



United States-China-Japan-Republic of Korea Quadrilateral Conference

**By Ralph A. Cossa
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On June 6-7, 2017, the National Committee on American Foreign Policy (NCAFP) brought together a group of roughly 40 scholars, experts, and current and former government officials from China, Japan, the Republic of Korea, and the United States to discuss quadrilateral cooperation in Northeast Asia. All participated in their private capacities. Topics included an overview of the security situation in the Asia-Pacific, changing domestic politics and the impact of elections in the U.S. and ROK and upcoming Party Congress in the PRC, and the North Korean challenge and how to deal with it. The meeting concluded with a discussion of policy recommendations for all four countries. Conversation was candid but cordial and constructive.

Key Takeaways

If one tried to sum up the two days of very rich discussion in one word, that word would be *uncertainty*.

The greatest uncertainty centered around the Trump Administration's future policy and commitment toward the Asia-Pacific region and its continued willingness to sustain Washington's traditional global leadership role in the wake of the U.S. withdrawal from the Trans-Pacific Partnership (TPP) and President Trump's failure (or refusal) to specifically endorse Article Five—an attack on one is an attack on all—at the recent NATO gathering, though he later confirmed this commitment.

The future policy direction of the new South Korean government and its impact on relations with the U.S., China, and Japan also added to the uncertainty, both in terms of developing a coordinated policy toward North Korea and regarding regional cooperation more generally.

There was also uncertainty regarding China's future direction once this fall's 19th Party Congress is finished and the extent to which China would promote and enforce a more hardline policy toward North Korea.

The only real certainty was that Pyongyang was determined to continue its nuclear weapons and missile development programs with a goal of developing a credible nuclear warhead-equipped ICBM capable of reaching the mainland U.S. Most agreed that this would be a "game changer" but it was not clear what the new game would entail.

All four countries represented at the meeting share a common objective of a denuclearized Korean Peninsula and a common desire for a peaceful solution. There was general agreement that both pressure and negotiations were necessary elements in achieving eventual denuclearization. Compelling Pyongyang to “make the right choice” between economic development and its nuclear weapons program was a widely-shared objective; the debate was over how to get there from here or if this was even possible. The devil, as always, was in the details.

The conference ended with an extensive list of policy recommendations. First among these was a call for all four countries to reach consensus on the preconditions for dialogue with the DPRK, the carrots that they are prepared to offer, and the potential consequences if Pyongyang reneges or walks away from the process.

An Overview of the Security Situation in the Asia-Pacific

The U.S. presenter argued that the biggest question or uncertainty facing the four nations today was the future direction of U.S. policy, despite his belief that, with the exception of its withdrawal from the TPP, the Trump administration’s Asia policy displayed much more continuity than change from the Obama Administration: America’s alliances remained the foundation for U.S. security strategy in the region; our One China policy remains intact and the promised trade war has not (yet) materialized; and, while “all options are on the table,” increased pressure on Pyongyang and an (over)reliance on Beijing to use its leverage to sway Pyongyang remain the basic tenets of the Trump administration’s North Korea policy as well.

Continuing with the “biggest” theme, he identified North Korea as the biggest immediate threat to regional stability and to cohesion among the four nations represented at the conference. The stated U.S. goal was “to bring Kim Jong Un to his senses, not to his knees” but it was not clear you could accomplish the former absent the latter. Most agreed that possessing an operational nuclear-warhead equipped ICBM would represent a “game-changer” but it was not clear what the new game would be. The dilemma (for Washington and Pyongyang) was the North’s current policy direction could leave Washington with only two choices: accept the DPRK as a *de facto* nuclear weapon state or bring about regime change.

The biggest long-term challenge facing the U.S. in the Asia-Pacific was managing U.S.-China relations and that task now seemed contingent on successfully dealing with the North Korea nuclear crisis. Trump administration expectations of Chinese assistance are (unrealistically) very high; what happens when China fails to deliver?

The biggest non-event was the over-hyped U.S. Freedom of Navigation Operations (FONOPS) in the South China Sea which have taken on a life of their own. These were not initially designed to demonstrate U.S. commitment or reassurance but were merely aimed at stressing a legal point: the U.S. will sail (and fly) anywhere international law allows and low-tide elevations do not justify territorial seas. While relatively confident that conflict would not break out in the South China Sea, he opined that the biggest accident waiting to happen was the issue of overlapping territorial claims in the East China Sea between Japan and China, where nationalist sentiments on both sides ran high and neither could easily back down if an accident were to occur.

