



## **U.S.-Japan-China-ROK Quadrilateral Meeting on North Korea and the Future of the Korean Peninsula: One Last Chance for Diplomacy?**

**By Donald S. Zagoria\***  
**June 2014**

---

### **Introduction**

The NCAFP's Forum on Asia-Pacific Security (FAPS) held a quadrilateral meeting with American, Japanese, Chinese and South Korean experts, on North Korea and the Future of the Korean Peninsula on May 23, 2014 in New York. The meeting followed a two-day trilateral meeting among American, Japanese and Chinese experts on the U.S.-Japan-China triangle and a separate report on that meeting has already been issued.

The participant list for the quadrilateral meeting is included in the appendix.

The quadrilateral meeting primarily addressed the gathering threat from North Korea to the region. Participants reviewed several aspects of the North Korean issue: how to assess the North Korean nuclear and missile threat; the role of multilateral diplomacy in dealing with North Korea; the prospects for resuming the Six-Party Talks; what to do if diplomacy fails; and the need for a larger strategic vision of the future of the Korean Peninsula. There was also a discussion of several larger regional security issues.

### **The North Korean Problem**

The gathering threat from the North Korean nuclear and missile program dominated much of the discussion at the quadrilateral meeting.

There was a substantial degree of consensus on the nature of the North Korea problem and even some (if not complete) agreement on how to deal with it. We will begin with the nature of the problem.

\*Several U.S. participants contributed to this report.

The four parties (U.S., Japan, China, and the ROK) are now at a critical juncture in managing the North Korean nuclear issue. It has been six years since the collapse of the Six-Party Talks in 2008, largely because of North Korea's unwillingness to accept necessary verification measures to confirm its nuclear-related declarations. With the collapse of Six-Party Talks and with no evident prospect of other bilateral or multilateral dialogue on nuclear or missile concerns, there is now no mechanism in place to stop—much less slow—the DPRK's nuclear and missile program.

There has been a surge of North Korean activity including two additional nuclear tests since 2008 after an initial test in 2006. Preparations for a possible fourth nuclear test have been stepped up this spring. North Korea has successfully tested a long-range rocket that will eventually serve as the basis for its nuclear-armed ICBM. It is developing new types of intermediate range missiles. It has restarted the once-frozen five-megawatt reactor at Yongbyon that the DPRK has relied on to produce plutonium for nuclear weapons. And it has developed a sophisticated uranium enrichment capability to give it a second path to producing fissile material for nuclear weapons.

There have been further disturbing trends in North Korea. The DPRK has declared itself a nuclear weapons state and enshrined its nuclear status in its revised constitution. It has made nuclear weapons development one of the twin pillars of its national development plan, together with economic modernization. Last year, the DPRK became the only country in the world to threaten its neighbors and the United States with nuclear weapons.

The DPRK is building towards having the ability within the coming years to strike regional targets with nuclear weapons. Even if Pyongyang does not actually use nuclear weapons against its neighbors or the United States, their development of a nuclear-strike capability would have a profound impact on peace and stability in the Asia-Pacific region. It would increase tensions in the region, give Pyongyang the ability to intimidate its neighbors, raise questions among U.S. regional allies about the reliability of the U.S. extended strategic deterrent, increase the possibility of the proliferation of nuclear weapons in the region, further undermine the global nuclear nonproliferation regime, and spark a debate among North Korea's neighbors, particularly the ROK and Japan, about the need to arm themselves with nuclear weapons.

Shortly after the quadrilateral conference ended, South Korean President Park Geun-hye warned that a fourth nuclear test would have a "huge impact" on the regional security landscape and that "North Korea would effectively be crossing the Rubicon if they were to conduct another nuclear test" (*Wall St. Journal*, May 30, 2014). Ms. Park suggested that if Pyongyang undertook the fourth nuclear test, the Six-Party Talks would end for good and there would be a "nuclear domino" effect throughout the region.

