

**ROUNDTABLE ON CHINA'S ROLE IN NORTH KOREA
CONTINGENCIES**

ROUNDTABLE
BEFORE THE
U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

ONE HUNDRED FIFTEENTH CONGRESS
SECOND SESSION

THURSDAY, APRIL 12, 2018

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COMMISSION

WASHINGTON: 2018

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The Commission was created on October 30, 2000 by the Floyd D. Spence National Defense Authorization Act for 2001 § 1238, Public Law No. 106-398, 114 STAT. 1654A-334 (2000) (codified at 22 U.S.C. § 7002 (2001), as amended by the Treasury and General Government Appropriations Act for 2002 § 645 (regarding employment status of staff) & § 648 (regarding changing annual report due date from March to June), Public Law No. 107-67, 115 STAT. 514 (Nov. 12, 2001); as amended by Division P of the “Consolidated Appropriations Resolution, 2003,” Pub L. No. 108-7 (Feb. 20, 2003) (regarding Commission name change, terms of Commissioners, and responsibilities of the Commission); as amended by Public Law No. 109-108 (H.R. 2862) (Nov. 22, 2005) (regarding responsibilities of Commission and applicability of FACA); as amended by Division J of the “Consolidated Appropriations Act, 2008,” Public Law No. 110-161 (December 26, 2007) (regarding responsibilities of the Commission, and changing the Annual Report due date from June to December); as amended by the Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015, P.L. 113-291 (December 19, 2014) (regarding responsibilities of the Commission).

The Commission’s full charter is available at www.uscc.gov.

May 3, 2018

The Honorable Orrin Hatch
President Pro Tempore of the Senate, Washington, DC 20510
The Honorable Paul Ryan
Speaker of the House of Representatives, Washington, DC 20515

Dear Senator Hatch and Speaker Ryan:

We are pleased to notify you of the Commission's April 12, 2018 public roundtable on "China's Role in North Korea Contingencies." The Floyd D. Spence National Defense Authorization Act for 2001 § 1238, Pub. L. No. 106-398 (as amended by the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 § 1259b, Pub. L. No. 113-291) provides the basis for this roundtable.

At the roundtable, the Commissioners received testimony from the following witnesses: Carla Freeman, Ph.D., Associate Research Professor and Director of the Foreign Policy Institute, Johns Hopkins University, School of Advanced International Studies; Oriana Skylar Mastro, Ph.D., Assistant Professor of Security Studies, Edmund A. Walsh School of Foreign Service, Georgetown University and Jeane Kirkpatrick Scholar, American Enterprise Institute; and Yun Sun, Co-Director of the East Asia Program and Director of the China Program, Stimson Center. This roundtable examined Chinese views on the likelihood of various potential North Korean contingencies, how China could play a role in the lead-up to or unfolding of such contingencies, and implications for the United States and the region. This roundtable explored the following: (1) Chinese thinking about potential crises and contingencies involving North Korea; (2) what the People's Liberation Army (PLA) and other stakeholders are doing to prepare for these various scenarios; (3) Chinese diplomatic activities in this area; and (4) geopolitical and security implications for the United States.

We note that the full transcript of the roundtable is posted to the Commission's website. The prepared statements and supporting documents submitted by the participants are now posted on the Commission's website at www.uscc.gov. Members and the staff of the Commission are available to provide more detailed briefings. We hope these materials will be helpful to the Congress as it continues its assessment of U.S.-China relations and their impact on U.S. security.

The Commission will examine in greater depth these issues, and the other issues enumerated in its statutory mandate, in its 2018 Annual Report that will be submitted to Congress in November 2018. Should you have any questions regarding this roundtable or any other issue related to China, please do not hesitate to have your staff contact our Congressional Liaison, Leslie Tisdale, at 202-624-1496 or ltisdale@uscc.gov.

Sincerely yours,



Robin Cleveland
Chairman



Carolyn Bartholomew
Vice Chairman

cc: Members of Congress and Congressional Staff

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CHINA'S ROLE IN NORTH KOREA CONTINGENCIES

THURSDAY, APRIL 12, 2018

U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

Washington, DC

The Commission met in Room 236 of Russell Senate Office Building, Washington, DC at 9:30 a.m., Commissioner Jonathan N. Stivers and Senator James Talent (Roundtable Co-Chairs) presiding.

OPENING STATEMENT OF SENATOR JAMES TALENT ROUNDTABLE CO-CHAIR

ROUNDTABLE CO-CHAIR TALENT: Good morning. I want to welcome everybody to today's roundtable. Our third witness, Ms. Yun, is going to be here presently so we'll start. She's the last to give her statement anyway. She'll probably get here by the time I'm introducing.

This roundtable is the fifth session of the U.S.-China Economic and Security Review Commission's 2018 Annual Report cycle. Thanks again to everybody for joining us today.

Tensions remain high on the Korean peninsula following last year's series of nuclear and missile tests by North Korea. Recent diplomatic efforts including President Trump's decision to hold a summit with North Korean leader Kim Jong-un and Kim's meeting with Chinese President Xi Jinping in Beijing present an opportunity--welcome--to deescalate tensions and find a negotiated solution to the crisis.

However, the checkered history of nuclear diplomacy with North Korea should temper our expectations about the prospects for success. Even with the emerging diplomatic process, the potential for upheaval in the peninsula remains real.

One question we'll explore today is what could happen that would cause a crisis? Although we cannot predict the future, understanding how a crisis could start will help us watch for signs of developing greater instability.

Another issue that merits close examination is what could happen in the aftermath of a contingency in North Korea? What might the long-term political future of the Korean peninsula look like? Is it possible to achieve both denuclearization and stability given the competing the priorities of the United States, China, North Korea and South Korea? What about Japan and Russia?

Forging a common vision that addresses the major concerns of all parties will pose a difficult challenge. If the North Korean regime does collapse, whether from its internal weakness or in the course of a conflict, the United States will have to secure American interests on the peninsula while minimizing the risks of armed conflict with China.

Effective mechanisms for cooperation and deconfliction with Beijing could help reduce the likelihood of miscalculations that result in clashes between U.S. and Chinese military forces.

The Commission will continue to watch the situation in North Korea closely as it constitutes a major issue in U.S.-China relations and threatens the stability of Northeast Asia.

To our accomplished witnesses, thank you for being here today to shed light on this very important topic. We look forward to hearing from each of you, and I also want to thank the Senate Armed Services Committee for securing this room for our use today.

I'll turn the floor now over to my colleague and co-chair for the roundtable, Commissioner Stivers.

PREPARED STATEMENT OF SENATOR JAMES TALENT ROUNDTABLE CO-CHAIR

Good morning, and welcome to today's roundtable on "China's Role in North Korea Contingencies." This roundtable is the fifth session of the U.S.-China Economic and Security Review Commission's 2018 Annual Report cycle. Thank you all for joining us today.

Tensions remain high on the Korean Peninsula following last year's series of nuclear and missile tests by North Korea. Recent diplomatic efforts—including President Trump's decision to hold a summit with North Korean leader Kim Jong-un and Kim's meeting with Chinese President Xi Jinping in Beijing—present an opportunity to de-escalate tensions and find a negotiated solution to the crisis. However, the checkered history of nuclear diplomacy with North Korea should temper our expectations about the prospects for success.

Even with the emerging diplomatic process, the potential for upheaval on the Peninsula remains real. One question we will explore today is: What could happen that would cause a crisis? Although we cannot predict the future, understanding how a crisis could start will help policymakers watch for signs of developing instability.

Another issue that merits close examination is what could happen in the aftermath of a contingency in North Korea. Specifically, what might the long-term political future of the Korean Peninsula look like? Is it possible to achieve both denuclearization and stability given the competing priorities of the United States, China, North Korea, and South Korea? What about Japan and Russia? Forging a common vision that addresses the major concerns of all parties will pose a difficult challenge.

If the North Korean regime does collapse, whether from its internal weakness or in the course of a conflict, the United States will have to secure American interests on the Peninsula while minimizing the risk of sparking a war with China. Effective mechanisms for cooperation and de-confliction with Beijing could help reduce the likelihood of miscalculations and accidents resulting in clashes between the U.S. and Chinese military forces.

The Commission will continue to watch the situation in North Korea closely, as it constitutes a major issue in U.S.-China relations and threatens the stability of Northeast Asia.

To our accomplished witnesses, thank you for being here today to shed light on this very important topic. I look forward to hearing from each of you. I would also like to thank the Senate Armed Services Committee for securing this room for our use today. I will now turn the floor over to my colleague and co-chair for this roundtable, Commissioner Jon Stivers.

OPENING STATEMENT OF COMMISSIONER JONATHAN STIVERS ROUNDTABLE CO-CHAIR

ROUNDTABLE CO-CHAIR STIVERS: Thank you, Senator Talent.

Good morning, everyone. I want to thank our witnesses for being here today and for their excellent testimony and the work they put into their written testimonies today.

North Korea is one of China's few allies and vice versa, but the history of their relationship includes significant friction and cooperation. U.S. administrations of the past three decades have tried to enlist Beijing's cooperation in pressuring Pyongyang to give up its nuclear program, and in many cases, those administrations have told Congress that the U.S. shouldn't push back on China in regards to trade or human rights or other issues in the U.S.-China relationship because we could lose China's help on North Korea's nuclear weapons.

It should be abundantly clear that the Chinese government either doesn't have the capacity or doesn't have the will to change the trajectory of North Korea's nuclear program. And frankly, I'm skeptical that in the last year Beijing has significantly changed its policies in regards to economic sanctions or trade flows, but I'm interested in hearing your expert opinion about what concrete policies or if concrete policies--China's policies--have changed towards North Korea.

As Senator Talent mentioned, events are changing quickly both in North Korea and the U.S. It's essential that U.S. policymakers have the best information on the thinking of the Chinese government as China is going to play a critical role in any change in the status quo in North Korea.

Overall, China's strategic goals for its North Korea policy include trying to maintain the status quo, which includes avoiding a war and preventing internal instability. Beijing also seeks to avoid Korean unification that would result in a U.S.-allied country on its border.

A contingency scenario in North Korea could threaten all of those interests, and thus China can be expected to play a major role during a crisis.

In the event of a contingency, China would be concerned with containing a humanitarian crisis caused by a flood of refugees across the border into northeastern China, and Beijing would likely also attempt to seize nuclear and other sites housing weapons of mass destruction.

And last, China probably would consider occupying territory to ensure it has a say over the future political status of the Korean peninsula.

The measures that Beijing might employ to protect China's interests have the potential to both support and undermine U.S. and South Korean goals. Therefore, trying to acquire a deeper understanding of likely Chinese plans for a contingency would be prudent.

So I look forward to hearing from our experts this morning as they unpack the strategic implications of China's role in North Korea and contingencies for U.S. interests in the region and the recommendations on what U.S. policy should be, especially from Congress.

Now before we begin, I'd like to remind you all that the testimonies and transcript from today's hearing will be posted on our website. That's www.uscc.gov. Also, please mark your calendars for the Commission's upcoming hearing on China's agricultural policies, trade, investment, safety and innovation, which will take place on April 26.

**PREPARED STATEMENT OF COMMISSIONER JONATHAN STIVERS
ROUNDTABLE CO-CHAIR**

Thank you, Senator Talent, and good morning, everyone. I want to thank our witnesses for being here today, and for the time they have put into their written testimonies.

On paper, North Korea is one of China's few allies. But the history of their relationship includes as many episodes of friction as of cooperation. U.S. administrations for the past three decades have tried to leverage those disagreements to enlist Beijing's cooperation in pressuring Pyongyang to give up its nuclear program. Those efforts had failed until recently when China under President Xi in 2017 began to squeeze Pyongyang as punishment for continued provocations.

Overall, China's strategic goals for its North Korea policy include avoiding war, preventing internal instability, and checking nuclear proliferation. Beijing also seeks to avoid Korean unification that would result in a U.S.-allied country on its border. A contingency scenario in North Korea could threaten all of those interests, and thus China can be expected to play a major role during a crisis.

In the event of a contingency, China would be concerned with containing a humanitarian crisis caused by a flood of refugees across the border into Northeastern China. Beijing would likely also attempt to seize nuclear and other sites housing weapons of mass destruction. And lastly, China probably would consider occupying territory to ensure it has a say over the future political status of the Korean Peninsula.

The measures Beijing might employ to protect China's interests have the potential to both support or undermine U.S. and South Korean goals. Therefore, trying to acquire a deeper understanding of likely Chinese plans for a contingency would be prudent.

I look forward to hearing our experts this morning unpack the strategic implications of China's role in North Korea contingencies for U.S. interests in the region and their recommendations for U.S. policy.

Before we begin, I would like to remind you that the testimonies and transcript from today's hearing will be posted on our website, www.uscc.gov. Also, please mark your calendars for the Commission's upcoming hearing on "China's Agricultural Policies: Trade, Investment, Safety, and Innovation," which will take place on April 26.

PANEL INTRODUCTION BY SENATOR JAMES TALENT

ROUNDTABLE CO-CHAIR TALENT: Thank you, Commissioner Stivers.

So I'll introduce the panelists and welcome again. We'll begin with Dr. Carla Freeman. Dr. Freeman directs the Foreign Policy Institute at the Johns Hopkins School of Advanced International Studies. She is currently associate research professor in China Studies. Dr. Freeman holds a Ph.D. and M.A. from Johns Hopkins and a B.A. from Yale.

She will discuss the potential for a humanitarian crisis and flood of refugees over the China-North Korea border following a contingency-- among other things.

Next we'll hear from Dr. Oriana Skylar Mastro. Dr. Mastro is an assistant professor at the Edmund A. Walsh School of Foreign Service at Georgetown University. This year she's also a Jeane Kirkpatrick Scholar at the American Enterprise Institute.

Dr. Mastro holds a Ph.D. and M.A. from Princeton University and a B.A. from Stanford. Her testimony will focus on the People's Liberation Army's planning for contingencies in North Korea-- among other things.

We'll then hear from Ms. Yun Sun. Ms. Yun is the Director of the China Program and Co-Director of the East Asia Program at the Stimson Center. She was previously the China analyst for the International Crisis Group in Beijing.

Ms. Yun holds an M.A. in International Policy and Practice from George Washington as well as an M.A. and B.A. from Foreign Affairs College in Beijing.

Her testimony will examine how China thinks about influencing the political disposition of the Korean peninsula in the aftermath of a crisis.

Thank you again for being here. I'd like to remind you all, if you could, to keep your initial remarks to seven minutes or so, so we'll have plenty of time for a robust discussion afterwards.

And Dr. Freeman, we'll begin with you.

OPENING STATEMENT OF CARLA FREEMAN, PH.D., ASSOCIATE RESEARCH PROFESSOR AND DIRECTOR OF THE FOREIGN POLICY INSTITUTE, JOHNS HOPKINS UNIVERSITY, SCHOOL OF ADVANCED INTERNATIONAL STUDIES

DR. FREEMAN: Thank you. Good morning. Let me begin by thanking the Commission for inviting me to provide testimony on China's policy toward North Korea, focusing on Chinese planning for contingencies for either a humanitarian or military crisis involving North Korea. I commend the Commission for giving its attention to this issue at a critical moment.

As members of the Commission are aware, planning for contingencies involving North Korea is a politically sensitive issue in China, and therefore a topic of rare public discussion there, both because of China's complicated relationship with North Korea and also because of the impact an emergency in North Korea with which China shares an 880-mile long border would have on the PRC's own security and internal stability.

Historically, this sensitivity has hindered discussions between U.S. and Chinese officials regarding contingency planning, and continues to make even Track II discussions on the topic between American and Chinese experts difficult.

Relations between China and North Korea have always been fraught with strains and periods of outright antagonism. But a strategic logic has undergirded China's relations with North Korea, which has led Beijing to mask the cracks in its ties to Pyongyang behind a facade of camaraderie.

China sees North Korea as a critical strategic buffer along its historically vulnerable northeast flank. It also sees stability on the Korean peninsula as vital to its own security. It defines its key interests vis-a-vis the Korean peninsula as "no war, no instability, no nuclear weapons."

These interests were apparent even during the period of Mao Zedong's leadership. Mao entered the Korean War reluctantly and over significant internal political opposition. In the war's aftermath, he supported the development of a stable and economically strong North Korea as essential to China's own national strength and security.

But when Kim Il-sung requested assistance from China for a nuclear program for North Korea, Mao turned him down.

China's longstanding frictions with North Korea have intensified in recent years, following the collapse of the Six Party Talks and the succession to North Korea's leadership of Kim Jong-un. As Pyongyang has stepped up testing nuclear weapons and missiles, and Washington has given even greater attention to North Korea, China has demonstrated a greater willingness to use its economic leverage against North Korea.

Beijing supported UN Resolution 2321 in November 2016, which included restrictions on coal imports from North Korea, accounting for about 40 percent of North Korean exports to China and the regime's biggest source of hard currency.

Since late 2016, Beijing has ratcheted up economic pressure on Pyongyang through a series of additional restrictions on North Korean exports and financial transactions that manifest in a slowdown in economic activity in China's Northeast.

China's frustration with North Korean behavior and growing concerns that it could trigger a preemptive strike by the U.S. against North Korea has expanded an already broadening range of acceptable public discourse among Chinese elites on China's policy toward North Korea.

This includes discussions about the scope of China's security commitment to North Korea under the terms of its Mutual Defense Treaty with the North. An editorial from August 2016 in

China's hawkish state-run tabloid Global Times suggested China would remain neutral if the DPRK instigated conflict against the United States, intervening militarily on behalf of North Korea only if the U.S. and South Korea initiated regime change or military action. The editorial is not authoritative, but it does indicate the state of Chinese debate about the Sino-DPRK alliance.

Physical evidence affirms that China sees three main threats to its interests from a crisis involving North Korea:

The first is the threat of massive refugee flows into Northeast China that could prove difficult to contain and potentially destabilizing to the region. In late 2016, a leaked document from a Chinese cell service provider showed that China had designated sites for potential refugees from North Korea along its side of the border, with temporary housing already constructed at a few sites.

This follows another major refugee control initiative carried out in the Northeast: China began erecting barbed-wire fencing along the previously unfenced border between Jilin province and North Korea in 2011.

The second is the threat of environmental and health damage from North Korean WMDs being tested, accidentally used, or attacked. Chinese civilians are anxious about the environmental and health impacts of North Korea's nuclear tests which have occurred little more than 100 miles from some of China's border cities. Early last December, the Jilin provincial newspaper published a guide for civilians on how to respond to a nuclear emergency.

The third is the threat of the U.S. carrying out a strike on North Korea's nuclear arsenal or production facilities that escalates into wider conflict.

Chinese military exercises offer a window into the types of military resources that China could deploy during a North Korea crisis and the scenarios for which China is preparing.

Media reports from the middle of last year indicate that China is fortifying its border with North Korea using bunkers hardened against chemical, biological, radiological and nuclear weapons, indicating that China may be concerned North Korea will deploy its extensive biological and chemical weapons arsenal in a future conflict--or that the regime could lose control of its WMDs in the course of a civil conflict or in the aftermath of a U.S. strike.

In addition, China's most recent military reform, which reorganized China's military regions into military theater commands, also has possible implications for a North Korea contingency.

The Northern Theater Command includes Shandong province, which some analysts believe has operational significance for a Korea scenario. Recent military exercises across a 15,000 square mile area in the Yellow Sea included amphibious landings, anti-ship missile tests and anti-submarine warfare drills, illustrating China's potential to intervene extensively in any North Korean crisis and underscoring just how closely U.S. and South Korean forces would be interacting with their Chinese counterparts in any conflict scenario.

This also suggests that China is probably prepared to intervene in North Korea in the event of a conflict. However, the specific parameters under which it would do so and how it would do so remain opaque. What is clear from talking with Chinese experts is that China would be highly sensitive to the presence of U.S. forces above the 38th parallel.

Recent signals from influential Chinese academics as well as the Chinese military, which took the opportunity to include a visit to China's Northern Theater Command in Liaoning province bordering North Korea during General Dunford's August 2017 visit to China indicate a growing interest in discussing Chinese contingency planning with the United States.

We must gain a better picture of what China will do in the event of a conflict in North Korea. The risk that the United States accidentally transgresses a Chinese red line is real and made more likely by the lack of clarity regarding where China's red lines may be.

The U.S. should pay close attention to China's signaling regarding its willingness to use force in order to protect its security interests in North Korea while simultaneously encouraging Chinese officials to make their North Korea contingencies, including their preferred outcomes, more transparent.

Communications among China, South Korea, and the U.S. surrounding the upcoming slate of diplomatic summits represent a key opportunity to cut through some of the opacity regarding Chinese contingency planning and should be used to do so.

Thank you.

**PREPARED STATEMENT OF CARLA FREEMAN, PH.D., ASSOCIATE RESEARCH
PROFESSOR AND DIRECTOR OF THE FOREIGN POLICY INSTITUTE, JOHNS
HOPKINS UNIVERSITY, SCHOOL OF ADVANCED INTERNATIONAL STUDIES**

Testimony before the U.S.-China Economic and Security Review Commission

Developments in China's North Korea Policy and Contingency Planning
April 12, 2018

Carla P. Freeman, PhD
Director, Foreign Policy Institute
Johns Hopkins University School of Advanced International Studies (SAIS)

Introduction

I wish to thank the Commission for inviting me to provide testimony on the People's Republic of China's (PRC's) policy toward the Democratic People's Republic of Korea (DPRK)¹, with particular reference to Chinese planning for contingencies for either a humanitarian or military crisis involving North Korea. I commend the Commission for giving its attention to this issue at a critical moment.

As members of the Commission are aware, planning for contingencies involving North Korea is a politically sensitive issue in China, both because of China's complicated relationship with North Korea and also because of the impact an emergency would have on the PRC's own security. This sensitivity has historically hindered discussions between American officials and their Chinese counterparts regarding contingency planning, and continues to make it difficult for U.S. experts to address contingency planning with their Chinese counterparts, even in Track II discussions. Chinese officials and experts rarely directly address, let alone publish studies regarding, contingencies for a crisis on the peninsula. However, personal interactions with Chinese policy elites, close reading of their analyses, commentaries, and media reports, and insights extrapolated from an examination of how China has managed other large-scale crises offer some insights discussed within this testimony.

Addressing the range of questions that the Commission has posed, I begin this testimony by setting the present status of the China-North Korea relationship in historical context, referencing the views of China's expert community on peninsula affairs as barometers of, and possibly influencers on, China's policy. I then address current Chinese policy toward North Korea under Xi Jinping, commenting on the issues of China's sanctions enforcement and what China perceives as the principal threats to its interests involving North Korea today. Next, I address the focus of today's roundtable: China's contingency planning for a crisis involving North Korea, describing what I have been able to learn about the contingency scenarios that China appears to be prioritizing. I conclude by enumerating a few additional issues for the Commission's consideration in evaluating China's likely response to a North Korea contingency.