Finally the biggest disappointment from a U.S. perspective was continuing tensions between the Republic of Korea and Japan over history and territorial issues, rekindled during the South Korean election period by renewed disagreements over the comfort women issue. There were frequent references during this and subsequent sessions to ongoing tensions and suspicion between Korea and Japan and the negative impact this has both on regional cooperation and on coordinating North Korea policy. Japan recalling its ambassador to Korea during the ROK presidential campaign did not help. Nor did candidate Moon's complaints about the comfort women agreement negotiated between Seoul and Tokyo that was supposed to have "permanently settled" the issue. Fortunately, President Moon has not revisited this issue since his election, but suspicions remain and the issue could erupt again at any time.

A Japanese participant noted that there have also been some positive developments in the trilateral alliance relationship. Japan and the U.S. used to be worried about a suspected ROK "tilt" to China, but this has changed over the last year. The signing of a General Security of Military Information Agreement (GSOMIA) between Seoul and Tokyo was also a very positive development. Prime Minister Abe has had two good meetings with President Trump but new questions about U.S. reliability have emerged due to Washington's TPP and Paris Agreement withdrawal so a significant degree of anxiety still remains.

The Japanese presenter also noted that the security situation was becoming increasingly complex and difficult. While economic interdependence was deepening, mutual mistrust was also growing. A rising China is a serious challenge to Japan but the need to cooperate with one another is also growing. He argued that the U.S., Japan, and Korea all wanted to cooperate with China on North Korea but were concerned about China's rejection of a rules-based order.

The Japanese speaker further noted that a serious perception gap existed regarding the North Korean threat between the U.S., Korea, and Japan collectively and China. While North Korea was a major threat to Korea and Japan and a growing threat to the U.S., China does not see North Korea as a serious threat to China; Beijing's calls for "all parties" to show restraint antagonizes the three countries. China also seems to complain more about the basing of the U.S. Terminal High Altitude Air Defense (THAAD) missile system in the ROK than about the North Korea missile threat. ROK-China, ROK-Japan, and Japan-China relations all appear to be deteriorating, in part over THAAD but also due to many other issues. There has been an erosion of trust in all three countries.

The Chinese presenter described the overall situation in Northeast Asia as peaceful and stable but controversies and challenges remain. The Xi-Trump Mar-a-Lago Summit contributed to stabilized relations, and the atmosphere at the recently-concluded Shangri-La Dialogue in Singapore was a bit better this year than in previous years—an observation others disputed—but uncertainties remain, especially outside Asia. On North Korea, he thought China is "more serious than before" in taking measures to force North Korea to change including coming closer to the U.S. position on the application of sanctions, but is trying to find the right balance between a forced change and a North Korean collapse. Beijing's decision in February to ban further imports of North Korean coal was an important decision which will limit Pyongyang's foreign currency earnings.

The Chinese presenter further noted that new sanctions measures may be having an impact and that the May 3rd KCNA attack against China by name was unprecedented. However, THAAD is a complicating factor. He acknowledged that there were different judgements in China regarding THAAD; some (a minority) think it's not a big threat to China but most see it as big problem. The U.S. and the ROK have been unsuccessful in convincing China that THAAD will not undermine China's security. The South China Sea FONOPS by the USS Dewey shows how complex the situation can be. It's an open question, he warned, if this will "weaken China's determination to pressure North Korea."

In general discussion, Chinese colleagues explained their concern about THAAD is its potential threat to China's second strike capability given the small size of China's nuclear force. Also, it would be part of a broader system providing sweeping coverage that would permit the U.S. to monitor all of China's ballistic missile activity. Americans noted that China had declined technical briefings that could address its concerns. Beijing also seemed to negate the very real threat posed by North Korea in favor of the highly theoretical threat THAAD might pose to China's second strike capability. Koreans noted that Chinese pressure had been counterproductive and insulting to ROK sovereignty, expressing the view that THAAD was a political issue, not a military issue, and that it was "time to get over it!"

The Korean presenter argued that there were two dimensions to the current security situation. Structurally the situation has remained essentially unchanged over the past 20 years: an ongoing Sino-U.S. rivalry featuring competition and cooperation, territorial disputes in the South China Sea, North Korean threats, etc. The policy situation is changing however, and it is not clear what's going on. Koreans don't know, but worry, about whether Trump and Xi reached a "secret agreement" regarding North Korea at Mar-a-Lago; they also don't know if U.S. or ROK policy will change under new leadership in both countries.

