclear missile program threatens its East Asian neighbors and the United States. Second, as this nuclear threat grows more acute, public opinion or political leadership may compel Seoul and Tokyo to seek their own nuclear deterrent. Although the U.S. opposes nuclear proliferation in principle, it may be obliged to acquiesce.

China's continued support for North Korea is not a benign legacy of the Cold War. Evidence suggests it is part of a larger geopolitical strategy. Analysts are quick to point out the apparent acrimony between Beijing and Pyongyang after the 2013 nuclear test, but neglect to identify the surrogate role—a substitute who acts in place of another—North Korea plays in China's foreign policy. Analysts would be well advised to stop gleaning intentions from scripted narratives and symbolic gestures, and instead, follow the money—over \$1 billion in-kind aid per annum. Leaders of surrogate states need not like their overseers in order to do as expected when money, or its equivalent, is involved, and especially if these activities are consistent with their own geopolitical designs. The level of animus or friendship between Beijing and the Kim regime is immaterial to the economic based proxy relationship, which surely would dissolve if North Korea's missile exports and technology transfers to the Middle East were unacceptable to China's larger strategic objectives. Indeed, Beijing would surely withhold support if Pyongyang started selling missile technology to Xinjiang rebels or the Dali Lama.

China's Nuclear-Armed Proxy-North Korea

However, North Korea's violations of United Nations Security Council Resolutions 1718 (2006), 1874 (2009) and 2094 (2013) on arms control, its January 2016 nuclear test, and its growing nuclear missile threat are changing the geopolitical risks of the alliance. I contend that Beijing may rescind support for the Kim regime if the exposition of this hostile surrogacy brought international opprobrium or if it seemed likely Japan and South Korea might obtain their own nuclear deterrent, thus endangering China's security.

This paper is divided into two parts with several subsections. In part one I argue that North Korea is a proxy for China's geopolitical objectives. I support this assertion with evidence uncovering China's overt and covert foreign policy agenda and its proxy-use of North Korea to destabilize the Middle East. If the details of this connection were widely known, the international community might denounce Beijing's blatant use of a hostile surrogacy. And if sanctions were extended to include China it might be less willing to underwrite the existence of North Korea.

In part two, I argue that the Kim regime's nuclear program is immune to diplomatic pressure because it believes its survival depends on retaining a nuclear threat. However, its survival also depends on China's financial support. Beijing is concerned about a U.S. military response and the possibility Japan and South Korea might develop their own nuclear deterrent. Although the U.S. opposes nuclear proliferation in principle, it may strategically acquiesce to these rational security adjustments. I submit that as inertial forces and geopolitical trajectories increasingly threaten the security of East Asia, Beijing may be compelled to rethink its strategy and play a prominent role in suing for peace and reunification in Korea.

Hostile Surrogacy

China's only formal military ally is North Korea. It has long been assumed that in spite of a contentious relationship, China is willing to go to considerable lengths to protect North Korea and guarantee its stability. Former CIA analyst, Bruce Klingner cites lax sanctions currently imposed on North Korea and asserts that Beijing has been "reluctant both to allow more comprehensive sanctions and to fully implement those already imposed." Nevertheless, the current consensus among western analysts is that Beijing has distanced itself from Pyongyang since the February 2013 nuclear test, while deepening ties with Seoul.

However, Beijing's rapprochement with Seoul need not impugn its relationship with Pyongyang. Analysts cite circumstantial evidence for this estrangement that, although convincing, does not discredit an alternative hypothesis that China is feigning displeasure and manipulating foreign policy to disguise its real intent.³ Both views are plausible but unsubstantiated. The bottom-line however, is that Beijing has not withdrawn financial support and continues to underwrite North Korea's illegal missile exports and technology transfers to the Middle East and its nuclear missile program. This hostile surrogacy stands today as the greatest threat to nuclear nonproliferation and peace in East Asia.

Indeed, a very uncomfortable conclusion can be reached by the artificial solvency of North Korea, as it tries to develop nuclear-tipped intercontinental ballistic missiles (ICBM's) it threatens to launch at the U.S. and its regional allies, that is exclusively supported by and owes its very existence and survival to China. Beijing purchases 75 percent of North Korea's commercial exports and provides the Kim regime with 45 percent of its food supply, 80 percent of its consumer goods, 90 percent of its energy, and over \$100 million in U.N. banned luxury goods as part of its billion-dollar annual aid package. This gives China existential leverage over the Kim regime.