I make ten main points in this testimony:

1. China's longstanding frictions with North Korea have intensified in recent years, and 2016 marked a turning point in China's willingness to confront the developing North Korean nuclear crisis head-on.

¹ Also referred to in this testimony as "China" and "North Korea."

2. China's has a set of longstanding and consistent objectives with regard to the Korean peninsula ("no war, no instability, and no nuclear weapons") and a strategic commitment to denying occupation of the peninsula above the 38th parallel by a hostile or potentially hostile power.
3. North Korean behavior has expanded the range of acceptable public discourse among Chinese elites regarding how China should prevent, prepare for, and respond to conflict on the peninsula.
4. China's pursuit of a closer relationship with South Korea complicates its contingency planning.
5. China believes that there are five key threats to its interests from a crisis involving North Korea: 1) massive refugee flows into Northeast China; 2) environmental and health damage from North Korean weapons of mass destruction being tested, accidentally used, or attacked; 3) a U.S. strike on North Korea's nuclear arsenal or production facilities that escalates into wider conflict; 4) the use of North Korean weapons of mass destruction against China; and 5) China being excluded from diplomatic solutions to the crisis.
6. China must prepare for three types of military contingencies—internal North Korean instability, U.S. strikes on North Korean nuclear facilities or leadership, and a general war.
7. China is probably prepared to intervene in North Korea in the event of a conflict, although the specific parameters under which it would do so remain opaque.
8. Signals from China indicate a growing interest in discussing Chinese contingency planning with the United States. Communication on contingency planning between the two sides and South Korea will be essential to managing the crisis and gaining an accurate picture of the consequences of a failure to resolve outstanding issues using measures short of war.
9. The United States can best achieve this coordination by targeting points of congruent interest between Beijing and Washington, including: how to prepare for radiological, nuclear, and chemical weapon contamination clean-up; redlines regarding the geographical scope, target set, intensity, and other parameters for the use of military force on the peninsula; how to use economic pressure to force North Korea into productive negotiations; how to reassure South Korea regarding its security; and how to develop mechanisms to reduce the risk of miscalculation or accidental confrontations between Chinese and U.S. or South Korean military forces in Northeast Asia.
10. Communications among China, South Korea, and the United States surrounding the upcoming slate of diplomatic summits represents a key opportunity to cut through some of the opacity regarding Chinese contingency planning and should be used to do so.

China's North Korea Policy in Historical Perspective and Chinese Expert Views

The Strategic Rationale for China's Relationship with North Korea

The adage, sometimes attributed to the great Chinese strategist Sun Tzu (and used by Michael Corleone in the film *The Godfather*), that it is wise to “keep your friends close and your enemies closer” applies to China's complicated relationship with its difficult neighbor. Despite the “lips and teeth” metaphor famously used by Mao Zedong to describe the closeness of China-North Korea ties, relations between the two neighbors have always been fraught with strains and periods of outright antagonism.

Yet a particular strategic logic has long undergirded China's relations with North Korea, leading Beijing to mask any cracks in its ties to Pyongyang behind a facade of camaraderie. China sees North Korea as a critical strategic buffer along its historically vulnerable northeast flank. Even after the end of the Cold War, when relations between Beijing and Pyongyang approached an arctic chill amid the normalization of relations between China and South Korea in 1992 and the hereditary succession of Kim Jong-il to North Korean leadership, Chinese authorities sought to uphold a view that its relationship with Pyongyang remained a “relationship of friendship and cooperation,” as it was officially characterized following Chinese President Jiang Zemin's 2001 visit to Pyongyang.

China's Key Interests – Longstanding and Consistent

China has a set of key interests vis à vis the Korean peninsula that have long defined its policies. These are, to use the succinct Chinese phrasing: “no war, no instability, and no nuclear weapons” (*buzhan, buluan, wuhe*). These interests can be seen even in Mao Zedong's views of China's stakes in North Korean security. Mao entered Kim Il-sung's war to reunify the peninsula reluctantly and over significant internal political opposition. In its aftermath, he supported the development of a stable and economically strong North Korea as essential to China's own national strength and security.² Nevertheless, Mao turned down Kim Il-sung's request for assistance with North Korea's nuclear program.

The increasing challenge to Chinese interests by North Korean behavior in more recent decades and China's growing bilateral relationship with South Korea, however, has regularly tested Beijing's patience with Pyongyang. The result has been a political relationship punctuated by downshifts in ties linked to perceived threats to China's security from North Korea, including open discussions about changes to China's military alliance with North Korea in the late 1990s; a downgrading of Beijing's management of political relations with Pyongyang a decade later; and,

² “CCP Central Committee Propaganda Instructions for the Signing of the Sino-Korean Economic and Cultural Cooperation Agreement, “ December 10, 1953, published by the Cold War International History Project and the North Korea International Documentation Project, Wilson Center Digital Archive, quoted in Patricia Kim How China Sees North Korea; Three Critical Moments in History and Future Directions, The Chicago Council on Foreign Affairs, January 17, 2018, <https://www.thechicagocouncil.org/publication/how-china-sees-north-korea-three-critical-moments-history-and-future-directions>.

most recently, Xi Jinping's willingness to deploy unprecedented diplomatic and economic pressure to alter Pyongyang's behavior.

In 1997, the United States imposed new sanctions on North Korean entities for missile proliferation activities, North Korean troops engaged in provocations across the DMZ and Northern Limit Lines against the South, and famine engulfed North Korea. The same year, China's then foreign minister described the military clause in the Sino-Korean Treaty on Friendship, Cooperation and Mutual Assistance as a "remnant of Cold War thinking." (China also stopped supplying North Korea with advanced weapons around this time.) In 2002, Beijing reportedly sought to modify the Treaty's phrase concerning military assistance, which reads: "In the event of one of the Contracting Parties being subjected to the armed attack by any state or several states jointly and thus being involved in a state of war, the other Contracting Party shall immediately render military and other assistance by all means at its disposal." In 2003, a prominent scholar at the Chinese Academy of Social Sciences, a think tank affiliated with China's State Council, again argued that China should seek removal of the Treaty's mutual defense clause.³ Bonnie Glaser of the Washington, D.C.-based Center for Strategic and International Studies suggests that Beijing has tried to do so.⁴

During much of the decade that followed, with the PRC led by Hu Jintao, Chinese authorities largely upheld an image of solidarity with North Korea despite repeated disappointments with the progress of diplomatic efforts to foster peace and stability on the Korean peninsula. Beijing thus maintained the mutual Sino-North Korean historical narrative of "profound friendship" and "shared sacrifice," muting most public debate on its policy toward Pyongyang.⁵ In 2004, in a widely reported example, a journal with connections to the People's Liberation Army (PLA) was shuttered after publishing an article critical of Kim Jong-il.

DPRK missile and nuclear testing carried out without giving Beijing prior notification beginning in 2006, and the collapse of the Six Party Talks in 2009, catalyzed and then spurred Beijing's recalibration of its relations with Pyongyang. Historically, China has managed bilateral relations with its neighbor principally through the international department of the Chinese Communist Party (CCP), as well as through high level military exchanges, rather than through government-to-government relations. In 2009, however, China's Foreign Ministry spokesman Qin Gang officially described the PRC-DPRK relationship as one of "normal state-to-state relations," adding that "China develops its relationship with the DPRK as with any other country around the world."⁶

³ See discussion in Bonnie S. Glaser, Brittany Billingsley, Stephan Haggard, Marcus Noland, Scott Snyder, and D.C.) Center for Strategic and International Studies (Washington. *Reordering Chinese Priorities on the Korean Peninsula*. Washington, D.C.: Center for Strategic and International Studies, 2012, http://csis.org/files/publication/121217_Glaser_ReOrderingChinese_web.pdf.

⁴ "Understanding the China-North Korea Relationship." Council on Foreign Relations, <https://www.cfr.org/backgrounder/china-north-korea-relationship>.

⁵ Despite these significant developments affecting the relationship, between 1993 and 1995, only eight of 126 articles published in *Northeast Asia Forum (Dongbeiyu Luntan)*, a leading Chinese quarterly on Korean affairs were directly on North Korea, with two of them explicitly focused on China-North Korea bilateral ties.

⁶ Foreign Ministry Spokesman Qin Gang's Regular Press Conference on June 2, 2009 (<http://www.fmprc.gov.cn/eng/xwfw/s2510/2511/t565945.htm>)

Despite this evident political downgrading of the relationship, China maintained robust economic ties with North Korea. Along with premier Wen Jiabao's visit to Pyongyang in October 2009, Beijing signed numerous economic and infrastructure agreements with Pyongyang, including joint development projects along the two countries' common 880-mile long border. These agreements had at least three clear objectives. The first was to reduce the likelihood of instability in North Korea by providing it with an economic cushion against sanctions. The second was to increase markets for China's economically struggling Northeast region. The third was to induce North Korea back to the Six Party Talks, which China has seen as the process most likely to yield a negotiated solution to regional security concerns from Pyongyang's nuclear program. There may have been a hope as well that increasing the North's dependency on China's largesse would strengthen Beijing's leverage on Pyongyang. At the time Kim Jong-un took power, Chinese infrastructure investment in North Korea was proceeding apace with strong support from his uncle, Jang Song-taek. Jang was purged and executed in December 2013 for reasons that included promoting development in the Rason economic zone and port complex with China and Russia.

Beijing's Deteriorating Political Relations with Pyongyang

With the deterioration of Beijing's relationship with Pyongyang over the course of the past decade, the bandwidth for debate among China's policy elite appears to have been widened to allow for a broad range of discussions about China's strategic options in dealing with its difficult neighbor. The extent to which this debate in fact provides grist for new Chinese foreign and security policy is unclear. Leading Chinese scholars at universities and experts in government-affiliated think tanks more directly engage in the foreign policy making process through various mechanisms. A select group of scholars are members of a Foreign Policy Advisory Committee (*waijiao zhengce zixun weiyuanhui*) attached to the Ministry of Foreign Affairs, for example. Beyond that, experts in think tanks and academia routinely provide policy analysis and consult with officials, including at the highest levels of the Chinese leadership, as well as transmit messages from China's leadership about the direction of policy to target audiences.

If China's elite do influence Chinese foreign policy choices, their overwhelmingly negative assessment of North Korea's impact on Chinese interests has certainly been a source of pressure on Chinese leaders for a rethink of its approach to North Korea to reflect China's present and future national interests.⁷ This includes a reassessment of North Korea's strategic value to China and more pointed discussions about how to terminate the alliance relationship altogether—China's 1961 Treaty with North Korea automatically renews every 20 years unless both sides agree to discontinue the agreement.⁸

⁷ Discussion with senior Chinese expert from a leading think tank, 2018.

⁸ In a 2017 essay, longtime critic of China's North Korea policy, Shen Zhihua reflects that "it is strange that the Sino-North Korean alliance treaty still has legal significance today." See, "Looking at the "THAAD" Issue from the Perspective of the History of the Relationship between China and North Korea [Cong Zhongchao Guanxishi de Jiaodu Can "Sade" Wentu] Institute for Studies of China's Neighboring Countries and Regions; Center for Cold War International History Studies, March 22, 2017, <http://ccwihs.ecnu.edu.cn/5f/c9/c5469a90057/page.htm?from=timeline&isappinstalled=0>

China's North Korea Policy under Xi Jinping

North Korea—a Strategic Asset or Liability for China?

Chinese debate over whether North Korea is a net asset or strategic liability to China has become increasingly pronounced since Xi Jinping took power, and appears to be reflected in a contemporary policy approach that mainly hedges against the latter. Despite Xi's rumored personal disdain for Kim Jong-un, initially the Xi leadership sought to sustain its predecessor's two-pronged policy of economic engagement as an antidote to North Korean instability, on the one hand, and support for international efforts to denuclearize North Korea through diplomatic engagement and a sanctions regime on the other. Pyongyang's stepped-up testing of nuclear weapons and ballistic missiles, however, appears to have forced China to confront an increasingly stark choice between losing its credibility as a positive force for stability and nonproliferation in Asia should its efforts to get North Korea to end its nuclear program fail to gain traction, or risking North Korean instability should it sever its economic lifeline. Notably, foreign criticism of China's economic engagement as an impediment to the North Korean sanctions regime was echoed by numerous Chinese experts who saw China's soft approach to sanctions enforcement as enabling Kim to pursue his nuclear program amid growing international isolation.

2016 marked a turning point in China's policy towards North Korea. First, Beijing's support for UN Resolution 2321 in November 2016, which condemned North Korea's fifth nuclear test and included restrictions on coal exports from North Korea, indicated that President Xi was prepared to transcend China's traditional antipathy regarding the use of economic sticks against Pyongyang in order to join the international community to force North Korea to the negotiating table, or at least give the appearance of doing so. Second, Xi's courtship of South Korean President Park Geun-hye suggested that the center of gravity of China's peninsula policy was shifting southwards: Beijing now felt that Seoul could be the key to stabilizing the peninsula. These twin policy initiatives had historical precedents, but had seldom been pursued with such vigor. In February 2017, for example, China suspended imports of coal from North Korea until the end of the year (a serious punishment, as coal accounts about 40 percent of total North Korean exports to China and is its biggest source of hard currency). Reports also suggest that Chinese financial institutions increased restrictions on North Korean cash transfers and enterprises. In September 2017, China announced that it would limit exports of refined petroleum products to North Korea beginning October 1 and immediately suspend exports of condensates and liquefied natural gas, apparently in order to comply with UN sanctions.⁹ Chinese customs data suggests that year-on-year trade flows between the two countries were down nearly 58 percent in February 2018.¹⁰

Sanctions Enforcement

⁹ Staff and agencies, "China to enforce UN sanctions against North Korea," September 23, 2017, <https://www.theguardian.com/world/2017/sep/23/china-to-enforce-un-sanctions-against-north-korea>

¹⁰ Official Chinese customs data, General Administration of Customs, <http://english.customs.gov.cn/>.

This dramatic drop in China-North Korea trade reflects a major shift in China's enforcement of the international sanctions regime. In early 2018, China also announced a cap on oil shipments to North Korea and that it was adding steel to the list of banned trade goods, which includes restrictions on trade in North Korean food exports, many types of machinery, and dual-use technologies. Previously, Chinese sanctions enforcement had allowed significant exceptions for the "livelihood and humanitarian needs of North Korea," which enabled companies to trade with North Korea so long as the proceeds ostensibly flowed to North Korean citizens and not directly to Pyongyang's nuclear program. Because Chinese companies self-certified that this was the case, however, this meant that the sanctions regime dented more than squeezed Sino-North Korean trade. Indeed, China accounted for more than 80% of North Korean imports and exports in 2017.

Recent reports from China's frontier city of Dandong indicate a major slowdown in Sino-North Korean economic activity, and Chinese factories in the Rason Special Economic Zone, located near North Korea's borders with both China and Russia, have been closed.¹¹ University of Leeds-based expert, Adam Cathcart, suggests that China may be deploying the apparatus established to implement its anti-corruption campaign in order to enforce sanctions, particularly in border regions.¹² As Harvard University's John Park has observed, through links to corrupt Party officials, middlemen have engaged in procurement of restricted goods for North Korean clients; tighter sanctions have historically created greater business opportunities.¹³ Lu Chao, an expert on Korea affairs at the Liaoning Academy of Social Sciences,¹⁴ and Jin Qiangyi, an expert at Yanbian University in Jilin, warn that the enforcement of sanctions has imposed crippling economic hardship in North Korea. Jin has expressed concerns about the potential for a significant crisis that could include widespread starvation.¹⁵ As early as April last year, a *People's Daily* editorial published under the pseudonym "Zhong Sheng" or "voice of China," representing the paper's international editorial staff, acknowledges the growing risk of collapse on the Korean peninsula.¹⁶

Top Threats in China's View

These worries from two experts in China's border regions reflect one of Beijing's principal security concerns about the economic-security dynamic playing out on the peninsula. In the absence of the economic activity permitted under the previous sanctions regime, Beijing fears that it will see a flood of North Koreans fleeing across its border into Liaoning and Jilin provinces. Recent events have made Chinese policymakers more sensitive to the risk posed by

¹¹ See Andrei Lankov, "A Trip to Yanji as Sanctions Begin to Bite," February 9, 2018, <https://www.nknews.org/2018/02/a-trip-to-yanji-as-sanctions-begin-to-bite/>

¹² Adam Cathcart, "Data Overload: North Korea Sanctions Enforcement in China," February 1, 2018, <https://www.nknews.org/2018/01/data-overload-north-korea-sanctions-enforcement-in-china/>.

¹³ John Park quoted in Robert Huebscher, "How North Korea Evades Sanctions," *Advisor Perspectives*, December 15, 2017, <https://www.advisorperspectives.com/articles/2017/12/15/how-north-korea-evades-sanctions>.

¹⁴ <http://www.scmp.com/news/china/diplomacy-defence/article/2134428/china-north-korea-trade-falls-four-year-low-january>

¹⁵ <https://www.express.co.uk/news/world/926548/North-Korea-starvation-fears-mount-China-UN-sanctions-Kim-Jong-un-Xi-Jinping>

¹⁶ Zhong Sheng, "Korean Peninsula Needs Responsible Action," *People's Daily*, ["Chaoxian Bandao Xuyao Zeren Xingdong," *Renmin Ribao*], April 30, 2017, http://paper.people.com.cn/rmrb/html/2017-04/30/nw.D110000renmrb_20170430_2-03.htm.

mass refugee flows. Over the last few years, for example, China has coped with tens of thousands of refugees crossing its border with Myanmar. Its response has met with criticism from both international experts along with local residents, who cite problems ranging from inadequate shelter to forced repatriation. China classifies those fleeing as border residents (*bianmin*) rather than refugees and has denied international organizations access to them; although China acceded to the UN Refugee Convention and Protocol in 1982, its domestic laws on refugees remain weak.¹⁷

In late 2017, reports of a leaked document from cellular provider China Mobile suggested that China had designated sites for potential refugees from North Korea in the border cities of Tumen and Hunchun and three villages in Changbai county along its border with North Korea, and that temporary housing had already been constructed at a few sites.¹⁸ These facilities, however, are likely to be only the first of many; a crisis in North Korea could result in an influx of refugees numbering from the hundreds of thousands to the millions. This helps explain another major refugee control initiative carried out in the Northeast: China began erecting barbed wire fencing along its border in Jilin in 2011.

China has also begun planning for the management of nuclear emergencies. Chinese civilians have been concerned about the environmental and health impacts of North Korea's nuclear tests. After North Korea's 2009 test, citizens in Yanji, just 112 miles from the epicenter of the earthquake triggered by the test, criticized local authorities for failing to "handle the contamination issue."¹⁹ In early December, the *Jilin Daily* published a guide for local residents, which remains on the newspaper's website, on how to respond to a nuclear emergency.²⁰

Chinese analysts are also increasingly worried that the Trump administration could wield military force to deal with the North Korean nuclear threat. Although this is not the universal assessment of Chinese experts—for example, Ji Zhiye, a dean at the China Institutes for Contemporary International Studies (CICIR), a think tank affiliated with China's Ministry of State Security, argues that the possibility of intervention by China as well as Russia will act to deter the United States—many leading Chinese voices describe the threat of conflict on the peninsula as significant.²¹ Renmin University expert Shi Yinhong was quoted in late December as assessing the probability of conflict on the peninsula as "the highest in several decades." Shi's concerns have been echoed by several experts, including Nanjing University professor Zhu Feng,

¹⁷ Lili Song, "Refugees or Border Residents from Myanmar? The Status of Displaced Ethnic Kachins and Kokangs in Yunnan Province, China," *International Journal of Refugee Law*, Volume 29, Issue 3, 13 November 2017, Pages 466–487.

¹⁸ Jane Perlez, "Fearing the Worst, China Plans Refugee Camps on North Korean Border," December 11, 2017, <https://www.nytimes.com/2017/12/11/world/asia/china-north-korea-border.html>.

¹⁹ Carla Freeman, "Fragile Edges between Security and Insecurity: China's Border Regions," in Rongxing Guo and Carla Freeman (eds.), *Managing Fragile Regions*, (Springer, 2011), 39.

²⁰ "Knowledge and Protection about Nuclear Weapons," [*He wuqi changshi ji qi fanghu*], *Jilin Daily*, December 6, 2017, http://jlrbszb.cnjiwang.com/pc/paper/c/201712/06/content_43444.html.

²¹ Ji Zhiye, "Status Quo and Prospects of Northeast Asia," *Northeast Asia Research* [Dongbei Yanjiu Dongbeiya Jushih Xianzhuang yu Qianjing, *Dongbeiya Yanjiu*], February 21, 2018, <https://mp.weixin.qq.com/s/-WG3GkgAHtNu3xRPu1ZI8A>

a leading figure in Chinese academic circles on Northeast Asian security issues.²² Wang Honguang, a former Deputy Commander of the Nanjing Military Region, speculated that the guide on how to respond to a nuclear emergency published in the *Jilin Daily* was also "a signal conveyed to the North telling it to prepare for the coming war."²³

In addition, Chinese experts have engaged in limited dialogue regarding the potential for North Korea to use nuclear weapons against China. These experts note with concern the degree to which North Korean antipathy toward China has spiked amid China's tougher sanctions enforcement. Some point to the assassination of Jang Song-taek and rumors that Kim Jong-un may have assassinated his half-brother Kim Jong-nam, a resident of Macau, out of worries that China sought to stage a coup and install him in Pyongyang, as evidence of intensifying antagonism between China and North Korea. Some Chinese experts also speculate that China's routine military drills near the North Korean border are aimed at intimidating North Korea, although China's Ministry of Defense has denied this is the case.²⁴ Fears voiced by Chinese experts include that the DPRK may deliberately sabotage Chinese nuclear facilities to punish China or attempt to blackmail Beijing. However, these concerns are expressed in the context of assessing the costs and benefits to China of its harder line policy toward North Korea and an implied concern that Chinese pressure on North Korea could be read as support for more forceful action against North Korea, potentially emboldening the United States to use force.

Finally, discussions with Chinese experts reveal that Beijing has a number of concerns about threats to China's interests that could result from a summit between Trump and Kim Jong-un. The foremost concern is that if the summit is a failure and North Korea responds provocatively—perhaps with a nuclear test—there is a significant chance that the United States may strike North Korea. Conversely, other Chinese experts worry that if Trump declares the summit a success after agreeing to something short of denuclearization, such as settling for a freeze on the development of North Korean ICBMs, then China will remain threatened by both North Korea's theater nuclear capabilities as well as the potential for further regional nuclear proliferation.

