



**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**
A Graduate School of Nanyang Technological University

RSIS COMMENTARIES

RSIS Commentaries are intended to provide timely and, where appropriate, policy relevant background and analysis of contemporary developments. The views of the authors are their own and do not represent the official position of the S.Rajaratnam School of International Studies, NTU. These commentaries may be reproduced electronically or in print with prior permission from RSIS. Due recognition must be given to the author or authors and RSIS. Please email: RSISPublication@ntu.edu.sg or call 6790 6982 to speak to the Editor RSIS Commentaries, Yang Razali Kassim.

The Korean Crisis: Going Beyond the Cheonan Incident

Chung Chong Wook

1 June 2010

The sinking of the Cheonan, for which South Korea blames Pyongyang, has triggered a crisis in the Korean peninsula. Though there is every reason to be pessimistic about the future, there is also a need to look beyond the crisis for long-term regional stability.

SHARPLY RISING military tensions following the sinking of a South Korean naval corvette are creating a crisis in the Korean peninsula. It is not the first time that the Korean peninsula is engulfed in a crisis, but this one is different. There are good reasons to view the current crisis with grave concern. One is the nature of the crisis. The current imbroglio is not an unintended consequence of an accident. Nor was it an act of terrorism. It was what could be a carefully planned and well-executed act of war where a 1,200-tonne naval ship, the *Cheonan*, was blown into half, killing 46 soldiers -- at least that is the conclusion in South Korea.

The Nuclear Factor

After a month-long investigation, the Seoul government announced that the ship was hit by a torpedo launched from a North Korean submarine. The evidence it produced included the tail part of the torpedo recovered from the bottom of the sea where the ship sank. President Lee Myung-bak, demanding the North's apology, announced a series of measures suspending all inter-Korea cooperation except in the humanitarian area. North Korea, which earlier denied its involvement, immediately cut off almost all land, air and sea lines of communications with the South. It warned that any violation was to be dealt with by the wartime laws. It also placed its armed forces on special alert. The two Koreas appear to be heading for a serious military confrontation.

Another factor that adds to the severity of the current crisis is the nuclear capability of the North.. Pyongyang is believed to have fissionable materials enough for up to ten plutonium bombs. Its two nuclear tests so far reinforced the possibility of all-out military flare-up involving nuclear weapons.

The nuclear logic could certainly apply for deterring a war, but North Korea has proven that the rational logic of deterrence may not necessarily hold. Such is the risk of dealing with a desperate country whose brinkmanship tactics often defy the strategic calculus of its neighbours. The drastic decline in the South Korean stock market is indicative of how the situation is perceived. Despite all these ominous developments, however, premature pessimism is not advisable.

The China Factor

The key in assessing the security dynamics in the Korean peninsula is China whose policy has consistently been to avoid any serious military conflict there. What China fears is the prospect of serious social and political upheavals, even short of an open war between the two Koreas which could trigger a massive inflow of refugees, mostly poor and potentially violent, into China's northeastern territory. Such a contingency might not only disrupt China's economic growth but could result in the emergence of a unified Korea under the auspices of the South and the expansion of the military presence of its ally, the United States, right on its border. This strategic value of North Korea as a buffer as well as the political and economic consequences of the loss of this buffer has been at the heart of the Chinese strategic thinking toward the Korean peninsula.

Recently the Chinese government has accorded an even higher priority to this strategy as the political and economic situation in North Korea seemed to be headed toward a critical point. Kim Jong-il's bout with a stroke last August and his poor health since then led to the abrupt efforts in Pyongyang to arrange power succession by his third son, Kim Jong-un, who at 27 years old, has little experience in running the country. The timing could not have been worse. A series of economic mismanagement including the failure of the currency reform last November made the government lose its control over the market. The rising inflation led to incidences of open revolts.

Power struggle?

Experts in Seoul now pay close attention to signs of power struggle in Pyongyang that is usual during a power transition and extreme economic deprivation. They are very sensitive to the report that the military, particularly the hardliners in it, have gained a predominant position and are pushing for a confrontational policy toward the South. Many of them speculate that these hardliners were behind the Cheonan incident as they had been behind the nuclear tests in 2006 and 2009. They point out to the recent reshuffle in the North's military leadership which removed the moderates like Kim Il-Chul and promoted the hawkish generals. One of them was in charge of the naval fleet that the South believed was responsible for the torpedo attack on the Cheonan.

China's response was one of pragmatism. Some experts both in Seoul and Beijing believe that China has decided to support the dynastic succession in North Korea and live with any future leadership as long as it leads to peace and stability on its border. It may prefer a reform-minded leadership, but the immediate concern overrides more distant goals. For this purpose, China has recently begun to invest in North Korea in various infra-structural projects. It has also provided generous economic assistance of food and energy Pyongyang needs to keep the system afloat.

In the foreign policy area, China's patronage of North Korea has further been strengthened. The high-profile visit in early May by Kim Jong-il to three Chinese cities and the extravagant hospitality given to Kim in Beijing supports this view. The leaders of the two allies might have disagreed on domestic and external issues including the Cheonan incident but China's political, economic and diplomatic support is not to be weakened as long as North Korea does not destroy peace and stability in the Korean peninsula.

China may not cooperate with South Korea and the US in their attempt to adopt a resolution at the UN Security Council to punish North Korea but would allow the issue to be discussed there hoping this

could moderate Pyongyang, its hawkish generals in particular. Meanwhile Beijing will discreetly exercise its economic and political leverage on Pyongyang to urge caution and less recklessness. Chinese commentaries reveal the thinking in Beijing that an all-out military confrontation with the South is not in the interests of Kim Jong-il either although a high degree of tension will certainly serve his domestic purpose.

Beyond the Crisis

Some Chinese experts seem to believe that domestic politics in South Korea may have a role in the current crisis. A local election is scheduled on 2 June in the South where all heads of local governments will be chosen for a new four-year-term. The Cheonan incident has had the net effect of assisting the ruling party in Seoul which tries to prove the naïvete of the “sunshine policy” of the previous administrations now mostly in the opposition camp. Whatever the validity of this belief, the incident permitted the ruling party to be on the offensive. These Chinese observers seem to hope that once the election is over, Seoul may not pursue the issue as vigorously.

After all, the South has important international events to host such as the trilateral summit meeting with China and Japan at the end of May and most significantly the G-20 summit in November this year, a flagship event President Lee Myung-bak takes a great pride in hosting. These, plus other considerations such as the China factor, make a less pessimistic prescription of the current crisis fairly persuasive.

But the real task is to go beyond the current crisis. This crisis should reinforce the need for further regional efforts to create a sustainable nuclear-free working system in the Korean peninsula where North Korea feels less insecure and China exercises influence beyond the status quo.

Chung Chong Wook is Visiting Professor at the S. Rajaratnam School of International Relations (RSIS), Nanyang Technological University. He was a professor of international relations at Seoul National University before joining the Kim Young Sam administration as national security advisor. He was also ambassador to China and has advised the Korean ministries of foreign affairs, defence and unification.