## Some Common Themes

Although there were a variety of views, both on the nature of the problem and on how to deal with it, several common themes emerged from the day-long meeting. In fact, there was a substantial degree of consensus among the participants, including those from China, on many of the following key themes:

First, there was a strong view from several participants, including some from China that the DPRK leadership appears to be unstable. Just in the last two years, there have been three changes of Defense Ministers and four Chiefs of Staff of the armed forces. One participant said there is no clear shape to the current leadership and there is "an unsustainable political status quo." Without a stable leadership it will be difficult for the young and inexperienced new leader, Kim Jong Eun, to make the necessary reforms and to carry out a decisive change in North Korea's current policy.

Second, the North Korean economy is in serious difficulty. There is a wide shortage of energy, food and inputs for sustainable economic recovery. Economic difficulties are growing both because of failed domestic reform and growing outside pressure in the form of UN sanctions and rising pressure from China. As a result of sanctions and uncertainty about North Korea's future policies, there is little foreign interest in investing in North Korea. Foreign banks do not want to deal with Pyongyang.

Third, there is a great deal of uncertainty about North Korea's policies and intentions. To cite just one example, North Korea has announced its intention to participate in the Asian Games in Seoul in October. This could be a positive signal. On the other hand, Pyongyang continues to use very harsh language about the ROK and U.S. leadership while continuing its work on nuclear weapons and missiles.

Another example of uncertainty about North Korea's intentions is the manner in which Pyongyang deals with an American citizen, Kenneth Bae, who is still being held in custody after a year and a half. On the one hand, Pyongyang professes to want better relations with the United States. On the other hand, it refuses to release Bae as a gesture of good will.

Fourth, the most likely scenario for the immediate future is that North Korea will muddle through. There is little possibility of collapse but also little possibility of economic success.

Fifth, if the North Koreans do undertake a fourth nuclear test (which some thought is very likely), there will be a very strong response from all the other parties, including China. All the other parties, including China, must continue to try to find "common ground" and to try to force North Korea to choose between economic development and nuclear weapons.

Sixth, the U.S. and China are actively engaged in trying to find a "roadmap" back to the Six-Party Talks. But the U.S. is not prepared to return to the talks "on a wing and a prayer;" there must be some serious steps towards denuclearization by Pyongyang. China, for its part, has taken "meaningful steps" (in the words of one American) to urge Pyongyang to resume implementing its denuclearization commitments in the context of the Six-Party Talks. But Beijing now believes that it has gone as far as it can in applying pressure on North Korea. As a result, a gap has developed between the United States and the PRC over how to handle North Korea. The reason for this difference between Washington and Beijing appears evident. Washington's primary goal is North Korean denuclearization. Beijing's primary goal, on the other hand, continues to be to avoid instability on the Korean peninsula. China may be prepared to use pressure to try to prevent any future North Korean provocations, including a fourth nuclear test, but it continues to fear that excessive pressure on North Korea will trigger a collapse and that will lead to chaos on its border and the possibility of creating a reunified Korea allied to the United States. Despite Beijing's nominal support for a unified Korea, the prospect of a united, democratic Korea tied to the U.S. in a military alliance—and the possibility that U.S. forces would be stationed in a united Korea, perhaps even north of the 38th parallel—is generally unacceptable to China.

Seventh, there is "zero tolerance" for a North Korean nuclear weapons program. Most participants agreed with the leaders of South Korea, the U.S. and Japan who said in one voice at the Nuclear Security Summit in the Hague on March 25, 2014 that a nuclear-armed North Korea is "unacceptable."

Eighth, most participants agreed that China is an indispensable partner in the effort to achieve North Korean denuclearization. The United States and China have been in extended discussions on this issue for the past year. Still it does not appear as if China and the United States have yet reached complete agreement on a "roadmap" back to the Six-Party Talks. Chinese participants at the quadrilateral urged patience and increased efforts to achieve "common ground" on the North Korean nuclear issue.

Ninth, the way forward is to constrain the DPRK's choices, i.e., force it to choose between guns and butter. If there was one fairly common theme at the quadrilateral meeting, it was an agreement that the five other parties in the Six-Party Talks must force North Korea to choose between economic development and nuclear weapons while trying to convince Pyongyang that it could not have both.

