



North Korea's New Year's Address and Prospects for the North Korean Nuclear Issue in 2019

Chaesung Chun (Seoul National University)

Translated by Jinkyung Baek

Mixed Views of North Korea's New Year's Address

The South Korean government and various experts from Korea and overseas have taken mixed views on the North's strategy and intentions following Kim Jong Un's 2019 New Year's Address. President Trump and experts within the United States, a key actor in North Korea's denuclearization and peace settlement on the Korean Peninsula, have a different point of view. Those who take an optimistic view on North Korea's denuclearization believe that Kim Jong Un has already made a strategic decision to pursue complete denuclearization and is focusing North Korea's resources and policy on the economy. They trust that he is sincerely pushing for step-by-step denuclearization measures, and perceive the difficulties in negotiations to be the result of mutual distrust between North Korea and the US, as well as Washington's lukewarm compensation offers. Those who take a pessimistic view believe that North Korea is still enhancing its nuclear and missile capabilities, has yet to take any concrete steps towards a freeze, and feel the regime has not made its intention to completely denuclearize clear. Further, the pessimists hold that North Korea is still seeking to weaken the Korea-US alliance, maximize the amount of potential economic compensation, strengthen relations with China and Russia, and ultimately aims to be recognized as a normal nuclear state. Such opposing analysis of the same text arise from the pre-conceived notions and beliefs that the readers hold regarding North Korea. However, North Korea's New Year's Address is intended to be strategically ambiguous and open to a diversity of interpretation. As much as the New Year's Address lays out the North Korean regime's highest expectations for the country, it also includes a level of optimism regarding North Korea's capability and future as well

as a high-level strategy to achieve its goals.

This year's New Year's Address places a heavy emphasis on the economy and a strong desire for development. The word "economy" is mentioned 38 times, which is a significant increase compared to 21 times in 2018, and 18 times in 2017. There is a remarkable emphasis on the need to build a self-reliant economy, improve the quality of people's lives, and the regime's desire to demonstrate its success in these realms to the international community. Numerous references were made to elements of North Korea's goal of a self-reliant economy, such as the development of native technology, use of domestic resources, revolutionary zeal, and creative innovation. North Korea measures the success of its economy through the results of construction projects. This year's address also focused on welfare for farmers and coal miners. But it is critical to realize that the decision to pursue a policy focused on building the economy does not imply a strategic change in economic development measures. The economic development strategy pursued by the Party remains within the framework of socialism, and follows the socialist distribution principle and the Party-centered economic development strategy, revealing the limits of its search for a new system. In other words, it refers to various sectors such as electricity, coal, and the construction of tourist zones under the banner of a socialist self-reliant economy. However, it failed to present a vision that fundamentally crosses the existing boundaries. In other words, the strategy presented in New Year's Address, which shows how the North Korean leadership understands the economy and outlines a range of strategic options to facilitate a qualitative economic leap, has a limited chance of revolutionizing the North's economic reality and the lives of the people. Furthermore, this strategy cannot be seen as an economic development strategy that considers denuclearization. This is because it is unclear how the strategic decision to pursue economic development and denuclearization will be linked as economic sanctions are expected to continue while the regime aims to achieve economic independence.

Secondly, the New Year's Address clarifies that North Korea will not pursue the production, use, deployment and relocation of nuclear weapons. However, it is not clear whether this refers to a freeze in line with what the international community has demanded as an early stage of denuclearization. Some people feel that the simple mention of the word "denuclearization" represents a meaningful step. Kim Jong Un renewed North Korea's declaration of a halt to the production of nuclear weapons. On the other hand, some criticize it as a passive policy that does not actually halt the continued production of nuclear materials, the continued development of nuclear technology, and the sophistication of ballistic missiles; in other words, it is still far from a true freeze. Although some Americans have expressed extremely optimistic views towards North

Korea's policy, the majority still regard it as vague and feel that it falls far short of a nuclear freeze. Immediately after North Korea's New Year's Address, President Trump welcomed North Korea's comments on its nuclear weapons and sent a message expressing his trust in North Korea's economic potential. Furthermore, he stated he was looking forward to receiving another personal letter from Kim Jong Un. The possibility of a second North Korea-US summit continues to be discussed.