Contingency Planning

Planning for any contingency involving North Korea, whether in response to a political and economic collapse or a military scenario, has been a taboo subject in China's public arena. Chinese experts have shared very few details about planning with foreign interlocutors. Both the United States and South Korea have long pursued dialogues with Chinese counterparts, but until recently, China was unreceptive.

In September 2017, however, there was a rare call by Jia Qingguo, a prominent Chinese academic, for contingency planning talks between China, the United States and South Korea. Jia's appeal can be seen as an indication of the extent to which Beijing relationship with

²² Jenny Oh, "Chinese experts: War on Korean Peninsula May Come Sooner than Later," *UPI*, December 18, 2017, <https://www.upi.com/Chinese-experts-War-on-Korean-Peninsula-may-come-sooner-than-later/1711513560101/>

²³ Jenny Oh, "Chinese experts: War on Korean Peninsula May Come Sooner than Later," *UPI*, December 18, 2017, <https://www.upi.com/Chinese-experts-War-on-Korean-Peninsula-may-come-sooner-than-later/1711513560101/>.

²⁴ Elizabeth Shim, "Beijing: Military Drills Near North Korean Border Not Targeting Regime," *UPI*, November 30, 2017, <https://www.upi.com/Beijing-Military-drills-near-North-Korea-border-not-targeting-regime/3771512064823/>.

Pyongyang had deteriorated as well as an indication that Beijing perceived instability on the Korean Peninsula as increasingly likely in the wake of North Korea's July 2017 ICBM test and September 2017 nuclear test. Echoing comments made in an interview at the Seoul Defense Dialogue, Jia, who serves as the dean of Peking University's School of International Studies, said in the Australia-based *East Asia Forum* that China should reconsider its resistance to holding talks with Washington and Seoul on contingency planning "for fear of upsetting and alienating Pyongyang." "When war becomes a real possibility," Jia warned, "China must be prepared. And, with this in mind, China must be more willing to consider talks with concerned countries on contingency plans."²⁵ Other Chinese scholars attacked Jia's comments as pro-American, arguing that the U.S. is the real threat to China and that among U.S. objectives is damaging ties between China and both Koreas. The scholar who led the critique of Jia, Zhu Zhihua, the deputy president of the Zhejiang Association of International Relations, was subsequently criticized by Jia and others as seeking to shut down debate; there is no evidence that Jia, who retains his deanship at Peking University, has been reprimanded.

Chinese Intervention in a North Korean Contingency

Jia's call for contingency discussions with the United States and South Korea offered few insights into how China itself might manage a crisis, including under what circumstances China might intervene. A variety of different scenarios could foreseeably trigger Chinese intervention to protect its interests, including but not limited to: 1) managing a humanitarian disaster in the event of a political and/or economic collapse in North Korea; 2) intervention to secure "loose nukes;" and 3) war on the Korean Peninsula, which, given Beijing's Mutual Defense Treaty with Pyongyang, could trigger a Chinese intervention depending on the trigger for the conflict.

An August 2017 editorial in China's state-own hawkish tabloid, *Global Times*, suggested that China would remain neutral if the DPRK instigated conflict against the United States, intervening militarily on behalf of North Korea only if the United States and South Korea initiated regime change or military action.²⁶ While such an editorial is not authoritative, this guidance is useful because how Beijing interprets its obligations under the Treaty remains opaque. Retired Major General Wang Haiyun has urged Beijing to clarify its position and "draw a red line," making it clear that an American attack on North Korea in the absence of Chinese approval would require Beijing's intervention.²⁷

Chinese military exercises offer a window into the types of military resources China is prepared to deploy during a North Korean crisis, and the scenarios for which China is preparing. In June 2017, media reports indicated that China was fortifying its border with North Korea using bunkers hardened against chemical, biological, radiological, and nuclear weapons. This could indicate that China is concerned that North Korea could use its extensive biological and chemical

²⁵ Jia Qingguo, "Time to prepare for the worst in North Korea," *East Asia Forum*, September 11, 2017, <http://www.eastasiaforum.org/2017/09/11/time-to-prepare-for-the-worst-in-north-korea/>.

²⁶ Reckless Game Over the Korean Peninsula Runs Risk of Real War," August 10, 2017, <http://www.globaltimes.cn/content/1060791.shtml>.

²⁷ Jeremy Page, "China Prepares for a Crisis Along North Korea Border," *Wall Street Journal*, July 24, 2017, <https://www.wsj.com/articles/china-prepares-for-a-crisis-along-north-korea-border-1500928838>.

weapon arsenal in a future conflict,²⁸ or that the Kim regime could lose control of its weapons of mass destruction in the course of a civil conflict or in the aftermath of a U.S. strike.²⁹ In addition, China most recent military reform has resulted in the reorganization of China's military regions into military commands. The new North Theater Command includes Shandong, which some analysts believe has operational significance for a Korea scenario.³⁰ In August, the People's Liberation Army, Navy, and Air Force conducted joint naval and amphibious exercises in the Yellow Sea across a 15,000 square mile area. These exercises, which included amphibious landings, anti-ship missile tests, and anti-submarine warfare drills, illustrate China's potential to intervene extensively in any North Korean crisis, underscoring just how closely U.S. and South Korean forces would be interacting with their Chinese counterparts.³¹

Coordination between China, the United States, and South Korea would therefore be critical to managing instability resulting from a North Korean crisis and preventing the conflict from transgressing tripwires that would trigger Chinese military intervention. Effective coordination would likely require a shared understanding of acceptable futures for a post-Kim Korean peninsula, which may or may not involve reunification. In calling for closer Chinese cooperation with the United States, Jia Qingguo highlighted China's sensitivity to the presence of U.S. forces above the 38th parallel. Jia does not mention, however, South Korean sensitivities to Chinese troops on North Korean soil; there is a vocal group of South Koreans who believe that China has designs on North Korean territory, which some Chinese claim was once under Chinese control. China, the United States, and South Korea, therefore, need to share a common understanding of what might happen should China decide to create a buffer zone within North Korean territory, including how deep into North Korean territory such a buffer zone might extend.

Contingency planning also needs to take into account insurgency scenarios that could lead to protracted combat and, potentially, the arming of North Korean civilians. Contingency discussions should include the role the international community might play in the crisis, conflict, and post-conflict periods. All parties would need to determine how they might coordinate post-crisis humanitarian responses, peacekeeping, and reconstruction. Such an understanding could help address other critical points of cooperation, including how Beijing, Seoul, and Washington will interact to secure loose nuclear weapons.

Speaking to the press late last year, then-U.S. Secretary of State Rex Tillerson suggested that U.S. officials had exchanged views with their Chinese counterparts on a contingency that required U.S. forces to enter North Korea. In his remarks, Tillerson indicated that the U.S. had assured the Chinese that it had no plans to occupy North Korea and would "retreat back to the

²⁸ Anthony H. Cordesman with Charles Ayers and Aaron Lin, "North Korean Nuclear Forces and the Threat of Weapons of Mass Destruction in Northeast Asia," *Center for Strategic and International Studies*, July 25, 2016, https://csis-prod.s3.amazonaws.com/s3fs-public/publication/160725_Korea_WMD_Report_0.pdf.

²⁹ Patrick R. Terrell, "North Korean Collapse: Weapons of Mass Destruction Use and Proliferation Challenges," *US-Korea Institute at the Johns Hopkins School of Advanced International Studies*, June 2017, <https://www.38north.org/wp-content/uploads/pdf/NKIP-Terrell-WMD-Use-and-Proliferation-Challenges-062217.pdf>.

³⁰ Interview with international defense expert March 26, 2018.

³¹ Jeffrey Lin and P.W. Singer, "As a drill and potential warning, China's navy just fired dozens of missiles near North Korea," *Popular Science*, August 11, 2017, <https://www.popsci.com/china-navy-live-fire-drills-near-north-korea>.

south of the 38th parallel.³² Tillerson’s comments may have alluded to talks held at National Defense University in Washington between Lt. General Richard Clarke and Major General Shao Yuanming in late November 2017. General Joseph Dunford, the Chairman of the Joints Chiefs of Staff, reportedly planned the talks during a trip to China that August, which had included observation of an exercise by China’s Northern Theater Command in Shenyang, the capital of Liaoning province, which borders North Korea. During the same visit, General Dunford also signed a new agreement to improve communication between the U.S. and Chinese militaries during crises.³³

Conclusions and Recommendations

In the absence of coordination among China, the United States, and South Korea, the likelihood that miscalculation amplified by deep-rooted fears and irredentism could result in a devastating Second Korean War are high. The United States should take every opportunity to coordinate with our allies and with China to pursue a negotiated solution to denuclearization.

As Washington does so, it must remain aware that China is pressuring North Korea not because it has taken the U.S. side but because Pyongyang threatens China’s own idiosyncratic strategic interests. Some of these interests align with those of the U.S., like reducing the risk of nuclear accidents, but many do not. Beijing continues to sympathize with Pyongyang’s perception of the United States as an existential threat, and accepts that Kim Jong-un’s recalcitrant pursuit of a nuclear arsenal is primarily motivated therein. At the same time, China sees the threat from North Korea as having served to strengthen U.S. alliances in Northeast Asia, including a greater U.S. military presence in the region, which it views as harmful to its security interests.

Nonetheless, President Xi has engaged directly with Trump on the Korean peninsula as an issue on which the United States and China can cooperate. It is also an effort by Beijing to engage the Trump administration to prevent unilateral action by the United States on the North Korean nuclear threat. Following President Trump’s early communications with Beijing on North Korea policy, his announcement that he would meet with Kim Jong-un, apparently made before informing Beijing, has heightened Chinese concerns regarding the risk of American diplomatic unilateralism—in addition to longstanding concerns over U.S. military strikes—on the peninsula.

Washington must also be alert to the rapidly evolving diplomatic situation in Northeast Asia. North Korea is consulting with China, and possibly with Russia, about how to resolve the current crisis. As Washington makes policy choices in the future, it should recognize that direct negotiation with Pyongyang regarding issues of mutual concern is not enough to create a stable *modus vivendi*; a durable outcome will require careful coordination with Seoul and support from China. Achieving endorsement by Japan and Russia will be important for a number of reasons. Among these is keeping alliance relations strong in the case of Japan, whose sustained support is needed in keeping pressure on North Korea, and to have Russia on board in both its capacity as a

³² “Once Taboo, China Discusses Collapse of North Korea with US,” *AFP*, December 18, 2017, <https://www.dailysabah.com/asia/2017/12/18/once-taboo-china-discusses-collapse-of-north-korea-with-us>

³³ Matthew Pennington, “US, China Hold Low-key Military Talks Amid NKorea Tensions,” *Chicago Tribune*, November 30, 2017, <http://www.chicagotribune.com/sns-bc-us--united-states-china-20171130-story.html>

guarantor of the nonproliferation regime and because it retains important links to North Korea as well potentially stabilizing energy interests in the Korean peninsula.

The U.S. must also hold realistic expectations for any talks with Pyongyang that President Trump's summit might initiate. Kim Jong-un has indicated he is willing to discuss denuclearization; however, he is careful to say "denuclearization of the peninsula," which means the withdrawal from the peninsula of U.S. extended deterrence commitments. Chinese experts are quick to warn that U.S. ambitions should remain measured, and to remind that extended deterrence—as well as the declared U.S. objectives of ending "any conflict at the lowest level of damage possible and on the best achievable terms for the United States, allies, and partners should "deterrence fail"—looks significantly more threatening in Pyongyang than it does in Seoul or Tokyo.³⁴

This analysis of developments in China's North Korea policy and its contingency planning offers five policy-relevant conclusions.

First, debates among Chinese policy elites regarding China's strategic priorities indicate that Beijing is searching for fresh approaches to dealing with the multiple challenges it faces to its security resulting from North Korea's nuclear program. China views North Korea as an increasingly complicated and wicked strategic problem. This expands the areas in which the United States can seek to engage China in search of policy solutions.

Second, Chinese and U.S. interests align in a number of areas: using economic pressure to force North Korea into negotiations; reassuring South Korea regarding its security; preparations for radiological, nuclear, and chemical weapon contamination clean-up; and preventing miscalculation or accidental confrontations between Chinese and U.S. or South Korean military forces in Northeast Asia. The United States has an opportunity to influence Chinese contingency planning by targeting these areas.

Third, China's military exercises in Northeast Asia should be understood as serving multiple purposes. In addition to signaling to the United States, they should also be seen as practice for Chinese use of force in a crisis, as well as aimed at influencing North Korean behavior.

Fourth, despite Beijing's frictions with Pyongyang, it seeks a peaceful resolution on the Korean peninsula. There is no indication that it would support U.S. military action or U.S.-led regime change, which could result in massive refugee flows into China's border areas as well as bring U.S. forces close to Chinese territory

Fifth, and perhaps most importantly, the United States must gain a better picture of what China will do in the event of a conflict in North Korea. The risk that the United States accidentally transgresses a Chinese redline is real and is made more likely by a lack of clarity regarding where these redlines may be. The United States must therefore pay close attention to China's signaling regarding its willingness to use force in order to protect its interests in North Korea, while simultaneously encouraging Chinese officials to make their North Korea policies—include

³⁴ Office of the Secretary of Defense. "Nuclear Posture Review." U.S. Department of Defense. February 2018. Page 8.

their preferred outcomes—more transparent. That this is a difficult business does not make it any less vital.

OPENING STATEMENT OF ORIANA SKYLAR MASTRO, PH.D., ASSISTANT PROFESSOR OF SECURITY STUDIES, EDMUND A. WALSH SCHOOL OF FOREIGN SERVICE, GEORGETOWN UNIVERSITY AND JEANE KIRKPATRICK SCHOLAR, AMERICAN ENTERPRISE INSTITUTE

ROUNDTABLE CO-CHAIR TALENT: Thank you.

Dr. Mastro.

DR. MASTRO: Thank you for having me to testify today, and I just want to make clear that the views that I'm about to express are my own and don't represent any of the institutions or organizations for which I am a part.

I've been asked today to talk about PLA and PAP contingency planning for North Korea, what their capabilities are, what their interests would be, China's broader interests if a war did break out on the Korean peninsula that they were involved in. And then what the implications would be for the United States.

First, on the capabilities and contingencies, if China intervened militarily on the Korean peninsula, we know that the newly formed Northern Theater Command would be in charge of any large ground force operation that would take place there. Force posture and exercises, as was previously mentioned, suggest that China is considering infiltrating North Korea by ground, air or sea, and how the combination of those types of operations would go in an actual contingency would depend on the situation in which China is intervening.

But China has been exercising extensively to do a combination if not all of those three. For example, in September 2017, two days after North Korea's sixth nuclear test, land and air force personnel conducted exercises along with China's Strategic Rocket Force that was practicing shooting down incoming missiles over waters close to North Korea.

To go back to the refugee issue, just an important point because the question also looked at the People's Armed Police, in my research, the People's Armed Police would be primarily in charge of a refugee situation along the border. There's approximately 50,000 of these personnel already in the Northeast provinces, and if there was a need to secure the border, set up the refugee camps, as was previously mentioned, it's largely probably going to be the PAP that does so.

What this means is that it frees up the PLA to engage in more extensive combat operations, and I would suggest that this is a somewhat new development as of the past five years or so. So while previously the conventional wisdom was that China would intervene in a very limited fashion, potentially primarily to deal with refugee issues, to establish maybe a buffer zone, that type of thinking I think is outdated, and now the PLA is planning for much more extensive combat operations.

If the PLA did so, there are three group armies that are in the Northern Theater Command--the 78th, 79th and 80th--and each have about 30,000 to 50,000 troops already. In addition, about two years ago, there was a series of reforms that happened within those group armies. Specifically each one got their own army aviation brigades and special operation forces, which suggests that these could be used in a Korea contingency, in a ground invasion, but also China could choose to drop in, for example, special operations forces at some critical nuclear site to secure these in a timely manner. And this seems to be something that they're training for.

The Aviation Brigades also have a full mix of transportation and attack helicopters that are needed for close air support and lift capabilities into North Korea. So if a conflict were to break out, China has all these resources all ready to go. China has a geographic and logistical

advantage that I would argue makes it so that they would be able to secure a lot of these facilities before the United States can even really move.

If they needed more personnel, it's very easy for them also to pull extra forces from the Central Theater Command. And it was previously mentioned, because the reorganization added Shandong peninsula to the Northern Theater Command plus some exercises suggest that they're also practicing for some amphibious landings into Korea.

Now these exercises, changes in force postures and interests I think all suggest that China would intervene if a major conflict were to break out. If they did so, what would be their main priorities or interests?

Well, the first thing to note is that while they care about those refugees, that is no longer a primary concern for at least the military or defense forces within China as they've kind of given that mission over to the PAP.

This frees them up to engage in those more traditional military operations. If they intervened early and China moved about 50 kilometers across the border, the PLA would be in control of about 44 percent of North Korea's priority nuclear sites and 22 percent of their priority missile sites.

If the PLA moved in 100 kilometers, they would be in control of almost all the critical sites within North Korea.

And I think this latter scenario is much more likely for a number of reasons. First, China's main priority is to prevent nuclear contamination--their short-term priority. They hope that the presence of Chinese troops will prevent stand-off strikes from the United States, South Korea or Japan. And that would also prevent the North Koreans from using those nuclear weapons or even sabotaging some of those facilities in a last-ditch effort.

Beijing would also be concerned by the prospect that a reunified Korea would be a nuclear Korea. Ironically, they think the only way to ensure denuclearized peninsula is for them to be in control of the nuclear weapons themselves. They're convinced that the United States would allow South Korea to maintain control over that nuclear program.

But in terms of long-term interests, the geopolitical concerns are really what's driving I think Chinese policy today. China really thinks that it has to seize large amounts not only of these nuclear facilities, but also territories, so they have a seat at the table and that they can ensure any reunification terms are favorable to them.

I've argued elsewhere that China no longer is wedded to the survival of the North Korean regime. They're not threatened by a reunified peninsula under South Korean control. Xi Jinping has publicly stated that that would be a good end goal for China, but what the caveat to that is--a very important one for the United States--is that new Korea does not include the presence of U.S. military personnel.

So China would have to ensure and would only agree to withdraw from territories it's gained if the United States also agrees to withdraw.

The downside is if the United States does not agree to that type of scenario in the aftermath of a crisis, then China could do a number of things. They could, for example, postpone reunification or even put a pro-China North Korea regime back in place, and then after a major war, we find ourselves in the same situation that we are currently in today.

What does this mean for the United States and China? The first is that I think the concern about conflict breaking out because Chinese troops and U.S. troops are rushing to the same sites is not the most likely scenario, mostly because Chinese troops are always, are already going to be there. That should be our de facto planning assumption.

So this puts the burden on the United States to decide whether or not they want to push China out. And I think if they do, then you are risking a potential major war with China. If they don't, there is the strategic tradeoff that when China is in control of these facilities, they're going to demand terms of reunification that are unfavorable to the United States.

In terms of contingency planning, recently the Chinese last year were more open to discussing contingencies than they've ever been before. I think this was primarily because they realized that the threat of a U.S. military attack on North Korea was real, and obviously their relationship with North Korea itself had deteriorated quite significantly.

So there's a number of instances in which there's suggestions, and in meetings between China and the United States, we did talk about contingencies. However, I think these discussions probably did not reach to the level of operational detail we need to necessitate any U.S. operational planning.

Moreover, with Kim's recent visit to Beijing, I think that any opening to potentially discuss contingencies in a bilateral format is rapidly closing. While Xi and Kim are not friends, and I think that China still has a very poor relationship with North Korea, Xi has invested public political capital in that relationship and improving that relationship, and therefore the costs of discussing the demise of the North Korean regime have increased.

My final point that I would say and what to tell the commissioners about the role of China, the most important takeaway is that whether it is in a conflict or in the talks that might happen in the future, China is looking out for its own interests and not those of the United States. Any idea that we have the same interests and China is, you know, carrying our water, you know, they're just carrying their own water.

Now this means that smart policy can mitigate the risks of Chinese involvement and exploit the benefits, but we always have to be smart to understand that Chinese cooperation will always come at a price, whether it's in the strategic long-term or the operational short-term.

Thank you.

**PREPARED STATEMENT OF ORIANA SKYLAR MASTRO, PH.D., ASSISTANT
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Testimony prepared for US-China Economic and Security Review Commission
Hearing on China's policy toward contingencies in North Korea
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How are the PLA and PAP preparing for a contingency in North Korea? What forces would be available to respond to a contingency, and what might those operations look like in different scenarios? In non-specialist terms, about many forces could China devote to a North Korean contingency, where would they come from, what would they be capable of doing?

If China intervened militarily on the Korean peninsula, the newly formed Northern Theater Command headquartered in Jinan would be in charge of the large ground force needed for any operations, from establishing a buffer zone to conducting more expansive combat operations. Force posture and exercises suggest that China is considering infiltrating North Korea by ground, air or sea, depending on the contingency and the degree to which China decides to intervene. For example, in September 2017, two days after North Korea's fifth nuclear test, land and air force personnel conducted exercises while China's strategic rocket force practiced shooting down incoming missiles over the waters close to North Korea.¹ The People's Armed Police (PAP), of which there are approximately 50,000 in the Northeast provinces, would most likely be in charge of securing the border in the meantime.²

There are three group armies in the Northern Theater Command (the 78th, 79th, and 80th), each with 30,000 to 50,000 troops that have their own Army Aviation Brigades (about 1,000 people) and SOF Brigades (about 2,000 people). These forces could be used in a ground invasion of North Korea, or in more limited contingencies, China could air drop in SOF, for example to secure critical sites, something the Z-10 brigades seem to be training for.³ The Aviation Brigades have a full mix of the transport (Mi-17, Z-8, Z-9) and attack helicopters (Z-10, Z-19) needed for close air support and lift capabilities into North Korea.⁴ If a conflagration were to ensue on the

¹ Kristin Huang, "Chinese Navy Keeps Firm Focus on Northern Shores as North Korean Tensions Rise," *South China Morning Post*, September 7, 2017, <http://www.scmp.com/news/china/diplomacy-defence/article/2110233/chinese-navy-keeps-firm-focus-northern-shores-north>.

² In 2004, border defense along the North Korean border was transferred to the PLA to improve the border defense infrastructure and practices. In wartime, however, mission control could be transferred. Chang Wanquan, "04 niandi Zhongchao bianfang you gongan yijiao jiefangjun" [The China-NK Border Control Has Been in the Charge of the PLA Instead of the Police Since the End of 2004], *Huanqiu*, January 7, 2009, <http://mil.huanqiu.com/china/2009-01/337575.html>.