Tenth, there is a need to discuss the broader regional security environment with a focus toward future scenarios for a reunified Korean Peninsula. Doing so will reduce Chinese mistrust of American intentions and thus open China's policy makers to new strategies to deal with North Korea. An earlier paper on the trilateral U.S.-China-Japan meeting which immediately preceded the quadrilateral contains much discussion of the regional security situation. There was also some discussion of the regional security situation at the quadrilateral and the most striking point to emerge concerned the differences between Chinese and ROK participants over the future alignment of a unified Korea.

ROK participants insisted that even after reunification, there would continue to be a strong rationale for a continued alliance with the United States. And opinion polls of security experts in Korea support this idea. Chinese participants, on the other hand, warned that a unified Korea allied to the United States and Japan would lead to a new Cold War in Asia.

This discussion points to the need for a trilateral U.S.-ROK-China dialogue, either at the Track I or 1.5 levels, on the future of the Korean peninsula.

## **Future Scenarios**

Several future scenarios were discussed at the quadrilateral meeting.

### *I. Increasing Sanctions*

In the event that diplomacy fails to convince North Korea to resume implementing its denuclearization commitments, several participants argued that putting in place even tougher sanctions would be the likely result. Such a scenario would be almost certain if North Korea conducts its fourth nuclear test, a step that several participants thought likely. Such stepped-up sanctions could target North Korea's banking and financial system, international financial and banking transactions involving the DPRK, and particular North Korean firms. Action could also include stronger measures to contend with proliferation and arms sales by North Korea. Such tougher sanctions would most likely be accompanied by military measures (new deployments, stronger missile defenses, enhanced U.S.-ROK-Japan cooperation, expanded or more frequent military exercises, etc.) that would amount to a containment policy against North Korea. The combination of all these measures could put new pressure on North Korea and might even threaten the regime's ability to survive.

## *II. A Last Attempt at Nuclear Diplomacy*

There was some discussion of what one participant called a "last attempt at nuclear diplomacy." Such an attempt, according to this participant, could come if North Korea were to take some of the "pre-steps" that the United States, Japan and the ROK have been urging—a missile and nuclear test moratorium, bringing the International Atomic Energy Agency (IAEA) inspectors back to the Yongbyon nuclear complex, and suspending all nuclear programs. If the North were to take such steps, the five other parties in the Six-Party Talks might reduce economic sanctions on North Korea and start a "peace forum" to discuss how to replace the Korean War armistice agreement with a peace treaty that would formally end the Korean War. But any specific measures concerning the "peace regime" need "to be linked to the progress of (North Korea's) abandonment of nuclear arms."

## *III. Continuation of the Current Impasse*

Yet a third future scenario involves the continuation of the current dangerous impasse in which there is no mechanism in place for discussions about North Korean denuclearization and North Korea continues to build up its nuclear and missile capabilities.

## **Conclusion**

The two most likely scenarios for the immediate future are: 1) that North Korea will conduct a fourth nuclear test, an action that will have profound consequences for the security situation in the region; or 2) that an opportunity will arise for yet another attempt at trying to resolve the nuclear and related issues via diplomacy. The United States, its ROK and Japanese allies, and China should make every effort in the coming months to improve the prospects for the second scenario, while also making utmost efforts to prevent the first scenario.

There are several reasons that the North Koreans may want to conduct a fourth nuclear test. They may want to improve the reliability and credibility of their nuclear arsenal as part of their ongoing effort to create a "strategic deterrent." They may also wish to try to intimidate the United States and its allies. Additionally, they may want to improve their bargaining position in anticipation of future negotiations with the United States and others. And finally, they may genuinely believe that they need a reliable nuclear deterrent to deter "hostile actions" from the United States.

But a fourth nuclear test will have adverse consequences for all the parties, including North Korea itself. After another test, the United States and its allies and partners will almost certainly seek to increase sanctions on North Korea, including those that target its financial and banking sectors. Such sanctions will increase the economic malaise already present in North Korea and over time may even threaten regime survival. There is likely to be an increase in military deployments—especially missile defense-related deployments—and exercises that will increase tensions in the region. Further developments in North Korea's nuclear arsenal will also increase the possibility of proliferation. Most important, as ROK President Park Geun-hye has said, such a test will mean that North Korea has "crossed the Rubicon" and will in all likelihood spell the end of the Six-Party Talks. A North Korean test will also encourage a debate in Japan and the ROK about the wisdom of developing an indigenous nuclear capability. Many of these developments will further endanger the nuclear non-proliferation regime.