According to the highest ranking defector and former senior member of the Korean Workers Party: "Without Chinese capital goods, it would be impossible for the North Korean government to operate, and ordinary people would not be able to carry on with their daily lives." Financial dependency and its cooperative behavior (described below) suggest North Korea is a nuclear-armed proxy for China's strategic objectives. In nuclear proxy relationships, North Korea is to Japan (and the U.S.) in East Asia, what Pakistan is to India in South Asia, and what a nuclear–Iran would be to U.S. interests in the Middle East; each proxy state threatens China's perceived geopolitical rival.

Pyongyang's missile technology transfers to Tehran and Damascus and the flow of missile components and conventional weapons exports through Iran to Hamas and Hezbollah destabilize the Middle East.⁶ While challenging U.S. hegemony in the Persian Gulf, China foreign policy expert Denny Roy points out that an increasingly dangerous "anti–U.S. Iran diverts U.S. resources away from East Asia and attention away from China." This Sino-North Korean link is part of a chain of strategic relationships developed during and after the Cold War that connect the present with the past.

Overt Chinese Foreign Policy

It is well known in intelligence circles that after Beijing helped Islamabad develop a nuclear bomb in the 1990s, North Korea and Iran obtained essential designs and materials for uranium enrichment from a clandestine Pakistani procurement network.⁸ According to newly released records obtained under the U.S. Freedom of Information Act, "China was exporting nuclear materials to Third World countries without safeguards beginning in the early 1980s." According to Pakistan nuclear scientist Abdul Qadeer Khan, in 1982 a Pakistani military C-130 left the western Chinese city of Urumqi with enough weapons-grade uranium for two atomic bombs. However, these overt Chinese operations soon subsided as Beijing prioritized economic growth over anti-imperialist adventures. China policy expert Bates Gill asserts that Beijing's gradual acceptance of global arms control and nonproliferation norms—beginning in the 1980s and accelerating in the 1990s—was motivated by its desire to integrate with the international community.¹¹

Indeed, deferring to U.S. pressure, China cancelled delivery of a 20-megawatt research reactor to Iran in 1992 and three years later aborted sale of two 300-

megawatt nuclear reactors. In 1997—again under U.S. pressure—China reluctantly agreed to stop providing anti-ship cruise missiles and end involvement in Iran's nuclear and missile development programs. At this time it also committed to the Missile Technology Control Regime—an international agreement restricting the transfer of missile expertise and technology. To explain this policy shift China foreign relations expert John Garver submits, "It may well have been the evidence of the ultimate weapons orientation of Iran's nuclear program was accumulating and becoming increasingly apparent. China's leaders must have asked themselves the political costs of being associated with Iran's nuclear program as its large and covert and military dimensions came into public view." However, these forced promises now appear disingenuous, as North Korea has become China's proxy and picked up where it left off by expanding missile and conventional arms-trade to Iran and other states.

Covert Chinese Foreign Policy

Although sensitive nuclear related transfers have been curtailed, this has not stopped China's transport of missile technology and components to Iran or its covert involvement in such transfers with North Korea. In November 2007, the U.S raised concerns with China that an Iranian Air plane was flying from North Korea via Beijing's airport to Iran with a shipment of missile jet vanes for Iran's missile program.¹⁴ In August 2009, the United Arab Emirates seized a ship transporting North Korean weapons to Iran. After originating in North Korea, the cargo was first transferred in June to a Chinese ship that docked in Dalian and Shanghai.¹⁵ Recently declassified intelligence reports to the U.S. Congress reveal Chinese entities have been key suppliers of nuclear and missile-related technology to Pakistan and missile-related technology to Iran: "Since 2009, the Obama Administration has imposed sanctions on 16 occasions on multiple entities in China for weapons proliferation."¹⁶ Increasingly however, China is allowing North Korea to implement its designs and has protected Pyongyang from U.N. sanctions. For example, in May 2011 a report from the U.N. Panel of Experts was blocked at the U.N. Security Council by China because it contained incriminating details that Iran and North Korea exchanged missile technology using Air Koryo and Iran Air, transiting through China.¹⁷