³ Correspondence with Dennis Blasko. These numbers are only estimates; they may change with the reorganization. Only the two group armies are actually stationed in provinces bordering North Korea. "Shipai Wuzhi 10 Zhishengjiquan Jilinsheng Shidan Yanlian" [On Recent Live Fire Exercises with the Z-10 in Jilin], *China Military*, June 16, 2017, <http://jl.news.163.com/17/0616/10/CN1VA4AU04118E6J.html>. There is no mention of the purpose of the drill in Jilin, but similar drills conducted in the southern command have been noted to be for low-penetration missions. "Shushao Shashou Wuzhi 10 biandui yanlian chaodikong tufang" [Killer of the Treetops: On Z-10 Formation Drills on Ultra-Low Altitude Defense], *Tencent News*, August 10, 2017, <http://news.qq.com/a/20170810/013677.htm#p=2>.

⁴ Correspondence with Dennis Blasko; Peter Wood, "Strategic Assessment: China's Northern Theatre Command," *The Jamestown Foundation*, May 15, 2017, <https://jamestown.org/program/strategic-assessment-chinas-northern-theater-command/>. For more on the report, see "Kongjiang bing jun heng kong chushi: Konjun kong jiang bing

Korean peninsula, China could also pull Army Aviation brigades and SOF from Central Theater Command in addition to airborne units assigned to the PLAAF if it needed extra forces.⁵ The fact that Shandong was added to the Northern Theater command during the reorganization suggests that China may also have plans to enter North Korea by sea. Since 2015, the majority of Chinese naval drills have taken place in the Bohai and Yellow Sea off the coast of North Korea and Japan, including three known major exercises in the waters close to North Korea.

There is some opacity surrounding which forces would be in charge of handling North Korea WMD. China has reportedly created “sanfang” (三方) units (meaning three components—nuclear, biological, and chemical) within its military forces designed to deal with WMD; media reports suggest that the Chinese military has engaged in training and exercises to deal with nuclear contingencies with units participating from across all services in the military.⁶ There are indications that the Army is training to engage in radiation monitoring, contamination inspection, and decontamination.⁷ Also, the Chinese air force, border forces, militia, reserve forces, police, armed police, air defense, civil defense, and other specialized units would all be involved in the broader mission of protection against nuclear contamination.⁸ Once secured, technical experts from outside the PLA, likely from the Chinese Engineering and Physics Institute, the China Institute of Radiation Protection, and the China Aerospace Science and Technology Corporation, would be invited in to support the mission.⁹ The Strategic Rocket Force would likely provide technical expertise as well, given its missile technology and nuclear weapons knowledge.¹⁰

What interests would China try to advance in a North Korean contingency, and how would Beijing prioritize those interests? What are the tradeoffs China might have to make, i.e., could

budui yi hua gui beibu zhanqu” [The Paratroopers Were Born: Air Force Airborne Troops Placed in Northern Theatre Command,” *EastDay*, May 3, 2017, <http://mil.eastday.com/a/170503192940691.html>]; “Kongjiang bingjun hengkong chushi: kongjun kongjiangbing budui yi huagui beibu zhanqu” [Airborne Army Established Overnight: The Airborne Army of the Airforce Now Belong to Northern], *Wangyi*, May 3, 2017; “Shipai Wuzhi10 Zhishengjiquan Jilinsheng Shidan Yanlian” [On Recent Live Fire Exercises with the Z-10 in Jilin].
⁵ Correspondence with Dennis Blasko.

⁶ Including chemical, engineering, transportation, medical, army aviation, naval shipping units, naval patrol units, air monitoring units, and others. The discussion is in the context of nuclear emergency rescue. Hui Lu, *Jundui chuzhi tufa shijian xingdong yanjiu* [A Study of Military Emergency Response Operations] (Beijing: Haichao chubanshe, 2009), 157; “Woguo shouci heshigu yingji yanxi chenggong juxing” [China’s First Nuclear Accident Emergency Exercise Was Successfully Held], *2010 National Industry and Information Conference*, November 10, 2009, <http://www.miit.gov.cn/n11293472/n11293877/n12860691/n12860837/n12861691/12882677.html>.

⁷ “Shen Dun – 2015 guojiaji heyingshi yanxi zai jing juxing” [2015 National-level Nuclear Emergency Exercise Shen Dun Held in Beijing], *National Nuclear Safety Administration*, June 29, 2015, http://nnsa.mep.gov.cn/zhxx_8953/gzdt/201506/t20150629_305352.html.

⁸ Qiao Zhongwei, Wang Jiasheng, and Zou Hao, “Bianjing Weiji Yingji Kongzhi” Emergency Control in a Border Crisis], (Beijing: Junshi Kexue Chubanshe, 2013), 38.

⁹ 中国工程物理研究院, 中国辐射防护研究院, and 航天科技集 in Chinese. Information gleaned from discussions and exhibits at the Center for Excellence in Beijing.

¹⁰ Unfortunately, very little open-source literature has discussed in detail what this role would be. A review of the most authoritative work on Second Artillery doctrine (the predecessor to the strategic rocket force) does not discuss topics relevant to WMD-C3D. Written 13 years ago, this review focuses squarely on China’s strategic deterrent and its call for all nations to work toward nuclear zero, with the United States and Russia taking the lead. There is little consideration of how Chinese capabilities and expertise could be applied elsewhere. *Di’er Paobing Zhanyi Xue* [The Science of Second Artillery Campaigns] (Beijing: Jiefangjun chubanshe, 2004), 177-178.

sealing the border to block refugee flows occupy forces needed to secure nuclear or other WMD sites?

As previously discussed, the PAP and border security would likely be in charge of securing the border and handling refugees. China has plans to seal the border and conduct border control operations—which may include moving Chinese forces into North Korea—though the Central Politburo Standing Committee will ultimately decide whether to execute such a plan.¹¹ China could also establish refugee camps and controlled areas to separate civilian, military, and political personnel in various locations along the border.¹²

This frees up the PLA to engage in more traditional military operations within North Korea, and China would be driven by a number of concerns. In the short term, nuclear security concerns would compel Chinese forces to intervene early to ensure control of North Korean nuclear facilities. Based on information from the Nuclear Threat Initiative, if China moved 50 kilometers across the border into North Korea, the PLA would control territory containing approximately 44 percent of the North's priority nuclear sites and 22 percent of the priority missile sites. A hundred kilometers in, Chinese forces would control all of the priority nuclear sites and two-thirds of the missile sites. The latter scenario is more likely, as Chinese military officers have articulated explicitly in interviews with me and other American interlocutors that contingency plans are in place for a mission to secure DPRK nuclear weapons and fissile material.

Chinese leaders' priority is to avoid the spread of nuclear contamination. They may hope that the presence of Chinese troops at these facilities would deter the United States, Japan or South Korea from striking North Korean nuclear facilities, would block the North Koreans from using or sabotaging the weapons or would prevent accidents at the facilities.

Beijing would also be concerned by the prospect of a reunified Korea under South Korean control inheriting the North's nuclear capabilities. Chinese scholars have often articulated the fear that following the collapse of the North, its nuclear sites and materials might be seized by the South, with or without the U.S.'s blessing. While this concern may seem farfetched, the idea of going nuclear has gained popularity in South Korea.

In terms of long-term interests, geopolitical considerations create a high and increasing likelihood that Chinese forces will move to seize parts of North Korean territory and nuclear facilities.¹³ Doing so would put China in a better position to shape the postwar outcome to

¹¹ Qiao, Wang, and Zhou, *Bianjing weiji yingji kongzhi*, 170. Securing the border presents a different set of problems than attempting to resettle refugees, however. China has only issued 7,356 Foreigners Permanent cards between 2004 and 2013, compared to U.S. 10 million during the same period. Refugees' status is even more uncertain in Chinese law. See Peter Wood, "Refugees Flee into Yunnan After Renewed Fighting Along the Myanmar Border," *The China Brief*, March 31, 2017.

¹² Ren Hongsheng, "China's Strategy for Refugee and Illegal Immigrants" [Bianjing "Nanmin ji feifa rujing zhe" wenti yu Zhongguo de yingdui celve yanjiu], *Global Review* 9, no. 5 (2017), 60.

¹³ Historically, given the geostrategic importance of the Korean peninsula to Chinese power, influence and security, it has consistently intervened in an attempt to counter other actors' influence there. The Korean War, the 1894-5 Sino-Japanese War and the Chinese incursions in the late 1500s are prime examples. For example, the Ming emperor sent troops to Korea to fight against the Japanese in 1592-98 after the capital was lost. Stephen Turnbull, *The Samurai Invasion of Korea 1592-98* (Oxford, UK: Osprey Publishing, 2008). Then again, during the First Sino-

maximize its chances of realizing its national security and regional power aspirations. First, China fears that even a denuclearized Korea under American influence would pose a threat to China's northeastern border stability and limit China's quest for regional power.¹⁴ Only if the PLA controls territory and North Korean nuclear facilities can Beijing insist that a reunified Korea be denuclearized and devoid of U.S. military personnel.¹⁵ If that outcome seems unlikely, China can push to postpone reunification and put a pro-China North Korean regime back into power. The last thing China wants is North Korean instability, or to absorb the costs of conflict only to be left with a postwar outcome that strengthens the U.S. role in the region.

What is Beijing's thinking concerning the pros and cons of working with the United States and South Korea to secure of WMD sites in North Korea, as well as acting to secure these sites before the United States and South Korea can act? How and where, if at all, would Chinese efforts to secure WMDs interfere with U.S. efforts?

Geography, the vicinity of troops, and potentially lower North Korean resistance to Chinese forces all make it likely that Chinese forces will get to North Korea's nuclear facilities, nearly all of which are located in the northern 100 kilometers of the country, before U.S. troops reach them.¹⁶ In the words of a recent RAND study, "due to its proximity, absence of significant military barriers, existence of more rail lines and roads into China than into South Korea, and the sheer size of its military, China can essentially penetrate as far into North Korea as it chooses."¹⁷ In contrast, it may take weeks or even months for U.S. forces to reach these areas in the context of stability operations.¹⁸

Therefore, it is safe to assume that Chinese troops will be present in North Korea if conflict breaks out, and they may specifically be tasked with securing and occupying the nuclear facilities. The presence of Chinese troops around critical facilities would complicate any U.S./ROK plans to secure and destroy those facilities themselves, including conducting standoff attacks.¹⁹ The presence of China introduces an even greater risk—an attack on nuclear facilities could mean a direct attack against Chinese forces, which could easily escalate to war between the two sides. Moreover, Chinese troops and U.S. troops rushing to the same sites, or U.S. attempts to push Chinese troops out of critical sites, would severely increase the risks of unintentional

Japanese War in 1894, the Qing Empire attempted to modernize its military and fend off Japan's Meiji Restoration. S. C. M. Paine, *The Sino-Japanese War of 1894-1895* (Cambridge: Cambridge University Press, 2003).

¹⁴ Wu Zhicheng and Hong Jianjun, "Some Personal Thoughts on Peace and Security," *Contemporary International Relations* [Xiandai Guoji Guanxi] 23, no.6 (December 2013), 31-37.

¹⁵ China will also likely be concerned about the demarcation of the national border and access rights to the East China Sea.

¹⁶ There are only two main avenues of approach by land for mechanized units—a wider one along the western coast and a narrower one on the eastern coast—with very difficult terrain in the center of the country and few roads, and little means of lateral communication among units because of the mountains. So a simple north to south ground movement is unlikely. China may move some forces in through those routes, and may supplement them with forces brought in amphibiously as well as airborne units.

¹⁷ Timothy M. Bonds et al., *Strategy-Policy Mismatch: How the U.S. Army Can Help Close Gaps in Countering Weapons of Mass Destruction* (Santa Monica, CA: RAND Corporation, 2014), 11.

¹⁸ Bruce W. Bennett and Jennifer Lind, "The Collapse of North Korea: Military Missions and Requirements," *International Security* 36, no. 2 (Fall 2011), 84-119.

¹⁹ Timothy Bonds et al., *Research Brief: Closing the Strategy-Policy Gap in Countering Weapons of Mass Destruction* (Santa Monica, CA: RAND Corporation, 2014).

clashes. In short, if the United States insists on securing the sites itself and not collaborating with China in this mission, the potential risks and costs are very high.

However, this may prove unnecessary. China is largely capable of securing these facilities. In areas where its capabilities are weak, such as in dismantling and rendering safe any weapons or nuclear material found there, Chinese interlocutors have expressed a willingness to coordinate and cooperate with international agencies such as the IAEA to share the burden of dismantlement.²⁰

Another issue is that Beijing may have a narrower standard of nonproliferation than the United States would feel comfortable with. Specifically, China may be focused on sealing off access to China to ensure that people and dangerous materials cannot enter—but may not necessarily put forth the resources necessary to secure the borders and conduct maritime and aerial interdiction to prevent the movement of people and materials of concern out of North Korea as a whole. But China may allow the United States to help with sealing the ports and ensuring no nuclear material, technology or know-how escapes by sea.

What is the state of U.S.-China military talks concerning contingency planning?

One of the main recommendations of my article in the Jan/Feb edition of *Foreign Affairs*, “Why China Won’t Rescue North Korea,” was that “Washington must be willing to take greater risks to improve coordination with China in peacetime.”²¹ Additionally, bilateral consultation and discussion of contingencies are necessary to avoid miscalculation and clashes between U.S.-South Korea coalition forces and Chinese forces in wartime. Also, “sharing intelligence with China and jointly planning and training for contingencies could allow the United States to leverage Chinese involvement to its benefit, especially in the context of securing North Korean nuclear weapons and facilities.”²²

Reporting in 2017 suggested that because of Beijing’s estranged relationship with North Korea and the heightened likelihood of war, China was being more receptive to such activities.²³ In August 2017, Chairman of the U.S. Joint Chiefs of Staff General Dunford visited Beijing and the Northern Theater Command, which would be in charge during a Korea contingency. There, he discussed potential Korea contingencies with his Chinese counterparts and signed an agreement to improve operational communication, including planning the first China-U.S. Joint Staff Dialogue, to take place three months later.²⁴ Further discussions may have taken place on

²⁰ Author’s interviews in Shanghai and Beijing, summer 2016. In addition to providing expertise and manpower, the IAEA may provide political cover for Beijing to participate in a WMD-E mission in North Korea. IAEA involvement in the accounting process protects the U.S. and South Korea from accusations of malfeasance, etc. The author would like to thank an anonymous reviewer for this point.

²¹ Oriana Skylar Mastro, “Why China Won’t Rescue North Korea,” *Foreign Affairs*, January/February 2018, <https://www.foreignaffairs.com/articles/asia/2017-12-12/why-china-wont-rescue-north-korea>.

²² Mastro, “Why China Won’t Rescue North Korea.”

²³ “China Listens to US Contingencies on North Korea,” *Agence France-Presse*, published in *The Guardian*, December 18, 2017, <https://guardian.ng/news/china-listens-to-us-contingencies-on-north-korea/>.

²⁴ Jim Garamone, “Dunford Stresses Diplomacy, Sanctions for North Korea in Talks with Chinese,” *Department of Defense*, August 16, 2017, <https://www.defense.gov/News/Article/Article/1279692/dunford-stresses-diplomacy-sanctions-for-north-korea-in-talks-with-chinese/>.

November 30, 2017, when Major General Shao Yuanming, deputy chief of the Joint Staff Department of China's Central Military Commission, met Lieutenant General Richard Clarke, director for strategic plans and policy of the Joint Chiefs of Staff, though some deny this.^{25 26 27}

In a public speech in December 2017, Rex Tillerson noted, “We have had conversations that if something happened and we had to go across a line, we have given the Chinese assurances we would go back and retreat back to the south of the 38th parallel when whatever the conditions that caused that to happen. That is our commitment we made to them.”²⁸ Tillerson was also very clear that he wanted “U.S. and Chinese military leaders to develop a plan for the safe disposition of North Korea’s nuclear weapons, were the regime to collapse.”²⁹

While China was more willing to broach the topic of Korean contingencies, it is unlikely that any of these discussions reached the level of operational detail necessary to facilitate U.S. operational planning and prevent miscalculation that could lead to clashes between the two sides during a war. Moreover, with Kim’s visit to Beijing, any opening to discuss potential contingencies on the Korean peninsula and likely responses is rapidly closing. Xi has invested political capital in improving his relationship with Kim, and discussions premised on the demise of the North Korean regime are probably too politically sensitive to risk. This would leave the United States with the option of unilaterally communicating aspects of U.S. contingency plans to reduce the risk of accidental clashes, but this now comes with the greater operational risk that Xi will share information with Kim.

Is there a risk of a North Korean contingency, and its aftermath, sparking a broader U.S.-China conflict on the Peninsula? If so, what could cause a larger war?

Yes, but the likelihood is less than conventionally assumed. The greatest risk is that the United States will attack, inadvertently or not, Chinese forces present on the peninsula, leading to clashes between the two sides. However, China is interested in occupying some North Korean territory primarily to gain leverage at the negotiating table, so troops are likely to stop advancing far short of U.S./ROK troop positions, putting the burden of initiating conflict on the U.S./ROK side. At that point, the U.S. will have to decide whether to engage China militarily or move to negotiations. The latter option would avoid war with China but would also mean conceding at least in part to China’s terms to bring the conflict to a close.

In my *Foreign Affairs* article, I argued that Chinese military intervention would only be triggered “if the United States seems poised to move its forces north.”³⁰ But given the public face of

²⁵ Zhang Tao, “Joseph Dunford Meets with Shao Yuanming,” *China Military Online*, December 4, 2017, http://english.chinamil.com.cn/view/2017-12/04/content_7854772.htm.

²⁶ Charles Clover, “US and China Broach Sensitive Topic of N Korea Regime Collapse,” *Financial Times*, December 19, 2017, <https://www.ft.com/content/074feca0-e485-11e7-97e2-916d4fbac0da>.

²⁷ Clover, “US and China Broach Sensitive Topic of N Korea Regime Collapse.”

²⁸ Rex W. Tillerson, “On ‘Meeting the Foreign Policy Challenges of 2017 and Beyond’ at the 2017 Atlantic Council-Korea Foundation Forum,” *U.S. Department of State*, December 12, 2017, <https://www.state.gov/secretary/remarks/2017/12/276570.htm>.

²⁹ David E. Sanger, “A Tillerson Slip Offers a Peek into Secret Planning on North Korea,” *The New York Times*, December 17, 2017, <https://www.nytimes.com/2017/12/17/us/politics/tillerson-north-korea-china.html>.

³⁰ Mastro, “Why China Won’t Rescue North Korea.”

improved relations with North Korea, China may become more proactive in its efforts to deter U.S. military action, including threatening to intervene militarily even if the U.S. only launches a limited strike without an accompanying ground operation. Moreover, while the nuclear security and regional power concerns will still drive Chinese behavior, the improved relationship increases the political price to China of abandoning North Korea. Beijing may therefore demand tougher terms to ‘allow’ reunification in the aftermath – terms that might include not only the withdrawal of U.S. troops, as I previously argued, but also the abrogation of the treaty, a degree of sovereignty for the former North Korea, or safe havens for the senior North Korea leadership. In short, China is no longer “wary of a reunified Korea led by Seoul,” but China’s support of this outcome may now come at a higher price.

Are there additional points the Commission should consider when evaluating China’s likely response to North Korean contingency and its implications for the United States and its allies?

The above analysis is based on the current situation, but in many ways China’s North Korea policy is a moving target. Just in the past two months, North Korea sent a delegation to the Pyongchang Olympics, opening a pathway to talks with South Korea and a reduction of tensions in inter-Korean relations.³¹ President Trump announced he would be willing to meet with Kim Jong-Un by the end of May, which would make him the first sitting President to meet with the leader of North Korea.³² Shortly thereafter, President Trump replaced the level-headed National Security Advisor H.R. McMaster with John Bolton, who has called for preventive war against the North Korean regime.³³ Then, in late March, Kim Jung Un made his first trip outside the hermit kingdom since he took power in 2011 to conduct his first ever state visit with China’s Xi Jinping.³⁴ In other words, the situation changes quickly.

The most important takeaway is that China is looking out for its own interests, whether at the negotiating table or on the battlefield, and not those of the United States. Smart policy can mitigate the risks of Chinese involvement and exploit the benefits, but Chinese ‘cooperation’ always comes at a price.

³¹ Choe Sang-Hun, “Top North Korean Official Will Visit South Korea During Olympics,” *New York Times*, February 4, 2018, <https://www.nytimes.com/2018/02/04/world/asia/korea-olympics.html>.

³² Robbie Gramer and Emily Tamkin, “Decades of U.S. Diplomacy with North Korea: A Timeline,” *Foreign Policy*, March 12, 2018, <http://foreignpolicy.com/2018/03/12/a-timeline-of-u-s-negotiations-talks-with-north-korea-trump-kim-jong-un-pyongyang-nuclear-weapons-diplomacy-asia-security/>.

³³ Editorial board of the *Washington Post*, “John Bolton’s Extremism Could Lead the Country to Catastrophe,” *Washington Post*, March 23, 2018, https://www.washingtonpost.com/opinions/global-opinions/john-boltons-extremism-could-lead-the-country-to-catastrophe/2018/03/23/b200c9a8-2ea9-11e8-8ad6-fbc50284fce8_story.html?utm_term=.08df6e034bc2.

³⁴ Steven Lee Myers and Jane Perlez, “Kim Jong-un Met with Xi Jinping in Secret Beijing Visit,” *New York Times*, March 27, 2018, https://www.nytimes.com/2018/03/27/world/asia/kim-jong-un-china-north-korea.html?rref=collection%2Fsectioncollection%2Fasia&action=click&contentCollection=asia®ion=stream&module=stream_unit&version=latest&contentPlacement=6&pgtype=sectionfront.

OPENING STATEMENT OF YUN SUN, CO-DIRECTOR OF THE EAST ASIA PROGRAM AND DIRECTOR OF THE CHINA PROGRAM, STIMSON CENTER

ROUNDTABLE CO-CHAIR TALENT: Thank you.

Ms. Yun.

MS. YUN: Thank you to the members of the U.S.-China Economic and Security Review Commission for the opportunity to testify on some of the key issues in China's contingency planning on North Korea.

This testimony seeks to answer how China assesses various contingency scenarios in North Korea. It also aims to analyze how China might seek to advance its long-term goals for the Korean peninsula with such contingencies.

Traditionally, the Korean peninsula is perceived by China as having a critical impact over China's national security and external environment. This is not just because China still maintains a binding security treaty with North Korea, but more importantly it's because of the existence--in the Chinese perception--the existence of the U.S. security alliance with South Korea and consequently the U.S. troops' presence to the south of the 38th parallel.

China is concerned with the scenario of a unification of the Korean peninsula led by South Korea through South Korea's absorption of North Korea. For China, this scenario will inevitably lead to the expansion of the U.S. security alliance to cover the whole Korean peninsula with U.S. troops crossing the 38th parallel and deploying on the Chinese border.