China has a strong interest in preventing a fourth nuclear test and almost certainly has warned North Korea against going forward with it. In recent months, Chinese officials, including Foreign Minister Wang Yi, have warned North Korea indirectly but publicly that China will not tolerate "chaos" on its border. Private warnings have probably also been given and there are reports that China has also cut back on its provision of fuel assistance to North Korea as a means of pressuring the regime. Since Beijing is North Korea's most important benefactor in terms of trade and aid (a substantial part of Pyongyang's trade is with China), North Korea cannot easily afford to dismiss such pressure from China.

The United States and its allies have also hinted to Pyongyang that a fourth nuclear test will mean the end of diplomacy in trying to resolve the North Korean nuclear issue. Such a warning is explicit in President Park's recent remarks.

As for North Korea itself, although no one can be certain of how decisions on such matters are made in Pyongyang, there are signs that North Korea is capable of pragmatic action. The recent negotiations with Tokyo over Japanese abductees is one recent example.

If there is another, perhaps last, chance for diplomacy, the United States and its allies should do everything possible to enhance its prospects. The three parties (the U.S., the ROK, and Japan) should again stress to Pyongyang that there is an alternative path to developing nuclear weapons and that if Pyongyang embarks on such a path its actions will be reciprocated. If North Korea takes some of the "pre-steps" that the three allies have been urging—a missile and nuclear test moratorium, bringing IAEA inspectors back to the Yongbyon nuclear complex, and suspending all nuclear programs—the other parties in the Six-Party Talks should make clear their willingness to reduce economic sanctions on North Korea and start a "peace forum" to discuss replacing the Korean War armistice agreement with a peace treaty, a move that Pyongyang has long been urging.

In addition, the United States and China should step up their efforts to find a "roadmap" back to the Six-Party Talks. If the two powers do in fact agree on such a "roadmap," it will sharply increase pressure on Pyongyang to accept it.

The Forum on Asia-Pacific Security would like to thank the following organizations for their support of this conference:

Carnegie Corporation of New York  
China Energy Fund Committee  
The Henry Luce Foundation  
The Japan Society  
The Korea Foundation  
The Korea Society  
The Tsinghua Center on U.S.-China Relations  
US-Japan Foundation



APPENDIX A – QUADRILATERAL CONFERENCE PARTICIPANT LIST

THE NATIONAL COMMITTEE ON AMERICAN FOREIGN POLICY  
IN COOPERATION WITH THE KOREA SOCIETY

PRESENTS

---

A U.S.-CHINA-JAPAN-ROK QUADRILATERAL CONFERENCE

---

MAY 23, 2014

PARTICIPANTS  
(in alphabetical order)

---

**Professor Masahiro AKIYAMA**

*President*  
Tokyo Foundation

**Dr. CHU Shulong**

*Deputy Director, Institute of International Strategic and  
Development Studies*  
Tsinghua University

**Mr. Ralph COSSA**

*President*  
Pacific Forum CSIS

**The Honorable Glyn T. DAVIES**

*Special Representative for North Korea Policy*  
U.S. Department of State

**Mr. Karl EIKENBERRY**

*Payne Distinguished Lecturer*  
Freeman Spogli Institute for International Studies,  
Stanford University

**Professor Yuichi HOSOYA**

*Professor, Faculty of Law, Keio University*  
*Senior Fellow, Tokyo Foundation*

**Mr. Yoichi KATO**

*National Security Correspondent*  
The Asahi Shimbun

**Professor KIM Sung-han**

*Professor of International Relations*  
Korea University

**Dr. CHOI Kang**

*Vice President*  
ASAN Institute for Policy Studies

**Professor CHUNG Jae-ho**

*Professor of International Relations*  
Seoul National University

**Professor Gerald L. CURTIS**

*Burgess Professor of Political Science*  
*Director, Toyota Research Program*  
Columbia Weatherhead East Asian Institute

**Dr. Stephen J. DEL ROSSO**

*Program Director, International Peace & Security*  
Carnegie Corporation of New York