Unpredictability is the order of the day; it's particularly difficult to foresee what's going to happen next. He believes there is a great opportunity to solve the North Korea problem since North Korea seems to now be a top priority for the Trump administration and a central feature in Sino-U.S. relations. Koreans are waiting to see what Xi does after the 19th Party Congress; will China exercise its influence over North Korea to bring it back to the table? He also opined that getting North Korea to the negotiating table will require both pressure and compensation, and expressed concern and frustration over China's reaction to THAAD, which is aimed at defending the ROK and U.S. bases in Korea and Japan.

The Korean presenter said "insecurity" prevails: the U.S. is insecure about the rise of China and North Korea's emerging ICBM capability; China is insecure about the U.S. alliance network, which it fears is aimed at containing China; Japan is insecure regarding the rise of China and the growing North Korean threat; and the ROK is insecure due to the growing North Korea threat. Korea wants to see stabilized Sino-U.S. relations and a denuclearized North Korea.

On a positive note, he said the U.S. was still strong with power and influence in the region, China was changing (but slowly), and ROK-U.S. relations had deepened in recent years. Nonetheless, there are concerns about future relations between Presidents Moon and Trump and there is mistrust everywhere. The comfort women issue remains a complicating factor, and there is a sense of competition among all parties. On top of it all, North Korea's nuclear capability is growing day by day. That said, there is an opportunity to reset policy with new governments in Washington and Seoul and cause for some hopefulness.

There was considerable discussion about "Trump-induced anxiety" and questions about U.S. willingness to continue playing a leadership role regionally and globally. There were a number of references to concern about Trump's failure to specifically reaffirm America's Article Five commitments to NATO, demonstrating that Asian colleagues were watching developments far removed from the region in trying to assess the future direction of U.S. policy. The Trump Administration's tendency to dismiss values was also a concern. While Defense Secretary Mattis and Secretary of State Tillerson were saying all the right things, it was not clear that they were always speaking for the President or that a subsequent tweet would not undermine their message. Concerns were also raised about U.S. commitment to multilateralism, despite the White House announcement that President Trump would be attending the three big multilateral forums in Asia this fall: the East Asia Summit and U.S.-ASEAN Summit in the Philippines and the Asia-Pacific Economic Cooperation (APEC) Leaders Meeting in Vietnam.

There was also discussion as to whether Beijing considered North Korea to be a strategic asset or a strategic liability. Chinese interlocutors acknowledged that this question is being fiercely debated domestically and that there is a growing sense of frustration and anger toward Pyongyang's behavior and the negative affect it is having on China's security interests. There is still little evidence that Beijing is ready to "pull the plug" on North Korea, witness efforts by its UNSC representatives to tone down the latest round of proposed sanctions in response to Pyongyang's accelerated missile tests. Questions were also raised about what China's and America's role would be on the Peninsula post-reunification. This is a topic that warrants more in-depth discussion.

Finally, a Japanese colleague noted the irony that there was little or no reference to uncertainty regarding Japanese policy, a staple in past meetings. Prime Minister Abe has gone from being the biggest unknown to being the most stable and consistent actor.

Luncheon Remarks

A luncheon discussion provided a broader overview of the security situation from an American perspective and focused on what we should (and shouldn't) be worried about. There is no reason to assume that the U.S. and China are inevitably facing a so-called Thucydides trap. That said, the confidence that such a clash between the U.S. and China is unlikely or exaggerated has eroded in recent months.

Nonetheless, there is a strong foundation of safeguards against a U.S.-China confrontation and a clear determination by both leaders to not fall into this trap. Both countries are deliberately and actively trying to find areas of cooperation and at the same time finding high-level channels of communication to deal with areas of significant differences. And, although China is unmistakably rising, the U.S. is not necessarily in decline. The world can continue to count on U.S. leadership and American dynamism and global engagement, with sustained U.S. investment in the global order, in strong institutions, and in the rule of law. Within this framework, the U.S. and others have been willing to create space for a rising China.