In China's contingency planning, therefore, how to avoid any hastened or premature reunification so as to protect China's existing sphere of influence and national security interests has generally been its implicit and explicit priority.

Furthermore, because a contingency in North Korea conceivably will have a direct impact over China's border security through refugee inflows, it is widely speculated that China would intervene to maintain the security of the border. However, the timing and the scope of such a military intervention is largely subject to debate in China.

Generally speaking, the Chinese discussion on a North Korea contingency is focused on three scenarios: internal instability of North Korea; a conflict scenario with the United States, South Korea; and the last one, to a lesser extent, a nuclear contingency.

China's planning and preparation for a North Korea contingency before 2017 had been mostly focused on an internal instability scenario, most likely an implosion caused by a military coup or the unexpected death of the North Korean leader. In such a scenario, the common expectation is that China is prepared to politically and, if necessary, militarily intervene to preserve a functional North Korean government as well as the survival of North Korea as a country, especially if South Korean and/or American military intervention is detected.

In the second scenario, North Korea would be in a military conflict with South Korea, most plausibly due to North Korea's provocative behaviors toward South Korea, whose retaliation escalated the confrontation.

This is also the scenario that China has been focused on most since the beginning of the Trump administration in 2017. There appears to be no consensus in China at this stage on the level of the Chinese military intervention. While some analysts and some Chinese government media argue that if the conflict is indeed caused by North Korea's provocation, then China has less legal obligation and moral justification to intervene. The counterargument from the government analysts maintains that an arrangement regarding the future of North Korea would have to be negotiated rather than based on the total annihilation for the North Korean state.

However, this assumes that it would be highly unlikely that China will intervene in the same manner and at the same level as it did in 1950.

The third contingency scenario would be a nuclear contingency due to a nuclear disaster. China will see the handling of a nuclear crisis within North Korean territory primarily as a responsibility of the North Korean government. After all, a crisis, a nuclear crisis with North Korea's nuclear reactor does not automatically, for China, constitute a sufficient justification for international intervention.

However, given that North Korea's capacity, equipment, resources and ability are assumed to be extremely limited to handle a nuclear contingency, China will likely to be the first one, the first country to provide assistance.

In light of the significant humanitarian crisis that will result from any of these three scenarios, China will first be forced to deal with the reality of a North Korean refugee inflow that will jeopardize China's border security and the stability of its northeastern region.

Therefore, China's first priority in any of the North Korean contingency scenarios is speculated to be setting up a buffer zone between the two countries to settle the refugees in refugee camps.

Beyond the refugee issue, four factors will potentially determine the nature and level of Chinese intervention. The first factor is the intervention by South Korea and the United States. The second factor is the extent to which South Korea and the United States will consult and coordinate with China on the goals and details of their actions.

The third and the fourth factors are the costs of the contingency and the severity of the crisis.

People have long believed that China's agenda on North Korea is strictly limited to its three stated goals: stability, peace and denuclearization. If this were true, China would not be so opposed to reunification led by South Korea since it would bring--it will bring stability, peace and denuclearization of the peninsula.

The fact that Beijing has preferred to support the continuation of the DPRK's separate existence indicates that it has more important considerations.

China's desired end game on the Korean peninsula is centered on the future of the U.S.-South Korean military alliance. China is not opposed to the unification of the peninsula, but it is opposed to a unified Korean peninsula as a military ally of the United States.

In China's vision, a unified, politically stable and economically prosperous Korean peninsula is in China's national interest and is far more superior an option than the current state.

However, such a unified Korea needs to be at the minimum neutral between U.S. and China, and preferably pro-China and paying its deference to China on key regional and global issues in Beijing's perception.

Due to the high stakes involved in a nuclear contingency in North Korea, in a North Korea contingency and the possibility of a potential presence of both U.S. and Chinese troops in North Korea, it is highly important that the two countries maintain steady and open dialogue mechanisms to discuss differences and manage crisis.

While the political dialogue or a grand bargain over the future of the Korean peninsula is premature or unrealistic at the moment, the U.S. and China both have an intrinsic interest in avoiding a conflict and therefore should engage each other to achieve better understanding of and better coordination with each other.

In this sense, the contingency dialogue between the U.S. and China is not only necessary but also indispensable for the peace and stability of the region.

Thank you. I look forward to the questions.

**PREPARED STATEMENT OF YUN SUN, CO-DIRECTOR OF THE EAST ASIA
PROGRAM AND DIRECTOR OF THE CHINA PROGRAM, STIMSON CENTER**



April 12, 2018

Testimony before the U.S.-China Economic and Security Review Commission

China's Contingency Planning on North Korea

Yun Sun, Co-director, East Asia Program

The Stimson Center

Thank you to the members of the U.S.-China Economic and Security Review Commission for the opportunity to testify on some of the key issues in China's contingency planning on North Korea. This testimony seeks to answer how China assesses various contingency scenarios in North Korea. It also aims to analyze how China might seek to advance its long-term goals for the Korean peninsula with such contingencies.

Traditionally, the Korean peninsula is perceived by China as having a critical impact over China's national security and external environment. This is not just because China still maintains a binding security treaty with North Korea, but, more importantly, is because of the existence of the U.S. security alliance with South Korea and consequently the U.S. troops' presence to the south of the 38th parallel. China is concerned with the scenario of a unification of the Korean peninsula led by South Korea through South Korea's absorption of North Korea. For China, this scenario will inevitably lead to the expansion of the U.S. security alliance to cover the whole peninsula, with U.S. troops crossing the 38th parallel and deploying right on the Chinese border. In China's contingency planning, therefore, how to avoid any hastened and premature reunification so as to protect China's existing sphere of influence and national security interests has generally been its implicit priority. Furthermore, because a contingency in North Korea conceivably will have a direct impact over China's border security through refugee inflows, it is widely speculated that China would intervene to maintain the security of the border. However, the timing and the scope of such a military intervention is largely subject to debate.

Contingency Scenarios and China's Potential Reactions

Generally speaking, the Chinese discussion on a North Korea contingency is focused on three scenarios: internal instability of North Korea, a conflict scenario with the U.S./ROK, and a nuclear contingency. Depending on the specifics of the crisis, including the action by U.S. and ROK, the policy consultation/negotiation, as well as the origin and the severity of the crisis, each could generate different levels of Chinese intervention.

China's planning and preparation for a North Korea contingency before 2017 had been mostly focused on an internal instability scenario, most likely an implosion caused by a military coup or an unexpected death of the North Korean leader. In such a scenario, the common expectation is that China is prepared to politically and if necessary, militarily to preserve a functional North Korean government as well as the survival of North Korea as a country, especially if South Korean and/or American intervention is detected. Such a government does

not have to be led by Kim Jong-un or a member of the Kim family as long as the new leader has sufficient political authority and capacity to maintain the internal stability of North Korea.

In the second scenario, North Korea would be in a military conflict with South Korea, most plausibly due to North Korea's provocative behaviors toward South Korea, whose retaliation escalated the confrontation. This is also the scenario that China has focused on most since the beginning of the Trump Administration. In this conflict scenario, Chinese analysts speculate that Seoul would invite U.S. intervention or support, which in the Chinese perception would put North Korea at a significant disadvantage. The key question, of course, is how China should respond to such a vital threat to North Korea's regime and national security. There appears to be no consensus in China at this stage on this issue. While some analysts argue that if the conflict is caused by North Korea's provocation, China has less legal obligation and moral justification to intervene, the counterargument maintains that an arrangement regarding the future of North Korea would have to be negotiated rather than based on the total annihilation of the North Korean state. Since the beginning of the Trump Administration, for China, there is also a plausible scenario of a U.S. preemptive or preventative strike against North Korea. While the Chinese do not subscribe to the legality of such a strike, its potential reaction most likely will depend on the nature and level of North Korean response. But it is unlikely that China will intervene in the same manner it did in 1950.

Despite the Chinese preparation for a political/military contingency in North Korea, however, a North Korea contingency due to damage to its research reactor's core causing the core to burn or a nuclear meltdown at its light water reactor is much less discussed in the Chinese policy community. This could be because the probability of a nuclear contingency is significantly smaller than the probability of political instability or a conflict between North Korea and South Korea, and therefore it has not been prioritized. China will see the handling of a nuclear crisis within North Korean territory primarily as the responsibility of the North Korean sovereign government. After all, a crisis with North Korea's nuclear reactor does not automatically constitute the sufficient justification for international intervention. However, given the widely shared assumption that North Korea's capacity, equipment, resources, and ability to handle a nuclear crisis are extremely limited, China as North Korea's sole ally and main supporter will likely be the first country to be asked to provide assistance. And given the nature of a nuclear disaster, the Chinese agencies to provide such assistance are more likely to be military rather than civilian.

In light of the significant humanitarian crisis that will result from any of these scenarios, China will first be forced to deal with the reality of a North Korean refugee flow that will jeopardize China's border security and the stability of its northeastern region. Therefore, China's first priority in any of the North Korea contingency scenarios is speculated to be setting up a buffer zone between the two countries to settle the refugees in refugee camps. The exact size and location of such a buffer zone is subject to debate. A media report in December of 2017 suggested that China planned refugee camps in Changbai county and two cities in the northeastern border province of Jilin.ⁱ However, if the number of refugees exceeds China's capacity, most of the speculation points to the area to the south of the Sino-North Korean border, with a depth varying between 10 and 30 kilometers. International humanitarian aid will be solicited and most likely provided. However, HADR (humanitarian assistance and disaster relief) efforts by foreign militaries other than China and Russia most likely will be rejected unless there is a U.N. Security Council consensus over the nature and the scope of such a mission.

From these Chinese deliberations on the contingency scenarios, it is not difficult to identify two key sources of threat perceptions among the Chinese. The first is the intention of and potential actions by the U.S.-ROK alliance in the event of a North Korea contingency. The Chinese identify the primary goal of the alliance during a North Korea contingency as elimination of the North Korean regime and reunification of the Korean peninsula under South Korea's leadership through absorption. Unless the U.S. and South Korea will consider

and accommodate China's security concerns, it is regarded as a highly negative consequence that China will seek to prevent.

The question is whether China will resort to military intervention to prop up the North Korean regime or to prevent the country from being absorbed. According to the China-DPRK Treaty of Friendship, Cooperation and Mutual Assistance, China is committed to adopting all measures to prevent aggression and immediately rendering military and other assistance by all means at its disposal to assist North Korea.ⁱⁱ There is no consensus as for whether China is prepared to fulfill its treaty obligation. Beijing appears perfectly pleased with the strategic ambiguity on this issue. For example, in recent years, one counterargument to free China from fulfilling such a commitment is that if the foreign aggression is the result of North Korea's own provocation and such provocation has been launched without prior consultation with and approval from China, then China's obligation to mutual defense should and could not be taken for granted.ⁱⁱⁱ

This points to the second threat perception in China's assessment of the development on the Korean peninsula. And that is the threat in fact posed by North Korea. China's frustration with North Korean leader Kim Jong-un has been growing exponentially since his ascension to power in late 2011. In the Chinese perception, Kim Jong-un has focused on a wayward, dangerous pursuit of the nuclear weapons programs, defied China's strategic preference of a diplomatic approach to address its insecurity, disregarded China's vital interest in border security given the proximity of the nuclear test sites to the Chinese border and its potential radioactive contamination of Chinese territory and disrespected the Chinese top leader's repeated calling for restraint. When Kim's adventurism and brinkmanship risk a significantly higher chance of a U.S. military strike, China is forced to face its worst nightmare of instability, chaos, war, and a potential China-unfriendly reunification.

At the peak of Chinese anxiety over a war scenario, such as in the spring of 2017, the Chinese internal discussion has increasingly leaned toward a differentiation between the North Korean state and the North Korean regime. In such deliberations, it is argued that North Korea the country remains to be China's strategic leverage and buffer vis-à-vis the U.S.-ROK alliance, and it is the capricious and belligerent North Korean regime led by Kim Jong-un that has created the most acute threat to China's security interests. The logic continues that the most direct solution to China's North Korea threat is to prompt a leadership change in North Korea. Ideally, such a new leadership would agree to the denuclearization of North Korea in the short run, which would fundamentally remove the grounds for U.S. intervention in North Korea. Preferably, the new leadership would also pursue the Chinese-style reform and opening up in the long run, therefore embarking on a new path of economic development and political legitimization. The popularity of this argument in 2017 indicates an interesting possible direction of China's policy in the event of North Korea's continued provocations. So far, the uncertainty associated with this approach and China's lack of experience in regime change have prevented such a Chinese intervention. However, it is fair to say that this policy is at the minimum listed as an option in China's policy playbook.

Factors in China's Decision-making

Given the volatility of the developments on the Korean peninsula, especially North Korea's behavior, China's positions on how to react to a North Korea contingency have been evolving. China's desired endgame remains to be the shaping and creation of a China-friendly Korean peninsula free or neutral of American influence. However, with the unpredictability of North Korea's behavior, South Korea's recalibration of relations with China, and the perceived transactional nature of U.S.-China relations under President Trump, the Chinese see no definitive answer on the best path to achieve such an endgame. As such, on North Korea contingency planning, there is not one definitive strategy that China will resort to other than the shared consensus that China will set up a buffer zone along the border for North Korean refugees. China's further reactions, such as military intervention, will depend on several factors.

The foremost factor in China's decision on intervention, paradoxically, is the intervention by South Korea and the U.S. In the Chinese perception, any internal stability of North Korea due to an implosion or change of leadership essentially is the internal affairs of a sovereign nation and by no means immediately translates into an authorization for reunification based on absorption. Unless there is a U.N. Security Council resolution and mandate, no foreign country, South Korea or China included, has the innate authority and legal ground to intervene militarily, although political intervention, such as mediation, is well-expected. In this case, if South Korea and especially the U.S. unilaterally decide to intervene militarily for stabilization and reunification, it is highly improbable that China will refrain from its own intervention. China's hostility might be mitigated if such intervention is conducted by South Korean troops without U.S. troop participation. However, without sufficient communication and consultation with China in order to acquire Beijing's buy-in for such an action, China will still see an American hand in South Korean actions, albeit behind the scene, given the military alliance between the two.

This points to another key determining variable in China's decision-making. That is to what extent South Korea and the U.S. will consult and coordinate with China on the goals and details of their actions. As the contingency in North Korea pans out and each side calculates their own game plan, will they consult with each other and negotiate a shared vision, or will they act unilaterally and solely for their own national interests? In the past, the common speculation in China about the Chinese government's planning for a North Korea contingency was relatively linear and simple: a stabilization operation to preserve the North Korean state. However, in the past few years, China's growing great power status and image hardly allows for such a unilateral approach toward an issue that affects the critical interests of other countries and the peace and stability of the whole region. In addition, also in the past few years, China's willingness to continue to carry the burden of North Korea as a strategic liability has been gradually wearing thin. Whether there will be a negotiated and joint approach among China, the U.S., and South Korea will greatly affect China's decision on its intervention.

Holding the variables on South Korean and U.S. intervention and policy coordination, consultation, or negotiation constant, two more independent variables will likely have a major impact over China's intervention decision: the cause of the contingency and the severity of the crisis. The cause of the contingency matters because it explicitly strengthens or weakens the legality and justifiability of potential Chinese intervention. For example, if the contingency is caused by North Korean provocation (such as an attack on South Korea), China will face a significant challenge to justify its intervention unless the operations by South Korea and the U.S. show complete disregard of China's national interests and the Chinese desire for negotiation. On the contrary, if the contingency is the result of the U.S.'s preemptive, or even preventative, strike, China will see a much more compelling case and moral ground for China to intervene if the strike escalates into full conflict. Chinese public opinion will also be more likely to support or even call for Beijing to intervene if North Korea appears to be the victim rather than the victimizer. In comparison, if the North Korea contingency is purely domestic (such as a regime implosion), China is likely to hold off its military intervention until 1) South Korea or the U.S. intervenes; 2) the North Korean government demands Chinese intervention; or 3) the total anarchy or civil war in North Korea undermines China's national security and interests.

The severity of the crisis will be a key factor in China's decision-making on a North Korea contingency. In the case of an internal instability scenario, if the transition of power is relatively swift and smooth without major disruption to the social order (similar to the 2017 coup in Zimbabwe that removed Mugabe), China is highly unlikely to intervene. However, if the internal instability evolves into a prolonged civil war among political factions and drives millions of North Korean refugees across the border, beyond setting up a buffer zone along the border, China is likely to first resort to political intervention followed by military intervention if the severity of the crisis continues to escalate.

China's Desired Endgame

China has three stated goals on the Korean peninsula: stability, peace, and denuclearization. China is strongly averse to an armed conflict on the Korean peninsula. Reasons for the fear are abundant, including but not limited to refugee inflows, humanitarian disasters, China being drawn into the conflict, and the negative consequences of potential reunification. China is also afraid of the use of nuclear weapons right on the Chinese border. Although the strategic utility of North Korea for China as a buffer state has long since been mitigated by the liability China has to carry for Pyongyang's provocative behavior, Beijing nevertheless treats North Korea as leverage in bilateral negotiations with Washington, a leverage that will be erased if North Korea ceases to exist. All in all, the Chinese war anxiety is so severe that "no war and no chaos" is a clear redline for Chinese President Xi.^{iv}

China has been sympathetic toward North Korea's vulnerability and sense of insecurity vis-à-vis the U.S.-ROK alliance and sees the North Korean nuclear programs as the direct result of North Korean insecurity. Therefore, in the Chinese logic, the path to denuclearization lies in how to remove Pyongyang's deeply embedded sense of insecurity, and the most direct path is to have a peace mechanism, including a U.S. security guarantee and diplomatic normalization. In the view of the Chinese, the Korean War has not ended on the peninsula because the 1953 Armistice was never replaced with a peace treaty. So, for China, ushering the U.S. and North Korea onto the path of negotiation toward a peace mechanism is the indispensable condition for North Korea to denuclearize. To this end, China has proposed a dual track process featuring parallel negotiations on a peace mechanism and denuclearization.

People have long believed that Beijing's agenda in North Korea is strictly limited to its three stated goals. If this were true, China would not be so opposed to reunification led by South Korea since it will bring stability, peace, and denuclearization. The fact that Beijing has preferred to support the DPRK's continued separate existence indicates that it has bigger and more important considerations: the endgame on the Korean peninsula. In the event of a North Korea contingency, the U.S. and ROK would likely pursue not just a policy of denuclearization but also one of stabilization leading to reunification. Successful implementation of this policy would inevitably lead to the demise of North Korea and alter the power equilibrium on the Korean peninsula.

China's desired endgame on the Korean peninsula is centered on the future of the U.S.-ROK military alliance. China is not opposed to the reunification of the peninsula, but it is opposed to a unified peninsula as a military ally of the United States. In China's vision, a unified, politically stable and economically prosperous Korean peninsula is in China's interests and is a far more superior option than the current state. However, such a unified Korea needs to be at the minimum neutral between the U.S. and China, and preferably pro-China and paying its deference to China on key regional and global issues. According to some Chinese analysts, China might consider the acceptance of a unified Korea continuing to be a U.S. ally under the condition that all U.S. troops are withdrawn from the peninsula, making the alliance more symbolic rather than substantive.

U.S.-China on North Korea Contingency

The belief that the U.S., China, and ROK should pursue cooperation on North Korea contingencies is based on two assumptions. First, since the three countries have vested interests in North Korea and most likely would all have an interest in intervention in a contingency scenario, joint planning is necessary to avoid misinformation, miscalculation or even confrontation. The second assumption is the three countries share certain common interests in securing North Korean weapons of mass destruction and denuclearization. Therefore, such shared interests would provide a solid foundation for cooperation.

As mentioned in the previous sections, China's reservation about joint contingency planning has been essentially due to different strategic outlooks and desired endgames from the U.S. and ROK. Until recently, Chinese thinkers and decision-makers had generally perceived Beijing's top priority in the long run as lying in

North Korea's strategic utility, not only as a buffer, but also as an element of strategic leverage vis-à-vis the U.S. and South Korea. If instability were to occur, beyond the immediate concern of WMD leakage and refugee inflows, Beijing's top agenda item would be to protect China's strategic stakes. This most certainly would mean the existence of a pro-Chinese (or at least China-leaning) North Korean regime, regardless of whether it would still be led by Kim Jong-un.

This perception, however, has undergone subtle changes since the beginning of 2017. With the Trump administration's vigorous war preparation and its incessant rhetoric on "preemptive strike," "preventative strike," as well as a "bloody nose," Chinese anxiety about an upcoming war between the U.S. and North Korea has been elevated significantly since the inauguration of the Trump administration. At several junctures throughout 2017, especially after North Korea detailed its plan to attack Guam in August and its successful test of the Hwasong-15 missile in December, the Chinese policy community was particularly stressed and fearful of the imminence of a military conflict between the U.S. and North Korea. China's war anxiety was so severe that it began to implement local contingency plans along the border and started discussing contingencies with the U.S., a conversation that Beijing consistently refused to have in the past.^v

Information about the contingency discussion has been scarce. However, a popular view among Chinese and American observers is that the two militaries discussed their respective views and potential actions in the event of a North Korea contingency, but did not engage in joint planning for such a contingency. If this is indeed the case, such discussions will be helpful to facilitate communications and understandings and to avoid unexpected miscalculations or even confrontations. Presumably, the discussion between the U.S. and China over a North Korea contingency at this stage has been mostly on the operational and technical level without touching on the sensitive long-term issue of the endgame in North Korea. To address that central issue, a political dialogue, or a grand bargaining, is indispensable, although it may not happen in the near future.

In the event of an intervention by the U.S. and ROK in a North Korea contingency, if the goals of the U.S. and ROK were to stop at safeguarding WMDs and denuclearization, the likelihood of cooperation with China would indeed exist. If the U.S. and ROK were to withdraw their troops from north of the 38th parallel, as former Secretary of State Tillerson indicated, China most likely would find that arrangement acceptable, or even desirable.^{vi} However, the caveat lies in the Chinese concern about the credibility of such a U.S. commitment. After all, in the event of a crisis, the situation will be highly volatile, and without credible guarantee independent from U.S. verbal commitment, the Chinese will not be comfortable with what they essentially perceive as an empty promise, especially given the unpredictability of the policy of the current administration. The second caveat lies in the policy and preference of the South Korean government, which may not support a U.S. withdrawal and could lead to a change of heart by the U.S.

Without proper communications and sufficient conversations, in the worst-case scenario, a North Korea contingency and its aftermath could spark a broader U.S.-China conflict on the peninsula. If both sides miscalculate each other's resolve to protect what they see as their legitimate national interests and pursue a unilateral approach in their dealing with the contingency, the peninsula could fall into a second Korean War. If China decides that such a war serves as a perfect opportunity to achieve its own reunification, or Taiwan sees it as an opportunity to pursue its own independence, a broader conflict that includes the Taiwan Strait could escalate into a larger war between the U.S. and China.