North Korea believes that the outcome of the North Korea-US summit in Singapore was an agreement to take a phased and simultaneous approach to denuclearization that North Korea has employed, and is pursuing *de facto* nuclear disarmament talks on the possibility of complete denuclearization. President Trump has postulated the willingness of North Korea to completely denuclearize, and accepted a step-by-step approach. However, the differences between the North Korean and American perspectives on the concept of complete denuclearization have not been resolved. North Korea is offering various preconditions ahead of its denuclearization with the goal of denuclearizing the Korean Peninsula. On the other hand, the US is finding it difficult to accept any preconditions for complete denuclearization. As there are still many challenges ahead, such as the US demand for a list of all nuclear and missile capabilities, objective verification of disarmament by members of the international community, processing existing nuclear weapons, and easing economic sanctions, it is difficult to find the starting point for negotiations.

Thirdly, North Korea's New Year's Address considers the progress of inter-Korean relations made in 2018 to have been very satisfying; however, tasks its proposed for 2019 are tough. North Korea wishes to define the military agreement as a *de facto* non-aggression treaty and subsequently break the military hostility across the Korean Peninsula. Furthermore, North Korea is demanding a permanent suspension of ROK-US military drills and a halt to the entry of strategic assets and equipment from outside the country. North Korea is insisting on multilateral negotiations for a peace regime without discussing the declaration of the end of the war, which can be interpreted as a precondition for China's participation. The regime's demand to re-open the Kaesong Industrial Complex and resume Mt. Geumgang tours, while stating that it will never allow outside forces to intervene, is seen as an attempt to separate inter-Korean exchanges from international sanctions.

The progress of the inter-Korean relationship over military, economic and peace regime negotiations is in fact a complicated matter that spans the ROK-US alliance, conventional disarmament between the two Koreas, international sanctions against North Korea, and the power balance within Northeast Asia. The essence of the issue is international relations, which are inextricably linked to denuclearization negotiations. In addition, it is impossible for South Korea,

which must take into consideration many factors, to treat this simply as a national issue, and North Korea's demands contradict this. The US pays attention to the demands laid out in North Korea's New Year's Address such as the demand for the progress of inter-Korean relations separate from denuclearization, the weakening of the ROK-US alliance, the weakening of Korea's conventional military posture, and China's growing role, which will no doubt heavily impact future North Korea-US negotiations.

The Possibility of Holding a Second North Korea-US Summit and Making Progress on the North Korean Nuclear Issue

Since the proposals in the New Year's Address are essentially the regime's wish list, it is possible to proceed with negotiations while simultaneously fleshing out North Korea's options in accordance with South Korea and the US. On the other hand, the North will hold a tricky negotiation with the US to agree on conditions necessary to pursue denuclearization, and in addition will demand further progress in inter-Korean relations, the opening of an early multilateral peace regime, and the easing of sanctions. If denuclearization negotiations do not go as intended, North Korea may be "compelled to find a new way for defending the sovereignty of the country and the supreme interests of the state and for achieving peace and stability of the Korean Peninsula" as expressed in its New Year's Address.

The key to North Korea's denuclearization and the establishment of a peace regime on the Korean Peninsula will be resolved during the North Korea-US summit this year. President Trump has stated that he is expecting a second North Korea-US summit to be held in the near future, while adding that Kim Jong Un's personal letter was "magnificent." As both sides seem to be counting on the prospect, it is highly likely that a second summit will be held. However, it is still uncertain whether difficult issues that have not been coordinated in the working-level talks can be resolved during the dialogue between the two leaders, particularly as the two countries maintain different opinions on fundamental principles and concepts of denuclearization. Even if the talks take place, it is probable that the leaders will only be able to exchange incentives to focus on short-term performance, while failing to agree on any clear principles to resolve the fundamental problem. Then again, they may find themselves facing a difficult situation in which no progress can be made without agreement on major issues at the next working-level meeting.

North Korea plans to pursue *de facto* nuclear disarmament based on a phased and simultaneous resolution of the issue during the second North Korea-US summit, and decide whether to denuclearize at the final stage. North Korea may pursue a different strategic line if the US does

not "put forward fair proposals on the principle of recognizing and respecting each other by abandoning their dogged insistence broadmindedly and conduct negotiations with a proper stand and the will to settle issues" as expressed in New Year's Address. North Korea's definition of complete denuclearization is the denuclearization of Korean Peninsula, which includes denuclearization of South Korea and the US. However, South Korea and the US define "complete denuclearization" as the denuclearization of North Korea. If North Korea pursues denuclearization, risking the security of its regime and its politics, denuclearization of Korean Peninsula is not just a bargaining chip, but a fundamental issue, and what security assurance the two allies will provide for this matter is important. If a second North Korea-US summit is held without a clear alternative, and President Trump is not fully prepared to address the core of the problem and propose alternatives, it is difficult to see how further progress can be made.