North Korea originally received missile development assistance from Russian, Chinese and Pakistani scientists, but now it is working with Iran to design medium range, road-mobile, liquid propellant ballistic missiles. Massachusetts Institute of Technology missile expert Theodore Postol notes there is almost no difference in design between the North Korean No-dong missile and Iran's Shahab missile.¹⁸ Iranian scientists and officials have been on scene to observe every Taepo Dong (Unha) missile launch in an effort to improve the range and accuracy of its three-stage Shahab missile; the Taepo Dong and Shahab use the No-dong missile for their first stage. Postal contends the 2012 launch of a Taepo Dong missile was jointly engineered: "While the North Koreans were working on the first stage, these guys were working on the third stage." Former U.S. intelligence analyst Bruce Bechtol esti-

mated this successful launch (with Iranian technical observers present) resulted in hundreds of millions of dollars in sales for North Korea.²⁰ Financial incentives may also motivate more politically risky transfers of nuclear technology and materials.

Recognizing its advanced stage of nuclear technology and its foreign currency needs, Joshua Pollack warns there is "considerable potential for North Korean sales of uranium conversion and enrichment equipment, along with uranium supplies." It is suspected unchecked North Korean munitions transiting through Chinese ports end up in the Middle East. Although there is no hard evidence of the transfer of nuclear material yet, improved denial-and-deception techniques by North Korean arms exporters increase this possibility. There is also the danger that private arms dealers of duel-use technology may initiate trade with or without Beijing's consent. Interdiction has proven ineffective. Even with satellite observation, the scale of Chinese exports around the world makes it impossible to know where and when to intervene. It is assumed the few successful interdictions represent only a fraction of the munitions that get through. These illegal weapon exports enflame civil war, kill innocent civilians, create humanitarian crises, and arm dangerous U.N. designated terrorist organizations in the Middle East. And the middle East.

Weapons Supply Chain

China financially supports North Korea, who supplies Syria and Iran with weapons, which in turn arm Hezbollah and Hamas. A flow chart of interlinking proxy relationships (including Russian and Pakistani roles) and weapon transfers is represented below.

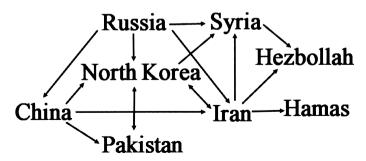


Chart 1: Weapons Supply Chain

This Beijing initiated arms supply chain of surrogate relationships is an effective covert tool of China's foreign policy in the Middle East. The relationships between North Korea, Iran, Hezbollah and Hamas became public in 2009 when 35 tons of weapons originating in North Korea, including Katyusha surface-to-surface rockets and rocket-propelled grenades, were seized from a cargo plane in Bangkok. It was determined the arms cache was destined for Iran to be smuggled to Hezbollah in Lebanon and Hamas in Gaza.²⁵ Between 2008–2009 there were four confirmed seizures of North Korean cargo en route to Iran or Syria, where Hamas or Hezbollah

could have been the end-users.²⁶ According to Western security sources Hamas militants asked North Korea to resupply them with missiles since much of their arsenal was expended during the Israeli action of July/August 2014.²⁷

A July 2014 decision in United States Federal District Court found North Korea guilty of proliferating weapons and providing training to Hezbollah. Judge Royce Lamberth concluded: "there can be no doubt that North Korea and Iran provided material support to Hezbollah. In particular, North Korea provided Hezbollah with advanced weapons, expert advice and construction assistance in hiding these weapons in underground bunkers, and training in utilizing these weapons and bunkers to cause terrorist rocket attacks on Israel's civilian population; and Iran financed North Korea's assistance and helped transport weapons to Hezbollah. These terrorist rocket attacks that North Korea and Iran facilitated directly caused plaintiffs' injuries." Joshua Pollack has documented North Korea's selling of whole missiles and missile parts to multiple nations in the Middle East, which has evolved to the export of missile production equipment and direct collaboration, primarily with Iran and Syria.²⁹