**Mr. James GANNON**

*Executive Director*  
Japan Center for International Exchange

**Mr. Hiroshi ISHIKAWA**

*Minister, Political Section*  
Permanent Mission of Japan to the United Nations

**The Honorable Yoriko KAWAGUCHI**

*Visiting Professor*  
Meiji Institute of Global Affairs

**Professor LEE Chung Min**

*Ambassador for National Security Affairs*  
Ministry of Foreign Affairs  
*Professor of International Relations,*  
Graduate School of International Studies, Yonsei  
University

**The Honorable Winston LORD**

*Chairman Emeritus*

International Rescue Committee

**Dr. Stephen NOERPER**

*Senior Vice President*

The Korea Society

**Mr. Akio OKAWARA**

*President and Chief Executive Officer*

Japan Center for International Exchange

**Dr. REN Xiao**

*Director, Center for the Study of Chinese Foreign Policy*

Fudan University

**Dr. George D. SCHWAB**

*President*

National Committee on American Foreign Policy

**Dr. SUN Zhe**

*Shanghai Shuguang Scholar & Professor, Center for U.S. China-Relations*

Tsinghua University

**Ms. Yuki TATSUMI**

*Senior Associate, East Asia Program*

Henry L. Stimson Center

**Professor YANG Xiyu**

*Senior Fellow*

China Institute of International Studies

**Professor ZHU Feng**

*Deputy Director, Center for International & Strategic Studies*

Peking University

**Mr. Christopher T. NELSON**

*Senior Vice President & Editor*

Nelson Report

**Ambassador OH Joon**

*Ambassador & Permanent Representative to the UN*

Permanent Mission of the Republic of Korea to the United Nations

**Dr. PARK Cheol Hee**

*Director, Institute for Japanese Studies*

Seoul National University

**Mr. Evans J.R. REVERE**

*Senior Advisor*

Albright Stonebridge Group

**The Honorable SON Sejoon**

*Consul General*

The Consulate General of the Republic of Korea in New York

**Dr. TAO Shasha**

*Institute of International Strategic and Development Studies*

Tsinghua University

**The Honorable Kazuyoshi UMEMOTO**

*Ambassador & Deputy Permanent Representative to the UN*

Permanent Mission of Japan to the United Nations

**Professor Donald S. ZAGORIA**

*Senior Vice President*

National Committee on American Foreign Policy

**Professor ZHUANG Jianzhong**

*Director, Institute of American Studies*

Center for National Strategy Studies

**OBSERVERS**

---

**Mr. Daniel BOB**

*Senior Fellow and Senior Director for U.S.-Japan Programs*  
Sasakawa Peace Foundation USA

**John V. CONNORTON, Esq.**

*Trustee, National Committee on American Foreign Policy*

*Partner, Hawkins Delafield & Wood LLP*

**Mr. Dennis CHO**

*Intern*

The Korea Society

**Ms. Rorry DANIELS**

*Assistant Project Director, Forum on Asia-Pacific Security*  
National Committee on American Foreign Policy

---

**Mr. DENG Zhenghui**  
*Representative in New York*  
China Energy Fund Committee, Shanghai Branch

**Mr. Larry T. GRESSER**  
*Managing Partner*  
Cohen & Gresser LLP

**Ms. Sanghui LEE**  
Consul  
The Consulate General of the Republic of Korea in  
New York

**Mr. Sang-beom LIM**  
*Counsellor*  
Permanent Mission of the Republic of Korea to the  
United Nations

**Ms. Sally SHIN**  
*Intern*  
The Korea Society

**Ms. Snow YOO**  
*Political Researcher*  
Consulate General of the Republic of Korea in New  
York

**Ms. Nikita DESAI**  
*Director, Policy & Corporate Programs*  
The Korea Society

**Ambassador Choong-hee HAHN**  
*Deputy Permanent Representative*  
Permanent Mission of the Republic of Korea to the  
United Nations

**Ms. Stephanie LEE**  
*Intern*  
The Korea Society

**Mr. Jonah ROBINSON**  
*Intern, Forum on Asia-Pacific Security*  
National Committee on American Foreign Policy

**Mr. Jared WISHNOW**  
*Intern, Forum on Asia-Pacific Security*  
National Committee on American Foreign Policy