For many decades, the U.S. has been the stabilizing factor in the region. But today, there are many people who see reason to worry that the U.S. is at risk of becoming the wild card in Asian geopolitics. Any lack of predictability on the part of Washington and any significant departure from strong traditions of foreign policy combined with turbulent domestic politics can be destabilizing, especially when populism and nationalism are on the rise all around the world.

There are multiple risks and vectors of uncertainty of potential conflict, any one of which could propel the U.S. (and the region) into a crisis. At the top of this list is North Korea. There are territorial disputes in the South China Sea and concerns about the behavior of the biggest claimant, China. The U.S. does not want to see a situation develop where it is denied access to part of the international sea based on unclear or extralegal assertions of sovereignty.

Cross-Strait relations have returned as an area of concern, since there is real and growing tension between the impatience evident on the part of the PRC and the generational change that's visible in Taiwan, where many young people show disillusionment with the idea of a One China principle and disaffection toward the idea of reunification.

The East China Sea is a potential hotspot, not merely due to the difference of opinion in sovereignty and territory but due to the rapid increase of the pace of Chinese incursions in an area that is administered by Japan. Under the U.S.-Japan security treaty, these disputed islands are covered by U.S. defense commitments.

Also of concern have been unsafe intercepts of routine U.S. air and sea patrols. The push to assert extralegal territorial claims combined with an atmosphere of nationalism all around the region means that an EP3 type of incident—a collision between a U.S. surveillance plane and Chinese jet fighter—could today escalate more quickly than anyone expects in ways that really magnify the potential for miscalculation.

Other areas of concern include the growth of support throughout the region for violent extremism, which can be exploited by ISIS and others to recruit disillusioned youth, even in places like Australia. There are also growing mercantilist policies toward trade that increase the risk of trade wars. We are looking at the prospect of a set of confrontations that would put at risk not only the driver of the global economy but the glue, which has been the tremendous surge in growth and prosperity and the growing middle class in the region.

Finally, there have been significant setbacks to governance and to democratic institutions over the last few years, highlighted by the coup in Thailand, extrajudicial killings in the Philippines sanctioned by the top level of government combined with routine threats of martial law, and the anti-corruption case in Malaysia. In short, there's a lot to worry about in the Asia-Pacific region.

Despite the U.S. presenter's belief that there is significant continuity in U.S. policy toward the Asia-Pacific as evidenced by early trips by senior officials to the region, there is a profound disconnect between policy at the cabinet level and the signals and decisions that come from the President and the White House. The zig-zags are clearly unsettling to people who need and want consistency and predictability.

Meanwhile, dealing with North Korea has become an even greater problem. North Korean strategy rests on the assumption that at some point, it will be worth it to the U.S. and others to buy them off. But, no U.S. president can accept a North Korean ability to attack the U.S. Even if we believe the weapons are not for the purpose of war, they are a means to an end. The behavior of North Korea and its leader are not under our control, but our respective relations are, our concerted effort to enlist support of the UNSC is, and our defense establishments are; we have the ability to be patient, to be smart, and to act if it's in our judgment to do so.

Dealing with so many of the problems, beginning with North Korea, has a prerequisite: the need for each of the countries, bilaterally and on a collective basis, to work effectively together at maximum efficiency. We need to determine what kind of practical regional arrangements or regional architecture in East Asia would promote stability and help put a damper on the risk of strategic rivalry. Organizations like the East Asia Summit, with ASEAN at the center, bring the four countries together along with Russia, India, Australia, and New Zealand. The vehicle exists and the question is how to use, expand and improve it. If there is no framework to prevent the “us against them” dynamic, Asia can become a battleground where the U.S. and China contend over whose visions or policies are going to prevail. We would be better served by strengthening existing institutions instead of creating new ones.

Changing Domestic Politics: The Impact of Elections in the U.S. and ROK and the Upcoming Party Congress in the PRC

The Chinese presenter highlighted the increased cooperation between the U.S. and China under the Trump Administration following the Mar-a-Lago Summit, specifically the 100-day economic cooperation plan and the decision to increase pressure on North Korea. China is becoming a more confident major power and is thus prepared to contribute more to global governance, as underscored by President Xi’s Davos speech and China’s active support of the Paris Agreement. The Chinese presenter asserted that China will not challenge the rules-based order since China is a beneficiary of this order. Rather, it will seek to “transform it from within.”