The first North Korean missile deliveries reached Syria in March 1991 and collaboration on missile development started around the same time.³⁰ More recently, in April 2012 France reported to the sanctions committee of the U.N. Security Council that it had "inspected and seized in November 2010 an illicit shipment of arms-related material originating from the DPRK and destined for Syria."³¹ Then in May 2012 South Korea port authorities seized 445 North Korean-made graphite cylinders used in ballistic missiles from a Chinese cargo ship bound for Syria. In February 2014 U.S. Defense Intelligence Agency Director Michael Flynn testified before the Senate Armed Services Committee that Syria's liquid-propellant missile program depends on equipment and assistance primarily from North Korea.³² In addition to missile proliferation, according to senior U.S. intelligence officials and a high-level Iranian informant, North Korea helped Syria build a secret nuclear reactor designed to produce plutonium. Israeli jets bombed this structure in a remote region of the Syrian Desert in 2007.³³

Thomas Plant and Ben Rhode argue that the United States did not hold North Korea accountable in 2007 for its nuclear exports to Libya and Syria in order to keep Six-Party Talks on track, and this had an impact on its future behavior: "The uncomfortable truth is that international responses to North Korean nuclear proliferation have encouraged, not deterred, additional such acts." Indeed, in 2008 Israel reported to the International Atomic Energy Agency that Syria was again "actively involved in plutonium production" and that Damascus had renewed its nuclear collaboration with North Korea."

China is prosecuting its offensive in the Middle East on two fronts, through its proxy North Korea, and diplomatically through the United Nations. As permanent members of the U.N. Security Council, both China and Russia have repeatedly vetoed sanctions against the Bashar al-Assad regime and stymied U.N. action in Syria. Beijing has opposed U.N. sanctions against Tehran, and when pressured by the P5+1 to comply, has sought with Russia to dilute their extent.³⁶ As the international com-

munity connects the dots between Iran, Syria, Hezbollah, and Hamas, through Pyongyang to Beijing, there may be growing resolve to hold China responsible for North Korea's actions.

Time to Act

As these proxy relationships come to light, Beijing should be held accountable for its measured actions and inactions with regard to the Kim regime. That Beijing officially condemns North Korea missile launches and nuclear tests but does not use its financial leverage to penalize the Kim regime suggests a revisionist hypothesis best explains its foreign policy objectives. There is growing evidence for the international community to sanction China for underwriting Pyongyang's illegal nuclear, missile and conventional arms transfers, and for supporting a regime that is developing nuclear weapons and the missiles to deliver them.

Fortunately, even without international pressure, there may soon be an opening for change. Chinese leaders are growing uneasy about having an unruly rogue state on their border that may provoke a U.S. military response or lead to regional nuclear proliferation, to which I now turn.

Rational Security Adjustments

North Korea is the geopolitical Ukraine of East Asia. It sits ideologically and economically impoverished in the middle of the strongest militaries and wealthiest economies in the world, and between authoritarian and democratic systems of political control. However, since the dissolution of the Soviet Union, Ukraine has relinquished its nuclear capability while North Korea has developed its own. Now that North Korea appreciates the security benefits of its nuclear status, conventional diplomatic efforts to reverse this will be futile. After witnessing recent events in Ukraine and what happened in Libya to Colonel Gaddafi after he relinquished his nuclear weapons, the Kim regime considers its nuclear threat vital to national and personal security.

North Korea expert Don Oberdorfer asserts this nuclear threat is the regimes' only internationally respected "bargaining chip for trade recognition, security assurances, and economic benefits." Indeed, Pyongyang has used nuclear extortion to convince foreign governments to feed its military and political base for over two decades. Citing the asymmetric military advantage of South Korea, Peter Hayes and Scott Bruce of the Nautilus Institute submit that North Korea's "nuclear weapons program is now the only dimension in which it can match the ROK [Republic of Korea] in the never-ending battle between the two Koreas over who will dictate the terms of eventual reunification."