On the bright side, in recent years, the U.S. and China have maintained steady and open dialogue mechanisms to discuss differences and manage crises. The rules that the two countries have reached over the military encounters in the South China Sea in 2015 and 2016 attest to the possibility for them to resolve their differences and avoid conflict when the high stakes are mutually recognized.^{vii} While the political dialogue or a grand bargaining over the future of the Korean peninsula may be premature or unrealistic at the moment, the U.S. and China both have an intrinsic interest in avoiding a conflict and therefore should engage each other to

achieve better understanding of and better coordination with each other. In this sense, the contingency dialogue between the U.S. and China is not only necessary but indispensable for the peace and stability of the region.

ⁱ Jane Perlez, "Fearing the Worst, China Plans Refugee Camps on North Korean Border," *New York Times*, December 11, 2017, <https://www.nytimes.com/2017/12/11/world/asia/china-north-korea-border.html>.

ⁱⁱ "Treaty of Friendship, Co-operation and Mutual Assistance Between the People's Republic of China and the Democratic People's Republic of Korea," Chinese Communism Subject Archive, https://www.marxists.org/subject/china/documents/china_dprk.htm.

And "Is China-North Korea friendship treaty outdated?" *Global Times*, May 3, 2017, <http://www.globaltimes.cn/content/1045251.shtml>.

ⁱⁱⁱ "Is China-North Korea friendship treaty outdated?" *Global Times*, May 3, 2017, <http://www.globaltimes.cn/content/1045251.shtml>.

^{iv} Michael Martina, "China won't allow chaos or war on Korean peninsula: Xi," *Reuters*, April 27, 2016, <https://www.reuters.com/article/us-china-northkorea-xi/china-wont-allow-chaos-or-war-on-korean-peninsula-xi-idUSKCN0XP05P>.

^v Charles Clover, "US and China broach sensitive topic of N Korea regime collapse," *Financial Times*, December 19, 2017, <https://www.ft.com/content/074feca0-e485-11e7-97e2-916d4fbac0da>.

^{vi} David Sanger, "A Tillerson slip offers a peek into secret planning on North Korea," *New York Times*, December 17, 2017, <https://www.nytimes.com/2017/12/17/us/politics/tillerson-north-korea-china.html>.

^{vii} Phil Stewart, "U.S., China agree on rules for air-to-air military encounters," *Reuters*, September 25, 2015, <https://www.reuters.com/article/us-usa-china-pentagon/u-s-china-agree-on-rules-for-air-to-air-military-encounters-idUSKCN0RP1X520150925>; and "U.S., Chinese officers tout use of rules for unplanned encounters at sea," *The Japan Times*, January 20, 2016, <https://www.japantimes.co.jp/news/2016/01/20/asia-pacific/u-s-chinese-officers-tout-use-rules-unplanned-encounters-sea/#.WsDQIjwZm8>.

PANEL QUESTION AND ANSWER

ROUNDTABLE CO-CHAIR TALENT: Very good. So I have Commissioner Tobin and Commissioners Wessel, Bartholomew and Stivers. And since this is a roundtable and not a hearing, Commissioner Stivers and I have agreed that it will be a little bit less formal so we won't stick strictly to the five-minute rule, and if commissioners want to intervene to ask a question to clarify or something, go ahead. If it gets too chaotic, I may go back to the regular order, but--
[Laughter.]

ROUNDTABLE CO-CHAIR TALENT: --Commissioner Tobin.

COMMISSIONER TOBIN: Thank you very much, ladies.

I appreciate your leadership on this complex and ever-evolving issue. I'd like to hear each of your thoughts on where we are today with the sanctions.

A week or so ago, there was a story in the Washington Post which said though the current administration proclaims great effect, effect of those sanctions, economists almost across the board are saying that they do not see much shift in terms of the health of the economy of North Korea.

So I'd like to, one, hear your opinion on that. Number two, since we're focusing on China and the Korean peninsula, what do you think currently China's perception of either the effectiveness or where are they in terms of the buy-in and belief about the sanctions?

And then separate from the sanctions, but I think importantly, I'd like to hear what you think about Russia because they share a border too and how that relates. Are China and Russia coordinating in any way?

So perhaps, Ms. Yun, if you could begin?

MS. YUN: Thank you very much, commissioner.

On the question of the effect of the sanctions, at least based on research in the region, countries and people who have visited North Korea in the past 12 months generally recognize that the North Korean economy has been greatly affected by the sanctions. This is particularly true since China started to adopt the sanctions on North Korean coal, iron, iron ore, lead, lead ore, seafood and textile. So this has had a great effect over the North Korean economy.

But the question on whether the sanctions have been effective in changing North Korean behavior, see, first of all, the effect of the sanctions is felt by the people rather than the regime and particularly not the North Korean leaders. So to force the North Korean leaders to change their calculation, the sanctions will have to be able to penetrate the whole society and to influence the North Korean elites.

But so far we see some of the effect, but we are not entirely sure whether that effect has been so detrimental to North Korea as to force them to abandon their nuclear weapons.

Then on the issue of the Chinese buy-in about the sanctions and the Chinese cooperation on the sanctions, I think the Chinese sanctions on the coal, iron, lead, seafood and textiles have been generally effective. But China does maintain an official position that China will not support sanctions on humanitarian assistance to the North Korean people, and that has been a consistent Chinese government policy.

With the most recent diplomatic maneuvers North Korea has been engaged in and the possibility of a President Trump-Kim Jong-un summit within the horizon, I think China has felt severely excluded from the North Korean negotiation, and that motivated Beijing to invite Kim Jong-un to visit Beijing to reestablish or renormalize the relationship between China and North Korea.

The effect of that remains to be seen, but there are speculations in China about whether China will be providing more economic assistance to North Korea without affecting China's implementation of the UN sanctions.

Thank you.

COMMISSIONER TOBIN: So can you say anything further on the speculations element though, speculating, are these economists? Are these government people?

MS. YUN: These are speculations of Chinese experts and Chinese analysts, and the speculation is focused on the economic cooperation that China will provide to North Korea without violating UN Security Council sanction resolutions. And one particular example that impressed me most is agricultural cooperation.

COMMISSIONER TOBIN: Uh-huh. Thank you.

Dr. Mastro.

ROUNDTABLE CO-CHAIR TALENT: Could I just ask something to clarify on this?

COMMISSIONER TOBIN: Yes, please.

ROUNDTABLE CO-CHAIR TALENT: When we talk about how serious they are about sanctions, are we really saying how much they're willing to crack down on illegal or, you know, or black market kinds of activities, and do we, have we seen any greater sign of that because a lot of this stuff goes on underneath the table?

COMMISSIONER TOBIN: Yeah.

ROUNDTABLE CO-CHAIR TALENT: I just wanted as a follow-up to your others.

MS. YUN: Thank you, sir.

The question of the illegal activities has always been a dubious question for the Chinese government. When there are substantiated and indisputable evidence to show the existence of such business activities and such commercial relations between Chinese entities and North Korean entities, the Chinese will go after, the Chinese government will go after such entities on the Chinese side of the border.

But when the evidence is not so clear, I think the Chinese behavior or the pattern has been much less satisfactory.

ROUNDTABLE CO-CHAIR STIVERS: But can I jump in here? How do we know if China is enforcing the sanctions? What sort of data should we be looking at because most of the data that I've seen comes from Chinese official sources, and if they have an incentive to show that trade flows are less than they are and there isn't kind of independent verification of that, of those numbers, how do we know if they're enforcing the sanctions?

MS. YUN: Well, one of the mechanisms to monitor at least the Chinese import of North Korean commodities, especially the commodities that we just listed--the lead, iron ore, coal, seafood and textiles--they are quite--they can be observed from satellite images because they have to cross the border either with trains or with trucks.

So by observing or monitoring the volume of the traffic flow between China and North Korea, there is a pretty good indicator of that.

COMMISSIONER TOBIN: No, no, this is great. This is collaborative.

VICE CHAIRMAN BARTHOLOMEW: Do either of our other witnesses have thoughts on this?

COMMISSIONER TOBIN: Yeah, we're moving to that. Yes.

DR. MASTRO: Okay. So the first thing about sanctions that I would mention is we have to know what the purpose of the sanctions are before we can have an assessment of what the effect is.

I think the sanctions, and I'll go through a bit more detail, were successful at getting Kim to come to the negotiating table, but I just spent an embarrassingly long part of my adult life writing a book about how states make independent decisions about whether to talk to their enemies versus actually make a settlement on an issue, that the factors that encourage one are not the same that encourage the other.

What I mean by this is that I think that Kim has probably decided that it was in his best interests to use negotiations as a delaying tactic, but the sanctions pressure in no way changed his position on denuclearization. And so if we're hoping that the sanctions will get us there, I think that's unlikely.

Also how, whether or not they work is not the only signal that is important. My sense is that besides the impact it did or did not have on the economy, what North Korea saw was the same thing that I saw as an analyst, which is China and the United States coming closer and closer together on thinking about the end of the North Korean regime, and this is speculative because I can't read into Kim's mindset. But when you looked at the reporting on how China was more open to these discussions, and my own research, Chinese military have told me that not only would they not intervene in support of North Korea, they have plans to fight North Korean troops to intervene.

The North Korean regime had tested a number of capabilities, nuclear tests and missile tests, on key and important and significant dates for the Chinese government, to embarrass Xi Jinping, and so all these things together I think he realized that the United States and China were coming closer, and so the right strategy was to move towards diplomacy, but that did not mean a change in interests.

COMMISSIONER TOBIN: Yes.

DR. MASTRO: And along those lines, you know, what does China want now, my sense is that Xi Jinping invited Kim to Beijing, not, again, because Chinese interests have changed, but because he saw that the strategy and the probability of conflict had changed, and now the best way to potentially ensure some sort of agreement on U.S. military presence on the peninsula was through negotiations.

And so if you look at what Xi Jinping said after that meeting, as well as reporting, he was very clear that he thought denuclearization was possible as long as the United States responded in kind, specifically reducing and eliminating military activity and presence.

And so in my mind, China would be very happy, and I've also heard this from some scholars in China, that the best thing would be for China and the United States to come to an agreement about a package to deal with this North Korea issue that they then impose on South Korea and North Korea.

So China very much wants to have a role in this. Their fundamental belief, as I understand it, is that sanctions will not work to get to denuclearization. I agree with that analysis, though I think it does help us get to the negotiating table, which is where we are now.

And just a final note on Russia and China, the Chinese are not interested in having very strong Russian involvement in this issue. They see themselves as a big brother to little brother Russia, and any engagement Russia has in the region, at least they argue, it is given permission by the Chinese government for Russia to do so.

So my sense is when Chinese officials in direct contact with the United States or even Track 1.5s bring up Russia, they do so because they know that the United States has a paranoia about cooperation between China and Russia and that would push the United States to do some things that China wants, not because they actually have any plans on cooperating with Russia.

COMMISSIONER TOBIN: Excellent.

Dr. Freeman.

DR. FREEMAN: Well, thank you, Commissioner.

On the effects of sanctions, I haven't written a book on sanctions, as Oriana has, but I, I agree, it's a diplomatic strategy that's designed to push a country to negotiate. It is not going to achieve denuclearization, and the Chinese certainly relate to that. They experienced decades of containment, and their economy became, although people were impoverished, quite resilient against this isolation.

And so I think they look at the North Korean experience and do not think that North Korea is going to capitulate as a result of sanctions. North Korea security concerns will remain the same as they were at the beginning. The hope is, though, that by tightening sanctions regime, this will create conditions for negotiation, and that might lead to denuclearization.

As far as the belief and buy-in of China, again, I think China is very skeptical about sanctions yielding any, any general outcome, but China has been very frustrated by North Korea's behavior and has seen an opportunity to squeeze North Korea by tightening sanctions regime. Previously a lot was slipping through across the border from China to North Korea under the, sort of, to meet the "livelihood and humanitarian" needs of North Korea--a principle that China has sought to incorporate in sanctions and has tolerated and even encouraged to prevent, in part, refugee flows from North Korea into China.

But it has apparently started to crack down on this, and one, as I mentioned in my written testimony, one observer/analyst has suggested that China may be using some of the tools that it has to manage to do anti-corruption activities to try to crack down and squeeze both illicit and even so-called "livelihood and humanitarian" activities along the border.

Part of that, the problem with that whole process was that it was self-regulated, self-reported, and so it was a very loose situation.

The way you can, in addition to what Yun Sun mentioned about watching trucks and so forth go across the border, you can also see the effects of sanctions on the Chinese side of the border. And I thought it was interesting that several Chinese scholars have reported real hardship on the Chinese side of the border as a reflection to the hardship on the North Korean side of the border and even are concerned about famine in North Korea.

Of course, in the 1990s, there was famine in North Korea and about 300,000 North Korean refugees came across the Chinese border. So this happens, and it's a real concern for China.

On Russia, I agree with Oriana's perspective. North Korea--just add that North Korea has--apparently Kim has been, had considered making a trip to--or there was some discussion of Kim making a trip to Moscow ahead of a visit to--or of any of these other summits. I don't know if that's accurate or not. But it shows that Russia is a player.

I think Russia would be a spoiler and even possibly an asset in a reconstruction scenario where--because Russia has long wanted to construct a pipeline--

COMMISSIONER TOBIN: Right.

DR. FREEMAN: --to South Korea, and that could actually benefit the peninsula in the longer term.

COMMISSIONER TOBIN: And they have a bridge. But thank you all very much.

ROUNDTABLE CO-CHAIR TALENT: Okay. Before we move on, I'd like Dr. Freeman and Ms. Yun to address your views of what the Kim-Xi meeting was about. Dr. Mastro

did. But I definitely want that for the record for the hearing. So might as well do it now and give us your views here, and then we'll go to Commissioner Wessel.

Dr. Mastro already offered her view. She certainly can add more if she wants to.

DR. MASTRO: If I can just add a brief point on the summit. My sense is that the Chinese are very concerned that both sides, the North Koreans as well as the Americans, are not prepared to negotiate in good faith. But the North Koreans want these negotiations to delay any possibility of U.S. action, possibly so they can continue to develop their ICBM capabilities secretly and then, you know, test them when it's time for the negotiations to have failed, and that the Americans want a pretext for use of force so that they're going to engage in negotiations. And either those negotiations will fail or they'll come to some sort of agreement that one side will violate, and then the United States, even though not legally, will at least have more legitimacy to strike North Korea.

So China wants to make sure that neither party can accomplish those goals of kind of delaying just for the sake of these alternative goals that they have in place, and what that means is that it is in China's interests to keep both sides at the table for as long as possible even if there is no positive outcome to the negotiations.

Ideally, from the Chinese perspective, keep negotiations going until another U.S. administration comes into place, so that's something we would want to guard against.

ROUNDTABLE CO-CHAIR TALENT: And I ask this question because you all commented and in your testimony, and I think we viewed it this way also, the increasing disaffection between China and North Korea for solid strategic reasons on the part of the Chinese, and then, pop, all of a sudden, Kim comes and visits, and they have their first meeting even though Xi Jinping has been in power for five years.

And so I just, I think it's important for us to have the benefit of your views about why that happened. So if everybody would address that, and then we'll finally get to Commissioner Wessel.

DR. FREEMAN: I'll just note that Kim went to Beijing at the invitation of Xi Jinping and say that it was very important for China not to be cut out of any, any deal. A big concern of the Chinese is that the U.S. and North Korea will make some kind of deal that will not be in China's interest, and I think that Xi Jinping had decided that the limit, that it was clearly time to engage with North Korea.

For Kim's part, I think he was looking for a confirmation that the treaty was still in place. I think China wanted to also send a signal to the world that that treaty was active and that China could come to North Korea's defense. I think that's also important, but I think the most important issue on the table was to ensure that North Korea did not go ahead and try to make a deal with President Trump without consulting China.

MS. YUN: Thank you very much, sir, for the question.

First of all, on why the meeting or how the meeting came about, we know that the Chinese official statement says that the Chinese leader issued the invitation to Kim Jong-un. But in private communications, the Chinese have conveyed the sense that the North Koreans first offered the meeting, and then the Chinese sent the invitation, which I think would be more logical in this sense.

You're absolutely correct that Kim Jong-un became the leader of North Korea in December of 2011, and Xi Jinping was formally inaugurated in March of 2013. But a leadership summit between China and North Korea had not happened until last month, until March 25 of 2018.

The reason for that was multifaceted, but, first of all, the North Koreans had demanded the Chinese leader to visit North Korea to show his support for the young and green North Korean leader first, which in the Chinese perception is not in line with either diplomatic protocol or the seniority of the bilateral relationship.

But later the deterioration of the bilateral relations, China's pursuit of a rapprochement or honeymoon with South Korean government and their President Park Geun-hye, and also the later Chinese cooperation with United States on the issue of sanctions on North Korea had made such a visit with such a leadership summit impossible.

I can mention the most important factor that has changed Beijing's calculation in this case, or last month, was the invitation that Kim Jong-un issued to President Trump and President Trump's acceptance of that invitation. It made China feel excluded and made China fearful about a future that China will be cut out and be a bystander on the issue of North Korea, which is critically important for China's national security.

But also within this whole, within this whole scheme, we also identify a pattern of the North Korean manipulation of great powers. So what Kim Jong-un did last month was not significantly different from what his grandfather did between China and Soviet Union during the 1960s when China and Soviet Union were having their ideological and political split. So Kim Il-sung, Kim Jong-un's grandfather, used that or exploited that split between Beijing and Moscow for North Korea's economic benefits.

He gained economic assistance from both countries, political recognition from both capitals, and also the Chinese scholars based on the archive studies have also identified that North Korea using that split between China and the Soviet Union to advance North Korea's position in the border negotiation with China and gained favorable settlement on the border demarcation.

On the content of the Xi-Kim summit in Beijing, we know that the summit was from March 25 to March 28, and according to the official statement from the Chinese government, the majority of the content of their meeting was about domestic politics and domestic economies in China and North Korea.

They issued, they conveyed or they demonstrated to the world the political solidarity between Beijing and Pyongyang, the ideological solidarity between the two countries, and also the future of economic cooperation between the two countries.

The issue of denuclearization was mentioned in the official statement and appears to reconfirm that North Korea is interested in denuclearization, but what remains vague or what is a caveat is what is the North Korean condition for the denuclearization and what North Korea would put on the table in terms of its negotiation with the United States as for a peace mechanism or the diplomatic normalization.

Then on the issue of the summit between Kim Jong-un and President Trump, the North Koreans' position according to the government statement from the Chinese side is that Kim Jong-un reconfirmed his commitment to negotiation, to diplomatic approach to this denuclearization issue.

So those are the content that we do know. Some of the speculations or the information I believe that were leaked from China to test the water were the conditions for the denuclearization include, one, according to Japanese media reports, the North Korean leader demanded regime security or a guarantee from the United States on the regime security in North Korea.

And the second condition that was circulated in this media report in Japan is that North Korea also demanded compensation from the United States for the economic hardships that U.S. has created in North Korea.

Last, I would like to emphasize a point that nobody in China believes that this issue will have a speedy resolution simply because Kim Jong-un and President Trump are going to have a summit. So the Chinese hope that this bilateral summit and all the summits that are happening within the next month or two months will lead to a multilateral framework that bring at least the four parties-- U.S., China, South Korea and North Korea--back together to discuss the future of the peace mechanism and denuclearization.

But in the near term, I suspect that Beijing's priority remains the dual-freeze or the dual-suspension plan that Beijing has been trying to convince all countries related to accept. But so far based on the summit between Xi Jinping and Kim Jong-un, we have not seen an embrace or a recognition from North Korea to accept that proposal. So I'll stop there.

Thank you.

ROUNDTABLE CO-CHAIR TALENT: Thank you.

Commissioner Wessel.

COMMISSIONER WESSEL: Thank you all. Very helpful. And thank our two chairs for putting this together.

As I think you know, the mandate of this Commission is to advise Congress and give recommendations. Help me understand or give your assessment if you could of our analytical capabilities within our own government, what your assessment is of--and I'm not looking for, you know, an analysis of the president--but what kind of confidence about decision-making, planning, assessment do you have right now with change of personnel, et cetera?

I mean we're going into uncharted waters. Ms. Yun, you just described somewhat of a--as I interpreted it--somewhat of a need for patience, that the summit is not going to yield an agreement immediately but rather, you know, lay groundwork for further discussions, multilateral, et cetera.

So what would you like to see change, if anything, in terms of how we're looking at this, how our own government is looking at this, their reach outs, whether it is to China, to Japan, to anyone, et cetera? I mean what should we be doing differently if what we're doing is not correct?

And we can go down the line. Dr. Freeman, did you want to start?

DR. FREEMAN: Well, I think my perspective comes from a view that a conflict on the peninsula would be absolutely devastating for the world. I, you know, if you look just--you have a million men army in North Korea. That's 25 times larger than the force we faced in Iraq. It's a staggering--just on that level. But the weapons involved are also weapons of mass destruction.

And, moreover, Kim already has the capacity to strike U.S. territory and put millions of American lives in jeopardy.

So, I, with reference to decision-makers in our government, I hope that we can have or we can take a diplomatic approach.

COMMISSIONER WESSEL: And again I'm not looking necessarily at the decision-makers--

DR. FREEMAN: Uh-huh. Uh-huh.

COMMISSIONER WESSEL: --although I did want those views. The analytical capabilities, are we doing the kind of work here that we need to do to really understand this to--

DR. FREEMAN: Uh-huh.

COMMISSIONER WESSEL: --to, you know, you, all three of you have given great analysis, and you've done detailed work.

DR. FREEMAN: Uh-huh.

COMMISSIONER WESSEL: You know what's going on in our own government, whether it's PACOM or anywhere else, to be able to assess the contingencies? No one wants, you know, conflict on the peninsula. You know, do we have the sophistication we need right now?

DR. FREEMAN: Uh-huh. I think we have some superb analysts, and the question for me is whether the excellent analysis that they're doing is reaching the right people? We have people in our national defense universities and other places who routinely publish on these topics.

We also have excellent analysts in RAND, for example, and their work should be getting into the hands of people making decisions. There are also people in PACOM I've interacted with who have been paying attention to this issue. I wrote, ten years ago, wrote a paper on a refugee flood, and I instantly had a response from PACOM, very interested in reading that report. So there are people who have been following this for a long time. My concern is just that some of them were--the more nuanced analysis is not getting into calculations about how to manage the situation.

COMMISSIONER WESSEL: Please.

DR. MASTRO: I'm glad I issued that disclaimer at the beginning of my remarks.

[Laughter.]

DR. MASTRO: Okay. So two quick points about the basic analytical capability and then one about decision-makers.