The Chinese presenter argued that President Xi’s foreign policy is more predictable and stable than President Trump’s and that the biggest challenge is figuring out U.S. policy amidst the “DC drama,” noting that China will have to adapt to changes in the U.S. After the 19th Party Congress, Xi will have more leeway. The Chinese presenter was not sure which direction Xi will go in, but believed he will still follow the above path.

The South Korean presenter noted that newly-elected President Moon Jae-in’s foreign policy was still evolving and that his foreign policy team was still not in place. President Park’s impeachment was a demonstration of a “people-led peaceful transition of power” but had resulted in a multiparty system with new factions in all parties.

South Korea’s foreign policy is less ideological than before; there will be more realistic, pragmatic policies than under the previous Progressive government of Roh Moo-Hyun. North Korea policies and actions have changed and that has limited progressive options; the new government can’t ignore nuclear developments and military provocations. The new government’s North Korea policy was similar to Trump’s in principle: pressure and dialogue. It was leaning toward a phased approach involving three phases: a nuclear test moratorium, preventing nuclear development (freezing), and ultimately a complete suspension of the North’s nuclear program. While it was not clear what Moon’s (or Trump’s) preconditions are for starting

dialogue, the minimum seems to be a moratorium on tests. The ultimate goal remains CVID, complete, verifiable, irreversible denuclearization.

While President Moon has postponed a final decision on THAAD, this will not affect the already-deployed THAAD units. Major U.S.-ROK issues were how to expand global cooperation, how to bolster reassurance and extended deterrence and how to finalize wartime OPCON transfer. President Moon also seeks a “more substantive partnership” with China and improved relations with Japan, although this will take time and is complicated by ROK domestic demands for a new comfort women agreement.

The Japanese presenter argued that Japanese politics have been very stable under Prime Minister Abe and that relations with China have been successfully managed since the Xi-Abe Summit. There is growing uncertainty regarding relations with the ROK under President Moon. There is a strong overlap between Tokyo and Seoul when it comes to the nature of the North Korean threat and the important role of the U.S. in preserving regional stability, but there is “strategic divergence” in how each views the region, especially regarding China’s rise. Japanese colleagues think that Koreans look at China through the prism of North Korea policy and China’s leverage over North Korea and also worry about growing Korean (and regional) economic dependence on China, which could cause a “tilt” toward China. The ROK does not see China as a military threat the way Japan does, especially when it comes to maritime threats and conflicts over disputed territory. Japanese believe Koreans do not feel threatened by China but do appear to be more frustrated with Beijing than in the past, especially over Beijing’s response to THAAD. Tokyo hopes that Seoul’s growing disillusionment with China will help move Korea closer to Japan.

The substantial mistrust between Korea and Japan has been made worse by historical issues. He acknowledged that both share blame by provoking the other side for domestic political reasons but also noted that Japanese feel Koreans do not appreciate Japan’s efforts and Tokyo’s desire for a “more mature relationship.” Meanwhile, he recognizes ROK concerns about Japanese revisionism and continuing suspicion of Prime Minister Abe. He concluded that a two-track approach was needed, one that separates history matters from security matters.

The American presenter divided his discussion into two parts, first looking at U.S. policies and then anticipated ROK policies under new leadership in both countries. He reinforced and underscored the level of apprehension and uncertainty surrounding Trump’s policy toward Asia in general and North Korea in particular. Stepping back, he also pondered what the absence of American global leadership meant for the rest of the world, while lamenting the bureaucratic disconnect between the White House and the rest of the Administration. Complicating factors included the slow process of staffing, a seemingly limited ability to focus and sustain attention on specific issues, the gap in discourse between the administration and the general public, and other uncertainties.

Turning to South Korea, the American presenter noted that candidate Moon ran on the Roh template but now has to deal with the reality of changes since Roh was in power. The fact that there was no transition period adds to the challenge. Moon has tried to balance himself between two factions, the alliance faction and the autonomy faction, and it's not clear which will be dominant. The relative prioritization of national versus international imperatives is still being played out, especially over THAAD (hopefully overlapping national interests will prevail). Underscoring what Korean colleagues had noted previously, he cautioned that "under review" does not mean a reversal of the THAAD decision. Nonetheless, it is not a good thing that THAAD will be on the Moon-Trump agenda when they meet later this month (especially given the earlier Trump tweet on the subject).