With China's support North Korea has little to lose and much to gain by developing nuclear weapons and therefore has been unwilling to take part in negotiations that are aimed at reigning in its weapons program. Although this nuclear threat

China's Nuclear-Armed Proxy-North Korea

advances its' bargaining position and provides a measure of defensive security, North Korea's strategic behavior must be understood as an extension of China's foreign policy and a relevant factor in Sino-Japan and Sino-U.S. security competition. Indeed, North Korea's current efforts to improve its nuclear missile capabilities would not be possible without China's financial assistance. These efforts are now reaching a critical stage.

Satellite imagery indicates North Korea is nearing completion of a three-year upgrade of the Sohae long-range missile launching station. ⁴⁰ This structure supports a rocket up to 55 meters in height, 25 meters taller than the 30-meter Unha-3 launched in 2012. There is scorched-ground evidence of a new test series of the first stage engine for a road mobile ICBM—full-scale missile flight tests may be next. ⁴¹ Nothing seems likely to deter North Korea from its objective of obtaining a nuclear-tipped ICBM. ⁴² Washington has warned Pyongyang it will not let it become a nuclear state, as a sense of danger galvanizes public opinion in democratic South Korea and Japan to make rational security adjustments.

The United States

A Gallup poll taken in February 2013—before Pyongyang conducted its third nuclear test—revealed that 83 percent of Americans believe North Korea's nuclear weapons are a "critical threat" to the "vital interests" of their nation. ⁴³ In another poll Americans rated only Al Qaeda as a greater threat to its national security. ⁴⁴ As witnessed before the Iraq invasion, public fears—real or imagined—can legitimize military action and increase the possibility of a preemptive strike. In March 2013 the U.S. dispatched two B-2 stealth bombers over Korean airspace and dropped inert munitions to emphasize this threat. After the fourth nuclear test in January 2016 the United States Air Force flew a B-52 roundtrip from Guam over Korean airspace, escorted by South Korean F-15Ks and U.S. F-16s. It is unknown how a future U.S. President or Congress will respond once it appears North Korea is about to achieve the capability to destroy U.S. military assets in the Asia-Pacific or endanger U.S. citizens in their homeland with a nuclear payload.

South Korea

In spite of the promise of a nuclear umbrella, a 2012 poll found only about half of South Koreans believe the U.S. would respond with nuclear weapons if Seoul suffered a North Korean nuclear attack. Not surprisingly, in February 2013 polls—Gallup Korea and Asan Institute—two-thirds of South Koreans supported possession of a nuclear deterrent, and there has been talk in the Korean National Assembly of redeploying U.S. nonstrategic nuclear weapons.⁴⁵ Responding to public concerns, in May 2014 South Korean President Park Geun-hye warned that a fourth nuclear test could have a nuclear domino effect, giving its neighbors a pretext to arm themselves with nuclear weapons.

Japan

The rise of China's missile and maritime capabilities and North Korea's nuclear capacity threatens Japan. Growing insecurity over U.S. assurances and anxiety over China may eventually motivate Japan to arm itself. A September 2014 poll found that more than half of Chinese and one-third of Japanese citizens expect their nations to go to war before 2020, while 90 percent view each other unfavorably.⁴⁷ Japan is considered a "nuclear-ready" nation and Prime Minister Shinzo Abe has plans to revise its pacifist constitution. In September 2015 Japan passed legislation allowing it to defend its allies even when it is not under attack, including the option of preemption, based on the principle of collective self-defense. Japan has stockpiles of nuclear material it could weaponize within months and plans to begin test operating its long delayed Rokkasho Nuclear Reprocessing Plant by the end of 2016.48 This facility will produce enough plutonium per year for 1,000 Nagasaki-sized bombs.⁴⁹ Nuclear attitudes in Japan are shifting as a new generation of revisionist/reformist politicians emerges under the China-North Korea double-threat. Pyongyang's nuclear ambitions could eventually force the hand of deterrence in Tokyo, then Seoul.50

Proliferation and Deterrence

Nuclear proliferation tends to spread between friends and potential adversaries, e.g., the U.S., then Russia, then Great Britain and France; China then India then Pakistan; Israel, and if Iran, then Saudi Arabia and perhaps Jordan and Turkey. In East Asia it will be North Korea then either South Korea or Japan followed by the other. Henry Kissinger has also mentioned Vietnam and Indonesia as future candidates. East Asian security experts Joel Wit and Sun Young Ahn estimate a medium range scenario of North Korea with 50 nuclear-tipped missiles by 2020. As fears mount, regional nuclear proliferation will become increasingly difficult to prevent.