I do have some concerns about the analytical capability, not the ability to assess information, but there is delays in the ability of people within, for example, our intelligence community to gather information about things like Chinese perceptions, Chinese views, for a number of reasons.

The first is--maybe you would or would not be surprised--the majority of people who work on the planning, operational side of these issues have never been and are never probably allowed to go to China. So they are not interacting with individuals there. They are not hearing, you know, the fact that Chinese views on these things can change very quickly, that, yes, it was true a couple of years ago maybe that China was threatened by South Korea, but now they feel like they probably have a lot of influence over the peninsula if it was reunified, if the United States wasn't there. So now they're more open to it.

These quick changes are something that individuals like ourselves can assess because we can spend a lot of time in China. We can read directly a lot of Chinese writings.

Another thing has to do with the authoritative open source literature, which is very useful, maybe not to gauge exactly what the government is going to do, but to gauge what the nature of the debate is and when there seems to be more flexibility in the debate.

So two years ago when I looked at some of those writings and saw this five step reunification plan that some Chinese scholars were talking about, that the ultimate end goal was that South Korea was going to be in control of the whole peninsula, that signaled to me a sign that something was changing.

The way that our system works is, you know, those open source materials have to be gathered, then they have to be translated, then they have to be analyzed, then they have to be

disseminated. And so there's a time lag in which it could take two years before someone is getting that very good analysis and a position.

So I think the interaction between academics and scholars like ourselves and the government is very critical. But those types of viewpoints are not necessarily getting below the four-star level, and you have many individuals who are producing and pushing products up that still have sort of old thinking in it that isn't quite up to date.

In terms of the higher decision-makers' level, I would say that my, my key concern has to do with all difficulty of decision-makers to update their viewpoints based on new information. Now, as an unbiased academic, what I try to do is look at the information presented to me and make different conclusions based on that.

So I had an article in Foreign Affairs in January and February that talked about what China was going to do in a contingency, and I made the argument we should coordinate with the Chinese, I made the argument that they would only demand probably withdrawal of U.S. troops, but a lot had changed in the past three months, and so I had to publish a postscript this week saying this is what I got wrong, this is what I got right.

And my concern is that--and not to say that this just extends to this administration, but this administration, some individuals tend to have very strong views about what works and what doesn't. So perhaps he's changed his mind, but Ambassador Bolton, the idea that you don't want to provide any economic benefits to North Korea and we can still get them to denuclearize, I really hope that's just a negotiating position, and he doesn't actually believe that, but I'm not sure.

And so on the top level, the inability to change your mind based on the dynamic and increasingly changing environment is what concerns me most, and I would just say one of the assumptions that I hear a lot that I hope as well is just a diplomatic trope and that no one actually believes is that it's in China's benefit to, you know, China is primarily concerned about denuclearization, too. It's in their benefit to help the United States on this. China has different preferences, but even when they have this--you know, they want denuclearization too, they have different priorities and different tactics to achieve those.

So this assumption that China is going to do things just because it's in their own benefit, not because the United States asks them to, I think is naive. China's North Korea policy I like to say is a U.S. policy. They're just trying to assess, you know, what we can do to appease the United States, to increase their influence in this issue, and it's not really about North Korea. So those are some of my concerns about this issue.

DR. FREEMAN: Before Yun goes, I'd just make a small point. I do want to say that I have been still impressed by analysts inside the U.S. government, and there are people doing really good on-the-ground work who are not, who are not spies, who are diplomats. Whenever I go to Northeast China, I'll always check in with our consulate in Shenyang, and there are people there who routinely go to the border area and talk to people and are doing good reporting.

But I would suspect a lot of the cables that they are writing are not getting read by the people who should be reading them.

MS. YUN: Thank you, Commissioner.

I have three main points to make about the current state about the, on the issue, on the policy of North Korea. I think the first issue is it appears there's a lack of clarity, that there's a lack of information, and there is a lack of transparency. While we recognize that diplomacy sometimes, back channel diplomacy needs to be done secretly, but it seems, at least that the interlocutors from countries such as South Korea, Japan and China when they visit Washington, D.C. and go to State Department, there is a complaint from these interlocutors that they don't

know who to talk to, and that they do not seem to be getting the good information that they would need for, for coordination.

So I think the lack of appointed officials for the key positions probably also has played a role in that, in that equation.

A second point I would like to make is about the consistency of U.S. policy. I think, first of all, on the issue of North Korea, in 2017, there was a lot of rhetoric about war, about preventative strike, preemptive strike, about bloody nose strategy towards the end of 2017, and I think that rhetoric did play a role in probably shaping North Korean perception about what is going to happen and probably has shaped their preference in terms of reaching out to the United States and try to have a diplomatic engagement.

But how that decision was made, however, appears to be less clear. So whether--I understand the administration is still emphasizing that U.S. "maximum pressure" is still in place. But I think there are questions as for whether that policy will become consistently employed.

And on the issue of consistency, China is also a very good example here. I think when President Trump agreed to meet with Kim Jong-un in early March, and that the follow-up coordination or information-sharing and communications from the U.S. side to China was not regarded as sufficient, and that made the Chinese believe that China's strategic utility on the issue of North Korea has already been exhausted by the United States.

Therefore, the United States has decided to move on to the next issue on China, which is trade. So that kind of, at least in the perception of the Chinese, a lack of consistency on the U.S. part does create opportunity for North Korea to exploit the differences and the disagreements between the United States and China.

Since that is a reason, in my view, that Chinese President Xi Jinping eventually invited Kim Jong-un to visit Beijing, it does mitigate the international isolation that North Korea faces, and it does make North Korea less susceptible to the U.S. pressure in the future.

And the third issue is the issue of predictability and our policy credibility because in the North Korea discussion, you do hear people constantly discussing the Iran nuclear deal, and people raising the question that if U.S. can just remove a deal that is signed, a previous administration signed with a sovereign state, why should North Korea choose to believe that any deal that Trump administration will negotiate with Pyongyang will be implemented and followed in the future?

So I think predictability may not be completely a good thing in diplomatic negotiations or international politics, but I think policy credibility is quite important in the case of North Korea.

Thank you.

COMMISSIONER WESSEL: Thank you.

ROUNDTABLE CO-CHAIR TALENT: Commissioner Bartholomew.

VICE CHAIRMAN BARTHOLOMEW: Thank you very much and thank you to our witnesses. It's always interesting to hear what you have to say.

I just want to start also by acknowledging Roy Kamphausen, who is in our audience. He was appointed to the Commission yesterday, I think, two days ago, by Senator McConnell, but the paperwork hasn't been processed yet. So we're looking forward to working with him, and the expertise that he brings to the table I think will benefit all of us.

I have a bunch of questions, and the more you guys talk, the more questions I have. But let me put a couple of issues out there. One is while this was not specifically what we asked you to speak about, could you talk a little bit about denuclearization and the different conceptions, what the U.S. might be thinking denuclearization actually is, and what the North Koreans might

understand denuclearization to be, and similarly the Chinese, because I think as we head into any summit, if it takes place, understanding that we don't necessarily all have the same understandings of it would be an important thing to do? That's my first thing.

Dr. Mastro, in particular, could you talk a little bit, you mentioned PLA reform and how some of the reforms have moved people around and what the impact that might be vis-a-vis any North Korea scenario that takes place? I was particularly interested that you said that--what--it's basically within 60 miles. I mean that there are some people who believe that the facilities, most of the facilities would be within 60 miles of the Chinese crossing the border. How many people are we really talking about sort of prepared to go in?

I've been doing this long enough that I go back to Secretary Perry looking into the abyss in the 1990s, and I remember one of the issues there was nobody was sure where these facilities are, and that's a huge risk in any situation like this.

So what kind of confidence do you have that the majority of these facilities would indeed be captured or contained?

I'm going to put another--you guys can pick which issue you--so the question there is I mean do we really know where the North Korean nukes are?

How many--do we know how many Chinese citizens are resident on the Korean peninsula North and South because any contingency is presumably going to have to deal with getting Chinese citizens safely out?

I know that that's an issue for the United States that we would be responsible not just for U.S. citizens but Japanese citizens. You know, are there plans in place to try to make sure that you can get civilians out?

And, then, finally—sorry, I know this is a lot--but it's interesting when I think about the refugee issue. You know, you think of German reunification, and I wonder if when the Chinese are looking at them, at the refugee issue, is some of the issue both dealing with the immediate needs of tens of thousands of people or hundreds of thousands of people needing to be housed and sheltered, but is it also a concern that they would not go back into whatever North Korea might be in the event that there is some sort of conflict?

All right. I'm going to let you guys pick what you want, but actually--yeah, Jim.

ROUNDTABLE CO-CHAIR TALENT: I was going to say if I could piggyback on--

VICE CHAIRMAN BARTHOLOMEW: Add some more?

ROUNDTABLE CO-CHAIR TALENT: Because--no, well, you raised an issue that I was going to ask about. So I just--in a little bit different--how confident are the Chinese of their intelligence assets in North Korea?

VICE CHAIRMAN BARTHOLOMEW: Yeah.

ROUNDTABLE CO-CHAIR TALENT: If you know? I know that's going to be hard. And then the other thing, which Carolyn raised, I thought was very insightful. When we're talking about reunification of the peninsula and under whose aegis and whose control, I don't think we have really thought about, and I'm wondering if the Chinese have thought about the enormous costs that are going to be associated with trying to deal with the devastation in North Korea, which you're right, the West Germans did not really realize, and this is going to be much, much worse?

I mean have the Chinese thought about that, that--and would they assume any responsibility for that? So--

VICE CHAIRMAN BARTHOLOMEW: Right. A lot.

ROUNDTABLE CO-CHAIR TALENT: You've got a lot.

VICE CHAIRMAN BARTHOLOMEW: You can take your time--

ROUNDTABLE CO-CHAIR TALENT: We still have a fair amount of time.

VICE CHAIRMAN BARTHOLOMEW: Actually, though, could--right--exactly. But can we actually start, though, with the denuclearization question because I think understanding that how the North Koreans interpret denuclearization versus how we do it is going to be pivotal to making sure that if anything is done in this summit, it's something that--

COMMISSIONER WESSEL: And how the Chinese.

VICE CHAIRMAN BARTHOLOMEW: And how the Chinese view it? Yeah.

[Laughter.]

DR. MASTRO: I can start with that, and then I have a lot more to say to go through the points on the planning side.

ROUNDTABLE CO-CHAIR TALENT: This is what a conversation with us is like. So you can imagine how our meetings--

VICE CHAIRMAN BARTHOLOMEW: I think because we're not limited to five or seven minutes, it's worse.

DR. MASTRO: There you go. So, ma'am, let me start with denuclearization. I first want to say because I feel like maybe in some aspects I've been a bit critical of the Chinese role. That doesn't suggest that I don't think we need them there.

When you had mentioned that it's hard to reassure, if we have to give security guarantees to North Korea, that can really only be done through China. China is in a unique position to say I can deter the United States from attacking you based on the Chinese military, and I can ensure that the United States lives up to its commitments. So we need the Chinese there.

I think my bottom line point is just to stop assuming that they're doing us a favor and know that we have--there's tradeoffs. We have to give them something in return.

My sense of denuclearization is there's a primary difference not only in nature but mostly timeline. So if you look at, one of the examples I'm often given is like President Obama's vision of "global zero," or the U.S. commitments under the NPT, which technically are to denuclearize and get rid of all the U.S. nuclear weapons, though obviously we have not done that yet.

And so the idea would be something like if you were going to denuclearize, there would be a very long, first of all, a very long timeline that had reciprocal actions on the part of the United States, but it would be an agreement in principle at some point in the future when the strategic environment had changed that North Korea would denuclearize.

And then within that context, there is a lot of uncertainty about not only dismantling, in the U.S. definition, dismantling and destroying those nuclear weapons, but how far you would have to set back the program so that they couldn't ramp up and build new nuclear weapons very quickly.

So a lot of discussion would have to be about the current material that they have and getting rid of that as well as how to deal with the technological know-how that they have.

So I think that's all--both Kim and Xi can say that their goals are denuclearization, they're pushing for denuclearization, and they're willing to talk about denuclearization. But they don't mean in the short term a dismantling and destroying the program as well as the materials necessary to make nuclear weapons.

To go to some of the planning on China's part, and then what I understand based on interviews in China their assessments of their intel capabilities, the first is my assessments of where those facilities are based on open-source assessments given by the Nuclear Threat Initiative, and so I can't really comment on the degree to which those are accurate or not.

But those are kind of the open sources that I use primarily to demonstrate that the United States in any sort of large-scale contingency plans on securing these sites, and that that type of planning assumption is unrealistic, that if we had to start anywhere, I'm not saying China 100 percent is going to intervene. But if we had to have a planning assumption, it should be that China has already secured those sites, and then what do we do, versus I think our current planning is for the United States military to be primarily in charge of those.

One of the reasons why China could get there first has to do with certain types of intel capability. So I don't have any way of independently assessing what I am told about how good their intel is so what I'm going to tell you right now is what they tell me their intel--

ROUNDTABLE CO-CHAIR TALENT: I really wanted your assessment of how confident they are.

DR. MASTRO: Yes.

ROUNDTABLE CO-CHAIR TALENT: Because I think it's going to affect their planning.

DR. MASTRO: Yes. So the first, they are confident about some things and not about others. So the first thing is they're confident that they're going to get early warning, especially if there is a conflict based on any sort of internal instability, not only because of the connections across the border, but because they do have 24 hour surveillance of that border.

So I think if there's any sort of change in movements, refugees, people leaving, they might know before the United States.

Then it comes to their confidence of where these facilities are, and they are not very confident that they know where those facilities are. The people that I have spoken to, officials and military officials, as well as scholars, in China, would say that they believe the U.S. has more fidelity in intel about where those facilities are and what is housed there than they do.

Now that being said, one of my recommendations for thinking about contingency planning was for the United States to try to establish in peacetime ideas about how we would share intel with China. I think it would be in our best interest if Chinese forces are present in North Korea but they're near some facility that they don't know is there, because of proliferation concerns and nuclear use concerns, maybe we would want to tell them what is there.

And my current understanding is we don't have a good way of doing that, and so that might be something we want to do.

In terms of confidence of other types of things, for the WMD/E capability, so the ability to eliminate weapons of mass destruction or counter weapons of mass destruction, whatever the new terminology is of the day, the Chinese, if you look at the different steps, are confident in their ability to secure facilities. That really just requires manpower.

A RAND study estimated that in a high- intensity fighting environment, it would require an additional over a quarter million U.S. troops just to secure facilities, not to engage even in combat operations. In a less risky environment, the estimates were around 188,000 U.S. troops.

One thing that the United States does not have a lot of that China has a lot of is manpower, and so this is another reason why it's useful for the Chinese to be involved in these contingencies because they could physically secure those facilities.

In terms of other types of capabilities, like waste disposal, accounting, transportation, these, the Chinese have relatively high confidence, and I think so do we, that they can do these things, primarily because the abilities on the civilian side map over to the military side just in those areas, and we have cooperation with the Chinese through the Center of Excellence in which we're engaging in training on the civilian side to deal with those types of materials safely.

The biggest area that I see as problematic about Chinese confidence versus capabilities is their ability to render safe nuclear weapons. The scientists I spoke to in China told me that they are very confident that they could render safe North Korean weapons for two reasons. The first is that North Korean nuclear weapons for unstated reasons in configuration are very similar to Chinese nuclear weapons.

And the second is that they're relatively simple in their design. I took this information to some of the scientists on our side, again, because as a non-physicist myself, I don't have the ability to independently assess this, and I was told by the American side that there is no way that they can do this for two reasons.

The first is close in configuration is not good enough when it comes to nuclear weapons, and the second is that when the weapons are simple in their design, it actually means they lack safeguards and they're more dangerous to dismantle.

So I think that this is a problem that the Chinese feel like they can do this, even if they potentially can't. The good news is that while they are set on securing those facilities for the geopolitical reasons I set out, they have also indicated a willingness at that point to invite in the international community, IAEA and others, to help them deal with the actual materials. So this would be an area where the United States could also cooperate.

And then the final note in terms of their capabilities and weaknesses in this area, it's my understanding that China's definition of nonproliferation is much narrower than that of the United States.

They are prepared to use military forces primarily to prevent materials from entering into China, which is very different than just preventing them from exiting North Korea. And so that could be a potential problem, an area where we might want to cooperate.

I think the last question that I want to discuss here is the NEO operation that China is planning for in a Korean contingency. So depending on your definition of Chinese nationals versus Chinese ethnic Koreans, there's a lot of debate about this right now about who they would actually bring out, but the basic estimate is about a million Chinese that they would want to evacuate from South Korea.

While the majority of past NEOs have been done primarily with civilian, civilian resources in China, there's no doubt that this one would be done primarily with the military in the lead because of the capabilities needed and the amount of people they'd be transporting. I have the numbers that I can send to you that I don't have off the top of my head. But one of the things that China has and the United States doesn't necessarily is the civilian fleets.

If you look at just Air China, for example, I think one route of the Air China aircraft that the government can use without any sort of, you know, negotiating can move 7,000 people out in each route, and that's just the Air China fleet. And then if you look at the whole civilian fleet, they can move those people relatively quickly. But that would also be an area obviously as the United States may be engaging in NEO that they would want to do together.

And reunification costs, the Chinese don't think they have to pay those, in my assessment. So I've spoken to people in commerce and other areas of the Chinese government about the economic aspects of the Korea problem. What I see is that they mostly see the costs obviously in terms of fighting, but then there's a lot of economic opportunities that come from potential reunification.

China has preferential rights to a lot of natural resources within North Korea that they could then continue hopefully to exploit. But also the ability--their ports are congested, their roads are congested--to start using North Korean ports is something that they look at as an

opportunity. And also just the idea as overseas Chinese invested in China while it was rising from nothing to the great economic power it is today, made a lot of money off of that, they see a similar dynamic that could happen in North Korea in which their companies could be investing a lot and make a lot of money.

And then in terms of reunification costs, dealing with humanitarian issues of refugees, these are all issues that they can push the burden on to international community to really fund and deal with.

DR. FREEMAN: Just a few small minor comments just about, I think, minor comments about, first of all, very important issue that you raise about, about the denuclearization question and the definition of denuclearization, and I think it's very important to recognize that Kim Jong-un is talking about, and he always uses this phrase, "denuclearization of the peninsula."

You know, this is, what that actually means isn't clear, but it most likely means removal of all U.S. military assets, including our nuclear-powered submarines, from the peninsula. So we, if our expectation is that we're going to be talking about the same thing when we negotiate on denuclearization, that is a false expectation, and that's something that we need to, we need to discuss, but that can be an early part of our engagement with North Korea and begin the process of figuring out how to go forward.

Yeah. Just a couple of other issues. I won't speak to the intelligence issue. I think Dr. Skylar Mastro knows a lot more about that than I do.

On Chinese citizens in South Korea, there's been a really robust exchange between Northeast China and the South through the ethnic Korean minority in Northeast China. There's a substantial ethnic minority along the Jilin border, and many of those people work in South Korea.

In addition, you also have a lot of ethnic Han Chinese working in South Korea so the numbers are considerable, and I think I've seen similar numbers to around a million people as well.

Just a couple of other--another, another point that I wanted to make. In listening to our discussion, we're talking a lot about the U.S., China, and North Korea, and we're forgetting about South Korea. And I think that we--and even thinking about a contingency scenario or even conflict or even securing nuclear weapons in North Korea, it's important to recognize that the South Koreans are going to have an opinion about this.

They are not necessarily going to be pleased to see the Chinese managing these resources, and I think they may be more confident having the U.S. securing them, but they may want to have a large role in that as well.

There is a group, a rather large political, a loud political group in South Korea that is very alarmed about China's intentions toward North Korea. There are some irredentist issues between both Koreas and China. And there is a group of people in South Korea that have long talked about China's desire to take over a lot of North Korean territory.

And I think, you know, South Korea is a democracy, and even in a state of emergency, I think that this concern could come up, and it should be factored into our thinking about how to plan working with South Korea.

MS. YUN: Thank you very much, commissioners.

I will make comments about five questions. The first one is about denuclearization. I think on the issue, on the definition of denuclearization, it really depends on whether people see

it as an end goal or as a process. I think when we talk or when the media talks about it, it's about an end goal: how do we completely denuclearize North Korea to remove all their nuclear materials and their arsenals and their missiles?

But in the diplomatic sense, or in an analytical sense, denuclearization is perceived more as a process. So it really involves step-by-step, face-to-face, reciprocal moves on multiple sides. And it probably will begin with a moratorium of their testing activities, both nuclear tests and missile activities, and then a gradual cutback on their arsenals, on their nuclear materials, and eventually there will have to--IAEA inspection with IAEA safeguards will have to be involved in that process.

And back in the early 2000s, that's where the inspection fell apart and led to deterioration of the prospect of denuclearization.

A second issue on the Chinese confidence on their intelligence capability in North Korea, I think it depends on the reference point. The Chinese may not have all the information about North Korea, but compared to all other countries involved in North Korea, I think China believes that it has the best information. So I think matters a lot.

And the third issue is Chinese on the Korean peninsula. So I agree with the statistics mentioned by Oriana and by Carla. So the estimate on the Chinese side is there is one million Chinese nationals currently living in South Korea, but the number living in North Korea is expected to be significantly smaller.

But in the case of South Korea, if China does need to evacuate from South Korea, given the geographical proximity, it is relatively easy compared to the evacuation campaigns China had to launch in Libya back in 2011.

But it's also worth it to remember that the contingencies that we are discussing so far is a contingency focused in North Korea. So unless or until the war or the conflict begins to affect the South Korean territory, I think the evacuation of the citizens will be considered somewhat differently.

On the issue of refugees, it depends, I think how China will handle North Korean refugees depends on the number. If the number is in tens of thousands or hundreds of thousands, the Chinese might have the capability to host them in Chinese refugee camps on the Chinese side of the border.

But if the total number of the refugees does exceed one million, which is a very widely speculated number, then I think the Chinese will have the interest to set a buffer zone to the south of the Yellow River so basically to south of the border.

China has had some experience dealing with refugee inflows, and the most recent case is 37,000 refugees from Burma that crossed into China, and most of these refugees were repatriated when the conflict faded out.

But there is an issue of China, the access of UNHCR to the refugee camps that China set up on the Chinese side of the border because UNHCR was not allowed to have direct access.

But in the case of a major humanitarian disaster or humanitarian crisis in North Korea, one speculation and my suspicion is that China will refer the issue to the United Nations, at least on the refugee part, to have international community to participate rather than have China carrying that whole burden alone.

Then last, but not least, on the issue of the economic costs of the unification, I think from the Chinese perspective, it depends on how unification is achieved. If it's achieved through war, then the reconstruction of the Korean peninsula will be very expensive, but if it is achieved through integration or peaceful negotiation, then presumably the cost will be significantly lower.