South Korea's Future Strategy for North Korea's Nuclear Issue

In addition, the New Year's Address calls for North Korea to improve its relationships with South Korea and foreign countries, which necessitates an appropriate response from South Korea. First of all, it is important to recognize that there is still a discrepancy between North Korea and the international community regarding the goals of denuclearization. If North Korea's process of nuclear disarmament negotiations implies taking a more simultaneous, step-by-step approach, it will be very difficult to persuade the US to agree. This is because the US will not accept a phased nuclear disarmament without an overall negotiation framework for denuclearization in place. On the other hand, if the US pursues denuclearization without fundamentally considering the North Korean regime and security concerns and presenting a policy of fundamental engagement, North Korea will likely remain unconvinced. Any US engagement policy must be put in place within a long-term vision of North Korea's denuclearization.

Second, it should be acknowledged that it may take a long time to reconcile the differences of opinion between the two countries. Although the South Korean government values holding a second North Korea-US summit in order to sustain dialogue, coordination, power competition outside the negotiation table, and even a stalemate may be necessary for successful future dialogue. Whether or not a second North Korea-US summit takes place, it is fundamental to lay the groundwork for future summits. Thus, opinions on goals and processes must be gathered from North Korea, the US, China, and the rest of the international community. This process will require time; thus, South Korea should recognize that North Korea's denuclearization cannot be achieved within a short period.

Third, there must be ongoing pursuit of a combined strategy of engagement and support for North Korea's internal transformation, as well as military deterrence and sanctions. Negotiations for denuclearization, inter-Korean exchanges, cooperation, and peace regimes are important, but South Korea should also anticipate North Korea's direction and strategies in terms of the military, diplomacy, and economy after denuclearization occurs and a peace regime has been consolidated. North Korea's strategy following the establishment of a peace regime will be defined by competition, cooperation, and inter-Korean relations. Thus, South Korea will need to consider how much military power to maintain and to what degree it will use economic sanctions to limit and guide North Korea's choices.

Fourth, amid shifts in the international community, South Korea should create a regional strategy and a plan for the future of the ROK-US alliance. With the current US-China rivalry, North Korea's denuclearization issue is closely related to matters of the international concern; thus, South Korea's regional and denuclearization strategy should be pushed at the same time. The future of the ROK-US alliance will experience uncertainty as the denuclearization of North Korea and establishment of a peace regime on the Korean Peninsula progresses. Short-term tasks such as joint military training and transfer of wartime operational control, as well as long-term issues such as the role and size of the US Forces Korea (USFK), will be magnified. Moreover, the Trump administration is reevaluating the overall strategy of the alliance in terms of American national interest based on economic logic, and in the process, ROK-US-Japan strategic cooperation is showing signs of weakening. As the ROK-US alliance is not restricted to the Korean Peninsula, opportunities should be made for the two countries to discuss South Korea's regional strategy in the process of resolving North Korean nuclear issue.

- *Chaesung Chun* is the Chair of the International Relations Studies Center at the East Asia Institute. He also serves as a professor of the department of political science and international relations at Seoul National University. Dr. Chun received his Ph.D. in international relations from Northwestern University.
- Roundtable Participants: *Chaesung Chun* (Seoul National University), *Young-Sun Ha* (East Asia Institute), *Byung-Yeon Kim* (Seoul National University), *Yul Sohn* (East Asia Institute)
- *Jinkyung Baek* is a Program Manager and Research Associate at the East Asia Institute.

The East Asia Institute takes no institutional position on policy issues and has no affiliation with the Korean government. All statements of fact and expressions of opinion contained in its publications are the sole responsibility of the author or authors. This article was first written in Korean. The article in Korean can be found [here](#).

“North Korea's New Year's Address and Prospects for the North Korean Nuclear Issue in 2019” 979-11-88772-54-4 95340

Typeset: Jinkyung Baek

For inquiries:

Jinkyung Baek, Research Associate / Project Manager
North Korea and National Security Research Group
International and Domestic Public Opinion Survey Group

Tel. 82 2 2277 1683 (ext. 108) j.baek@eai.or.kr

The East Asia Institute
#909 Sampoong B/D, Eulji-ro 158, Jung-gu,
Seoul 04548, South Korea
Phone 82 2 2277 1683 Fax 82 2 2277 1697
Email eai@eai.or.kr Website www.eai.or.kr