Former senior fellow at the U.S. Council of Foreign Relations, Walter Russell Mead notes, "The United States has intimated that although it would not aid or support any nuclear proliferation, it would be unable to control its allies' ambitions, just as China can't restrain North Korea's program." Prominent American political scientist Kenneth Waltz observes: "Stopping the spread of nuclear weapons has had a high priority for American governments, but clearly not the highest. In practice, other interests have proved to be more pressing. This is evident in our relations with every country that has developed nuclear weapons, or appeared to be on the verge of doing so, from Britain onwards." It is not by accident that U.S. allies, France, Israel and the United Kingdom have nuclear weapons. Pragmatism trumps principle.

Indeed, taking exception to the Nuclear Non-Proliferation Act of 1978, President Jimmy Carter did not challenge Pakistan's nuclear tests after the Soviet Union's 1979 invasion of Afghanistan. President Carter also decided to ship nuclear fuel to India in 1980. More recently, amidst criticism of revising half-a-century of nonproliferation

policy, in October 2008 the U.S. agreed to sell India "dual-use nuclear technology, including materials and equipment that could be used to enrich uranium or reprocess plutonium and potentially create material for nuclear bombs. It would also receive imported fuel for its nuclear reactors." Nonproliferation analysts complained this civilian use-restricted imported fuel would allow India to move some of its own nuclear fuel over to military purposes. From these examples, it is clear that if Pyongyang persists in perfecting and expanding its nuclear missile capabilities it would not be unprecedented for the United States to strategically acquiesce to the nuclear arming of its East Asian allies. Nevertheless, analysts have warned South Korea about going nuclear.

Troy Stangarone at the Korean Economic Institute asserts that unless pursued "in the face of eminent war," Seoul's development of nuclear weapons would invite sanctions. ⁵⁶ He cites a blockade of nuclear materials and technology, military assistance and bank loans against India and Pakistan. However, these limited sanctions were temporary and ineffective. ⁵⁷ There is little reason to assume sanctions against Korea or Japan would be any different. North Korea will soon have the nuclear missile capability to annihilate the Seoul-Incheon metropolis and other major cities in a matter of minutes. It is temporally nonsensical to submit a process that may take a year or longer to achieve its deterrent goals would be permissible only "in the face of eminent war."

Fearing a pro-proliferation shift in political and military attitudes among the masses and elites in South Korea, Chung-in Moon and Peter Hayes have issued a staunch warning against the development or deployment of nuclear weapons. They believe such a decision would be inherently unstable and lead to "mutual probable destruction." They argue that a South Korea deterrent would reduce the likelihood the United States would respond to a North Korean first strike, and that it would undermine the robustness of conventional deterrence, while damaging the South's vital national interests: energy security, access to trade, finance, investment markets, diplomatic reputation, and potentially rupture the U.S. alliance. Remarkably they also suggest that Koreans who support a domestic nuclear deterrent do so in the mistaken hope that this would be a bargaining chip to compel North Korea to abandon its nuclear weapons.⁵⁸

Although sympathetic to their anti-proliferation intent, I am not convinced by their arguments. First, there is no reason to assume having nuclear capacity would "probably" lead to its use. History suggests otherwise. Second, although some question the U.S. nuclear umbrella, a credible second-strike capability guarantees consequences and supports a no first use strategy, and there is no reason the U.S. prerogative for a nuclear response would change. Third, Hayes and Moon postulate a "use-them or lose-them" scenario, but this is not credible since North Korea has mobile missile launchers. Fourth, it is doubtful the U.S. would rally the Security Council to impose unduly harsh sanctions against a fearful nation that decided to deter a dangerous rogue regime sitting on its doorstep with cruise and ballistic nuclear missiles. The United States would not alienate an important ally as great power rivalry escalates in the Asia-Pacific. Deserting Korea (or Japan) would be tan-

tamount to abandoning its interests in East Asia. The United States is committed to economically supporting and militarily defending its East Asian allies under any circumstances.