In the Chinese perception, the model of East Germany and West Germany would not apply in this case because in the case of East Germany and West Germany based on absorption, the demise or the disintegration of the Soviet Union was a significant factor for that to happen.

But in the case of the Korean peninsula, China will remain a primary geopolitical factor in that process. Then the model that the Chinese in the past have referred to more frequently is what they wanted to call Taiwan model or the economic integration model, basically for South Korea to demonstrate to North Korea the importance of economic prosperity and the desirability of unification of the Korean peninsula.

Basically use economic ties to tie North Korea closer to South Korea and eventually lead to a peaceful, peaceful unification. But now we know that economic integration between mainland China and Taiwan is not going very well although the Chinese support of the sunshine policy or engagement policy on South Korea part has remained.

China has two conditions for unification to happen. One is independent, meaning that there can be no external forces, meaning the United States cannot be involved. And the second condition is for it to be peaceful. So unification cannot be achieved through war.

That leads to the question as for a regional framework eventually for the unification to happen. Back in 1994 and 1995, in the Framework Agreement between the United States and North Korea, there was an agreement to establish a KEDO--Korean Energy Development Organization--to provide North Korea with energy resources in exchange for them to freeze their nuclear development.

But in the 1997 Asian financial crisis, the funding for that organization dried out. But the funding was provided not only by South Korea but also by Japan. So I think regional players' role in the reconstruction with unification of the Korean peninsula will be highly important. But for China, it will depend on diplomatic negotiation.

Thank you.

COMMISSIONER WESSEL: May I ask just a quick question?

Dr. Freeman, I think you had mentioned earlier about housing on the Chinese side of the border. What's the magnitude of that housing? How many units? How large are the facilities?

DR. FREEMAN: I don't have all of those details, but there are estimates that these would be, these are fairly small set-ups so far, and so these would be for a relatively small flow of refugees into the region, and a couple of these are in the mountainous area, the mountainous border area between China and North Korea.

But there could well be additional facilities being constructed since the last reports that I saw, and my expectation is that China will continue to develop these to be prepared.

COMMISSIONER WESSEL: Thank you.

ROUNDTABLE CO-CHAIR TALENT: Okay. Commissioner Stivers.

ROUNDTABLE CO-CHAIR STIVERS: Thank you. Thank you.

First, just a quick question. Is there another option of a pro-China North Korea regime that could come about in the event of a contingency? I mean obviously we've had the situation with Kim's half-brother and the poisoning and that awful situation. But what is China thinking in regards to what could happen if the regime was destabilized?

Ms. Yun or--and I know you've done a lot of work on this.

MS. YUN: Thank you so much, sir.

So on the pro-China North Korea regime, I think in 2017, especially around March and April of 2017, a regime change or leadership change in North Korea was actually discussed as a preferred approach or as a preferred option for China coming to North Korea's provocation, and

the context of that proposal was Trump administration was discussing war scenario with North Korea, but at the same time the North Koreans have shown no restraint, and the provocative rhetoric and provocative behaviors on the North Korean part, on the North Korean part, has made the Chinese relatively convinced that a conflict could be imminent.

So for China to have a war on the Korean peninsula apparently is not as good an option as to have a regime change or leadership change in North Korea.

But the question for China is now that they have differentiated North Korea as a country, which is China's strategic asset, a North Korean regime, which is China's strategic liability, then the question is how to change the regime without losing the country? And that, I think, is where the Chinese policy community got a little stuck because China does not have experience in regime change in other countries.

And the pro-China factions within North Korea, for example, Kim Jong-un's uncle was purged a few years ago, and his half-brother was assassinated in Malaysia. So for China, what are the options to promote that to happen is a big question?

So I did not hear continued discussion in China about how to make that happen, but I think it is safe to say that at least it's an option, is listed as a preferred option if there is going to be a war on the Korean peninsula for China.

And the previous assumption about China contingency planning in an instability scenario in North Korea is that China will send in military intervention force for stabilization operation, and in the case of the demise or the death or a military coup of the North Korean leader, then the Chinese will pick the pro-China North Korean political faction to lead the country and to stabilize the country and to continue a functional North Korean government in North Korea. And preferably China would like to see that a pro-China government agree to denuclearization as a goal but not as a process.

Then North Korea will become not only a more stable but also hopefully economically more open state that will adopt the Chinese style of the reform and opening up.

Thank you.

ROUNDTABLE CO-CHAIR STIVERS: It seems like any kind of--well, first of all, I should say this administration needs some good advice right now on any kind of North Korea-China policy, and I think Congress is the entity, the government entity, that should be delivering that good advice. So as we move forward to this possible or proposed Trump and Kim summit, what advice should we be giving the administration in terms of how China is a part of that?

You know, the Chinese government has called for negotiations between the U.S. and North Korea for many years, and now that it seems to be imminent, you know, I'm not sure that they're so thrilled that that negotiation will be happening, and as I think one of you mentioned, they're concerned about the motivations from both the U.S. and North Korea.

Are there any good ideas that you can think of or that you've been writing about in terms of how China, how the U.S. should or should not include China in that negotiation, whether it's sharing intelligence, being totally transparent with those discussions or--I'm not sure? Is there any kind of advice or guidance that Congress can give to the administration or you all can give? I think it would be important information.

DR. MASTRO: That's a very good question, sir. I would say the first thing is to really within, before we sit down at the table with the North Koreans, with the Chinese, with anyone, come to some sort of conclusion about what we're willing to agree to.

It's my assessment that there is no way to get denuclearization of the Korean peninsula through a diplomatic option, that our only option is to get complete denuclearization through

military options. Given that, those that talk about the costs, which I think they're very, they're accurate cost assessments to what those military options look like.

I also think it is the role of experts to provide information to allow the best possible outcomes to those military options if the administration decides to pursue them, in addition to telling the administration about the costs, because I'm not necessarily convinced that the discussion that is occurring on the expert level of the potential costs is significant enough to sway the administration from that option.

But, so the goal, the first thing would be, you know, what are the goals? Is the United States willing to agree to, for example, a freeze of the program? I think that's sort of the first step. I would hope--it's not--it is admittedly not fair to South Korea or Japan who have been living under the nuclear threat of North Korea for some time now. But I think there is a fundamental difference, at least to me as an American, of the ability of North Korea to hold the United States homeland at risk with nuclear weapons.

And so I would be willing to make that tradeoff of a freeze of the program through diplomatic options so that Kim Jong-un does not develop the ability to deliver those weapons to the United States.

My sense is in talking to some people in the administration is I can't get a sense of what they are willing to agree to. So the first thing maybe is to advise them that given the costs of the military options that it would be good to be willing to agree to some of these lesser of all evils such as that type of freeze that would also most definitely include giving Kim some economic benefits, which the current administration sees as kind of unsavory practices. So that would be the first piece of advice I would give.

The second piece of advice, I'm less sure--

ROUNDTABLE CO-CHAIR TALENT: Can I just jump in for a second?

DR. MASTRO: Yeah.

ROUNDTABLE CO-CHAIR TALENT: And I think the problem with that, and I'd like to hear your response to this, is the perception, which may be incorrect, that that's exactly what we've done in the past. In other words, that we've negotiated agreements under two different administrations--right--the Clinton and the Bush administration.

They agreed to freeze or something like that. We gave them a bunch of benefits, and then they didn't do it.

DR. MASTRO: Uh-huh.

ROUNDTABLE CO-CHAIR TALENT: So I think, I think any administration is not going to want to be seen as walking down that road again.

Now is there something the Chinese could do to provide the kind of assurance to us, for example, that would enable--I agree that a deal like that is certainly plausible if you knew that it was going to work. So I'll just jump in and ask that before you go to your next point.

DR. MASTRO: That is, as I mentioned before, China's primary concern, that not only we could get that kind of deal, and that Kim--and I agree at some point he's inevitably going to violate that deal, and if it happens under the current leadership, this will lead to a loss of face on behalf of President Trump, who will then use military options, if only as an emotional response versus a strategic response.

I think the Chinese can improve the likelihood that Kim actually--that we get to an agreement and that Kim upholds it through their own threats and promises, but those also have areas in which the credibility is not certain, the promises are not certain, and so that--that is definitely a concern that then Kim goes and develops those capabilities anyway.

The question really is, is time on our side or on his side? Is getting an agreement leading to some sort of delay in the program that he'll eventually violate in the future, is that a better situation than we're in today? And I would say that I think that it is as long as we understand that that violation of the agreement is bound to happen, and hopefully by that time we are in a better political and operational situation to deal with the North Korean issue than we are today. Which leads to this other question about is direct talks--if it--before this current administration, when China was calling for direct talks, I think they were doing so because they had an understanding of what the United States wanted.

I too was calling for direct talks because I thought that if the United States could give North Korea legitimacy through this type of engagement and that could maybe take the place of a legitimacy that they're gaining through denuclearization. That being said, I also am concerned about what President Trump would be willing to negotiate away at the negotiating table, and so I'm not so sure now that I want President Trump and Kim to be able to make decisions without the intervention or involvement of the Chinese.

But that being said, again, China is going to be looking out for its own interests and not necessarily those of the United States. And so I guess the bottom line is the first thing I would say is that this administration has to come to some sort of agreement about what they're willing to accept and realize that there are no good options.

And so this constant, this is what we want, you know, we want to negotiate this and give nothing in return, we just want China to help us, or we want to launch these military options of which China will probably not get involved, and we know where everything is, and that will also turn out okay. That's my main concern, is that we're not kind of looking at the situation, which is that's what a negotiation is. Everyone leaves the table unhappy, and the United States will leave the table unhappy as well.

VICE CHAIRMAN BARTHOLOMEW: Can I--Oriana, I just want to make sure I understand. Just in terms of military action, what I thought I just heard you say was essentially some sort of agreed to negotiated framework would buy some time in which preparations for military action could be improved?

The problem I see there is that the consequences of military action are so horrific on the civilian basis, on the potential to blow up into any--I mean I don't believe in a limited nuclear, the feasibility of a limited nuclear attack, and that you can contain the damage with something like that.

So I'll put my own--so I guess what I'm trying to understand there, if you played out this scenario that I think that you're saying, what would change over a period of time that would diminish the consequences of military action, I mean that would make it more potentially successful and less harmful?

DR. MASTRO: So any sort of military action is going to be extremely costly, and so as I mentioned before, I think there is a responsibility on the part of scholars to also think about ways of minimizing those costs while understanding that it would be extremely costly. So I'm not promoting these military actions, but I would say a few things about the timing.

I mean the first is that the United States, I think rightfully so, when it comes to Northeast Asia has been very focused on a lot of other contingencies involving China--South China Sea, East China Sea, Taiwan--and while the North Korean problems are always there, we obviously have USFK who's very focused on the North Korean issue.

I would say that in terms of priorities of our force posture and our preparedness, we weren't thinking as much about North Korea as we were thinking about some of these other

contingencies, and that could affect, you know, how our troops are trained, where they are, how much priority is given to certain intel assets, collecting on North Korea versus other places, et cetera, et cetera.

So given now that President Trump has made it very clear to the defense establishment that North Korea is his top priority, I think there have been more resources and efforts dedicated to thinking about that issue than there were previously, at least from the operational side. I don't mean to suggest on the diplomatic side, for example.

And so if this is now the new priority, maybe time could be helpful to help the United States preposition more forces in more useful areas than they are today based on the likelihood of that contingency versus others, to train our officers to think more about North Korea contingencies than going and doing their education on identifying IEDs and how to tell where the RCIED parts came from, you know.

So there are some benefits to maybe buying a bit more time. That being said, one of the huge downsides is once Kim Jong-un develops that ICBM that can reach the United States, the calculus completely changes because while there is this threat of nuclear use on the peninsula now and that is horrific, there is not yet quite the threat of nuclear use against the U.S. homeland, and I think then the U.S. options to use military force becomes much, much more limited.

I would just say also as a side note on the problem with looking at this contingency, well, I just argue having more time would make us better prepared to deal with this.

My understanding of the national security strategy, which I'm supportive of, is that the United States needs to be better prepared to engage in great power competition with China, and I don't think the United States has the resources to be focused on increasing its political, economic, and military power in the Asian Pacific while it's fighting a major war on the Korean peninsula.

So one of the major tradeoffs in trying to deal with this military option is going to be conceding some influence to China, and also if this war does not go well potentially conceding the legitimacy of U.S. leadership in Asia. So it would also come at a very high political price.

But if the administration is asking me, and they're saying we want to 100 percent denuclearize, we don't care what it costs, what I would say is you can only do that through military option. So you either have to recalibrate your expectations so we can get somewhere through the diplomatic options or start thinking about the military options in a more realistic way.

VICE CHAIRMAN BARTHOLOMEW: Yeah. I was thinking of sort of geographic and demographic realities that are not going to change over time. I mean the consequences for the people of South Korea, for example.

DR. MASTRO: Yes.

VICE CHAIRMAN BARTHOLOMEW: So anyway you fleshed it out. Thank you.

ROUNDTABLE CO-CHAIR STIVERS: Thanks.

So we have about ten minutes, well, it's nine minutes left. So, Dr. Freeman, good ideas for the administration?

DR. FREEMAN: Just a few, a few comments, good ideas for the administration. And this is a real opportunity to make some progress in a crisis situation really. President Trump will, if he meets with Kim Jong-un, will be doing that after Kim has already met with President Moon of South Korea. So some of the agenda, in a way, may have been set somewhat by our South Korean ally. It's very important that we engage closely with South Korea on this so that we know what is going to be discussed in that and use that process also to figure out what we want to talk about, what our goals are.

I do agree that we cannot, we are not going to achieve denuclearization of North Korea. We can do things like, we can do things like freeze the program, possibly warehouse some of these, the weapons, and probably another good focus is to try to freeze the development of an ICBM, and those could all be points of negotiation.

But we really do need to talk with our, with both China and South Korea about what their goals are, get a better, a clearer sense of that, and craft a strategy. I think the Chinese are very worried about unilateral action by the United States, that we're going to make decisions without consulting China. Our trust level is low; we are not, we are not friends; we are both acting in our own interests. The Chinese are not going to help the United States to serve our interests. They're going to be, as Oriana said over and over again, they are interested in making choices that help Chinese protect and even enlarge benefits to China from this situation.

So I think it's really important that we engage in a lot of discussions. One of the productive aspects of the Trump administration has been the very good rapport he has had-- President Trump has had with President Xi, the ability to exchange views over the telephone. That's a direct line of communication that could be useful in this process and something that the administration should use. But I think we have to also be closely consulting our South Korean ally.

ROUNDTABLE CO-CHAIR STIVERS: It would also be good to have an ambassador to South Korea.

DR. FREEMAN: That would help.

ROUNDTABLE CO-CHAIR STIVERS: Ms. Sun.

MS. YUN: Thank you, sir.

I will speak about how China sees the bilateral negotiation between President Trump and Kim Jong-un. Yes, the Chinese foreign ministry's official position is that they do support the bilateral negotiation or the bilateral talks between the United States and North Korea. But the underlying position, which they do not say publicly, is that they want the bilateral talk to start the process of a multilateral process that will eventually discuss the issue of denuclearization.

And they also support the bilateral negotiations between U.S. and North Korea because they believe it would defuse the tension and reduce the possibility and likelihood of war, which is a top priority for China when the tension is particularly high.

But from the Chinese perspective, any negotiation or any discussion about the future of North Korea or about the future of the Korean peninsula cannot happen without China's participation. That's their bottom line.

And since China was one of the signatories of the 1953 armistice of the Korean War, China sees itself as an integral and indispensable participant in whatever peace mechanism or the peace treaty that will lead to the end of the Korean War.

So the danger is that when China feels excluded, China has suspicions that North Korea and China will--North Korea and the United States will reach a consensus or reach a deal that would put China at disadvantage, and most likely North Korea will sell out China for its own strategic benefit. And it's not difficult to understand why China would feel so because during the 1970s when China decided to pursue rapprochement with the United States, the primary context of that decision was China saw the Soviet Union as China's biggest national security threat.

So since China could do it to its allies, why couldn't China's allies do that to China? So I think that's the logic in the Chinese calculation.

So my advice is that if the United States and China both see each other as the bigger problem in the North Korea issue, that it will create the room and the space for North Korea to

manipulate and play U.S. and China off against each other, and the result of that will not be conducive to the denuclearization of the Korean peninsula.

And I believe that it was a U.S.-China cooperation in 2017 that have brought Kim Jong-un back to the negotiation table now, and I think the continued cooperation will be indispensable to the resolution of the North Korean nuclear crisis.

ROUNDTABLE CO-CHAIR STIVERS: Thank you.

ROUNDTABLE CO-CHAIR TALENT: I think we're at an end. I'll just ask one thing because it's a follow-up on this. And then we'll be done because I don't want--we don't want to trespass on your time any more than we have.

And thank you all again, by the way. This has really been fascinating and extremely helpful, and I hope the staff has been taking notes because I'm sure a lot of this will show up in our report.

So the Chinese don't want a war, they don't want instability, and they don't want nukes, I think, because nukes lead to war and instability, and they don't want to be excluded. They don't want to look bad and they don't want to be excluded from a resolution of this controversy.

And it seems to me that the reason we're getting some movement from there is because it looks like this is headed towards war, instability or potentially a resolution that unilaterally excludes them.

So I guess the question, and I was prompted to this because, Dr. Mastro, you were talking about what we should be negotiating for, and it seems you were presenting as if the options were either complete denuclearization or an agreement we know they're going to violate. But there are other options; right? And I think strategically it looks like to me, and then you can comment on this, and we're done, the Chinese are moving towards having an incentive to help us find those options.

Now, my concern is that because we don't have an ambassador and because all these other instances that we're not going to have the backup, you know, ready maybe to exploit this opportunity. So comment on that, and then we're done, and again with our thanks.

DR. MASTRO: So I would just say that the Chinese, the credibility of use of force has been highest in this administration than I think it has ever been before, and I would argue that that has led to a lot of movement on the part of Kim and also Xi, probably even more so I think than the economic sanctions have. As much as I might be critical of the fiery rhetoric and other things, I think in the end, it did have some effect.

For the Chinese to create other options, the United States has to rethink its role in the region. This would be kind of my bottom-line point, which is China is willing to risk instability. They are willing to risk war, and they are thinking about ways to either replace or get rid of the North Korean regime. But they're not going to pay the costs or take the risks in any of those scenarios if it leads to a situation which the U.S. is more secure, the U.S. is more powerful, and the U.S. is more influential vis-a-vis China.

That is why they're reluctant to take those routes because the United States hasn't really stated or made any indications that they're willing to rethink their relationship with South Korea and their role on the peninsula.

I'm convinced that if the United States did promise to militarily disengage from South Korea, and that we could make that promise credible somehow, which I think would only be credible if the South Koreans told the Chinese because the U.S. position is we don't negotiate over the future and security of our allies, then China would solve this North Korea problem for us.

But we're not willing to pay that strategic cost so we're trying to figure out if there's another way to do it. I think that strategic cost is worth it, first, because if North Korea doesn't exist anymore, the United States has played its role as an ally to get rid of the threat, and the second reason is because I'm primarily concerned about the great power competition between China and the United States and the potential other contingencies that the United States is going to have to deal with in the Asia Pacific, for which having troops and forces present in South Korea do not help us deal with the South China Sea, East China Sea or Taiwan issue because our forces, given the Chinese threat, can't operate from there.

So I would prefer to move those forces somewhere else in Asia anyway, but that is a minority viewpoint, not only with the South Koreans. I would also posit with the United States military and in general, but for me if I could choose between a situation in which North Korea no longer exists, but the United States doesn't have the same influence on the peninsula or the situation today, I would choose the former, and I think those are the types of strategic tradeoffs that we have to consider.

DR. FREEMAN: I just want to remind that we are on the Korean peninsula to protect South Korea, not to project forces from South Korea, that the South Koreans have always, have made it quite clear that they're not prepared to use, to be the base for projection in U.S. force in the region.

And the other point is that South Korea would like to reunify the peninsula, and that's always been its goal, and that remains the goal of the Korean peninsula. So as far as South Korea is concerned, North Korea is part of the Korean, a Korean, nation, and so reunification is the South Korean leadership's primary goal.

MS. YUN: Well, it is a dilemma, first of all, for South Korea because to protect itself from North Korean provocation, it has to rely on the alliance with the United States for its national security purpose.

But South Korea also understands that it is precisely the same alliance that has prevented China from supporting any unification where South Korea will continue to be U.S. ally.

So I think the debate or the dilemma for South Korea is really a difficult choice between their national security now and their unification in the future.

For the Chinese, the Chinese seems to be relatively confident that they can convince South Korea to reconsider their alliance, or, if the price is big enough, the price on unification is big enough for South Korea and the economic relationship between China and South Korea is so significant for South Korea's economy, I think the Chinese are relatively convinced that they can shape South Korea's strategic behavior, but what they cannot shape is the U.S. choice in this case.

Thank you.

ROUNDTABLE CO-CHAIR TALENT: Thank you, all. We could continue this another couple of hours, but--

ROUNDTABLE CO-CHAIR STIVERS: Thank you.

[Whereupon, at 11:35 a.m., the roundtable was adjourned.]

PUBLIC COMMENT SUBMITTED FOR THE RECORD

Submitted via email by Jean Public on March 28, 2018

“don't for one minute think china is our friend. china is angling with north korea and they are pretty potent together. its clear that china is interested in first place for china and will brook nothing from the usa. look how they are building in the china sea. aggressive. look what they do to countries they take over - despotic. we need to handle this country as an enemy. and we need to stop trading with them somuch so thaqt we buy more from them than we sell to them.

we don't need to sell food to them at all. we should not be buying so much from china. we need tocut trade with them. and we

I WAS CUT OFF. AND WE SHOULD NOT BE LETTING ANY DEFICIT EXIST IN OUR TRADE WITH TME. EVEN STEPHEN. YOU BUY FROM US OR WE DONT BUY FROM YOU. WE HAVE BEEN TAKEN ADVANTAGE OF BY THIS COUNTRY FOR FAR TOO LONG. WE DONT NEED THE PLASTIC CRAP THEY ARE SHIPPING IN HERE TO DOLLAR STORES AT ALL. AND WHO IS ADDING TO ALL THAT PLASTIC IN THE PACIFIC SEA - AND WHY DONT WE INSIST ALL OF ASIA AND US CLEAN IT UP. WHY HAVE A PLASTIC COUNTRY THE SIZE OF FRANCE IN THE PACIFIC OCEAN. ARE WE JUST GOING TO LET IT GET BIGGER AND BIGGER AND DO NOTHING TO CLEAN IT UP? JEAN PUBLIEE JEANPUBLIC1@GMAIL.COM”