The U.S. presenter argued that a joint approach toward North Korea was still vital. He expressed concern about Japan-ROK relations, noting that Obama had been proactive in trying to facilitate cooperation between Washington's two key allies; if Trump is less involved or interested, how does this change things? Will this provide incentive for the two to cooperate or will the reverse be true? And will China, after the change of government in the U.S., consider the North Korea issue separately from previous concerns about the U.S. 'pivot'?

Trump's unpredictability, as well as a U.S. foreign policy that seemed to undervalue both values and the important role of alliances, were the subject of continued debate. Trump's transactional approach toward alliances was also troublesome; it could enhance or embolden the autonomy school in the ROK. Trump's commitment to the alliance was belated and mixed signals remain. One Korean participant was encouraged that Trump seems to view Asia as more important than other regions and attaches a high priority to dealing with North Korea. But, he cautioned, an "America first" approach raises concerns that Trump might settle for a freeze rather than pursuing CVID like his predecessors.

Discussions about a possible freeze were wide-ranging with some (mostly Chinese) enthusiastically behind President Xi's "freeze for freeze" proposal linking a halt in DPRK nuclear and missile testing to a halt in ROK-U.S. military exercises. Others (including most Americans and many Koreans) worried that the freeze would do little to reverse the North's nuclear development and could open the door for economic assistance that would relieve current pressure on the North to choose economic development over its continued pursuit of nuclear weapons and long-range delivery systems. While Presidents Park and Obama seemed in lock step regarding North Korea policy, there was considerable apprehension that the same would not be true of Trump and Moon. All eyes will nervously be on their upcoming summit.

While Moon carries traditional Progressive values, his defense and security-related appointments thus far have been encouraging and he has made it clear that the U.S.-ROK alliance remains the main pillar of ROK security and North Korea denuclearization his first priority. He has also made clear that his approach toward North Korea will be closely coordinated with the U.S. and will be “practical and realistic;” it will begin with cooperation in areas like health, medical, and environmental issues which are outside the sanctions regime. Meanwhile the trend of public opinion inside South Korea will impose limits on how autonomous the new administration will or can be. Nonetheless, there were questions as to whether Moon’s version of Kim Dae-jung’s “Sunshine” policy would be dubbed “moonlight” (casting light on the darkness) or “moonshine” (intoxicating but potentially dangerous).

Finally, most participants agreed that between now and the 19th Party Congress, China would be internally focused and that no major changes were likely in policy toward North Korea unless they were forced by Pyongyang’s actions. The Party Congress agenda would center on Xi’s anti-corruption campaign. At least one Chinese participant cautioned that China cannot follow the “same old way” regarding this effort, which has been heavy on punishment but not on incentives. A second area of focus would be the environment, given the “terrible” pollution problems that still exist throughout China. More generally speaking, Chinese participants argued that China would continue to focus on preserving, not changing, the international order and that China under Xi had no desire to challenge or replace U.S. global leadership. Initiatives like AIIB and OBOR were examples of China working within the existing international order. After the 19th Party Congress, China should be expected to focus on opening and reform and economic outreach.

The North Korean Challenge and How to Deal with it

A Japanese presenter stressed that the North Korean ballistic missile threat to Japan was real and growing and that the possibility of nuclear warheads cannot be ruled out. Continued international pressure leading to a serious dialogue aimed at CVID was essential; an action for action approach still appeared to be a useful way to deal with the problem. He cautioned that dialogue for dialogue sake was not good, a point reinforced by many others during the course of the meeting. It was essential that Pyongyang be compelled to abide by the various UNSC Resolutions banning its nuclear and ballistic missile programs. Japan was committed to working closely with all other relevant countries to increase the pressure on North Korea to give up its nuclear weapons program, noting that China’s role was particularly important given the North’s near-total reliance on China. North Korea seems convinced that nuclear weapons are essential for its survival; we need to disabuse them of this idea and persuade them that having nuclear weapons actually threatens the Kim regime’s survival.

The Japanese presenter also highlighted the critical importance of close coordination and cooperation between the ROK and Japan, calling it “an essential element in deterrence.” The GSOMIA agreement was important in this regard but more was needed. He also underscored the need for close U.S.-ROK-Japan trilateral cooperation and coordination. Japanese participants were encouraged by the Trump-Abe Mar-a-Lago Summit. Prime Minister Abe is prepared to do more to improve Japan’s defensive capabilities by strengthening its missile defense system and expanding other defense programs. Some Japanese think that Japan needs a counter-strike capability to enhance deterrence. (Of note, at prior meetings, such a comment would have drawn a strong rebuttal by Korean and Chinese interlocutors. At this meeting, it went essentially unnoticed.)