Finally, it is simply implausible there is an important contingency of South Koreans who believe a nuclear deterrent would somehow "compel North Korea to abandon its nuclear weapons." The point is they would not consider launching a nuclear attack knowing that South Korea and the U.S. are primed for immediate retaliation. Many now believe a homeland nuclear deterrent combined with some form of missile defense would more adequately provide for South Korea's long-term security.

Nuclear Free Korea

It is doubtful the Joint Comprehensive Plan of Action nuclear agreement signed by Iran in July 2015 will influence the Korean situation; denuclearization remains unlikely without reunification. However, Pyongyang will not consider unification while it is financially supported by China. Beijing holds the key to a multilateral solution. Details for a G-20 managed, corporate, and internationally financed reunification have been published. This non-partisan plan would promise amnesty from prosecution and a private sector payoff to Pyongyang political and military elites; in return, Seoul would offer ownership and construction contracts worth trillions of dollars in profitable assets to business enterprises—a gas pipeline, railroads, mining, seaports, and infrastructural projects. A large portion of this reunification-investment fund would be paid back through government receipts from future economic growth, with the Bank of Korea, and perhaps the World Bank, IMF, ADB, or the AIIB acting as lenders of last resort.

As in Moscow in 1991, it is expected that, with sufficient security and financial incentives, Pyongyang power elites would abandon their Stalinist system for the pragmatic pursuit of material privilege and continued affluence in a unified Korea. ⁶⁰ This unification scenario may ultimately be the only way to peacefully stop nuclear proliferation in East Asia. China's support for such a plan is essential. Unfortunately, it may be difficult to assemble critical political support for this rather provocative economic based solution.

Conclusion

Greater transparency today encourages global accountability as state behavior is increasingly scrutinized and constrained by a deeply rooted international architecture of durable institutional structures that support the growth of liberal democracy and global capitalism. Political scientist G. John Ikenberry notes, "China does not just face America or the West, it faces the globalized embodiment of modernity itself." Despite debate over whether the China dream is revisionist or status quo, the Chinese Communist Party has attached its future to the existing world order

China's Nuclear-Armed Proxy-North Korea

and now depends on it for its survival.⁶² China is also being changed by this relationship. Political-economist Edward Steinfeld submits "Given the kind of institutional outsourcing that has already taken place, Chinese authoritarianism is currently self-obsolescing in ways that roughly mirror what transpired two decades earlier in Taiwan."⁶³ Indeed, beyond impulses for rivalry, compelling incentives for restraint and cooperation exist.⁶⁴

Beijing's use of hostile surrogates to pursue an antiquated anti-imperialist geopolitical strategy destabilizes the world system that has evolved since the end of the Cold War, and in which China has greatly benefited. In order for Beijing to modernize its foreign policy and integrate with the international community these hostile surrogacies must end. It is time the United States and its allies in the Middle East and East Asia respond to this growing threat and apply pressure on China to change course.

Although rapid modernization has led to more progressive views, the policies of hardliners still prevail over a new generation of political-economic pragmatists. However, since the Mao era, China has exhibited an admirable faculty for pragmatic reform in response to changing real-world circumstances. As the security calculus changes in East Asia, Beijing may be compelled to rethink its current strategy and play a prominent role in suing for peace and reunification in Korea. Such policy modernization would require an historic change in outlook.

Fortunately, a growing number of Chinese are calling for change. After Pyongyang conducted its third nuclear test in February 2013, there was a harsh array of uncensored comments on the Internet and from the Chinese policy establishment calling for Beijing to break off ties with Pyongyang. 66 China policy specialist Stephanie Kleine-Ahlbrandt suspects that Beijing has allowed scholars, citizen bloggers and the media to publicly debate its relationship with North Korea as a signal it may be ready to reverse policy. 67

It is now clear that influential factions within the People's Liberation Army and the Chinese Communist Party regard North Korea as a growing strategic burden and threat to regional stability.⁶⁸ Sixty-five years ago when its frontline value was beyond reproach, North Korea was a protected pawn in the chess match of great power rivalry. However, now that it has invited danger into the region for China it may be sacrificed for a larger strategic vision.

Acknowledgments

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Notes

78

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