

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

Developments in China's North Korea Policy and Contingency Planning
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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 Zihua 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://jlrbzsb.cnjwang.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.