The Chinese presenter described Pyongyang’s tactics as two steps forward, one step back on two separate tracks: economic development and nuclear weapons. We must remember that Pyongyang wants and believes it needs both but seems to recognize it cannot move forward on both simultaneously. As a result, we should expect Kim Jong Un at some point to offer an olive branch regarding its nuclear program in order to get another two steps forward on economic development, but we should expect him to again reverse course once he has reaped the gains.

North Korea wants to be a real nuclear power, not just in name only. Pyongyang likely seeks to possess over 200 nuclear weapons. This will impact Chinese and Japanese security as well as Korea. It will be a real “game-changer,” no matter what the game will be. All four countries represented at this meeting will have lots of challenges if North Korea becomes the nuclear power it wants to become.

Our four countries face a common dilemma: everyone wants to solve the problem peacefully but peaceful measures don’t work. Meanwhile, the military option is too dangerous and is opposed by China and the ROK and thus can’t be used. North Korea is taking advantage of this dilemma by forcing two options: either accept North Korea as a *de facto* nuclear weapons state or engage in an unacceptable war. But, if we accept a nuclear North Korea, that will be only the beginning of real problems.

Fortunately, Kim Jong Un also has a dilemma: he needs economic development as a solid base of the regime; he cannot be secure with nuclear weapons alone. Kim Jong Un set up 21 special economic zones (SEZs) before his nuclear/missile tests, but no one will invest there because of his weapons program. How, our Chinese presenter asked, do we exploit Kim Jong Un’s dilemma? We need a joint effort to force North Korea to make the right choice between economic development and nuclear weapons.

Our Korean participant agreed that domestic policies and developments were an important factor driving North Korean behavior. He argued that defector reports indicated that Kim Jong Un was more popular than his father and was seen as representing change. He was also reintroducing economic and market reforms previously undertaken by his father, Kim Jong Il. His policies are giving hope to the North Korean people for a better life in the future.

The pattern under Kim Jong Un has been a continuing cycle of provocations, followed by sanctions, followed by provocations, followed by sanctions, etc. What can we do, he wondered, to incentivize a freeze? He believed that a pause in nuclear and missile testing by North Korea would be a sufficient condition to begin a comprehensive discussion on denuclearization.

The American presenter was more skeptical. He supported the majority view around the table that North Korea was absolutely determined to develop nuclear weapons and long-range missile delivery systems and that Pyongyang was not as susceptible to outside pressure as other nations (Iran, for example). While sanctions are an important element of strategy they are not a strategy by themselves. In addition, “all options” does not mean only military options; what sort of inducements or carrots are we prepared to put on the table to bring the North back to the table? He also reminded the group that the North Korean challenge was multi-dimensional: there were non-nuclear-related concerns, such as cyber warfare and human rights, which also needed to be addressed.

The discussion focused initially on the difference between a “pause” and a “freeze.” A pause is easily verifiable. It simply means no ballistic missile launches or nuclear tests. A freeze is more complex and comprehensive and should include verification measures to ensure that the various nuclear and missile programs have in fact been halted. But, would a pause be sufficient to resume negotiations and provide sanctions relief or other incentives?

Skeptics cautioned that there was an important distinction between rewarding Pyongyang for good behavior—positive steps toward CVID—and rewarding the North merely for the absence of bad behavior (halting missile and nuclear tests already prohibited by UNSC sanctions). The latter “quid pro quo” approach, cautioned one Japanese participant, only plays into Pyongyang’s “eat and then run away” behavior; “we can’t reward North Korea just for talks about bad behavior.” There was general consensus that a pause or freeze, if achieved, must be seen as only the first step toward eventual denuclearization and not as an end in itself.

Current U.S. and ROK policies are not to promote regime change, but to bring about a change in regime behavior. The stated U.S. objective was “to bring Kim Jong Un to his senses, not to his knees.” Some wondered, however, if any action short of bringing him to his knees would in fact bring him to his senses. If in fact the goal of military pressure is negotiation, then Washington needs to make it clear that negotiations are also on the table and that there is an exit ramp if Pyongyang wants to take it.

Regardless of which path is chosen, it is essential that our four countries reach consensus on the preconditions for dialogue, the carrots that we are prepared to offer, and the potential consequences if Pyongyang reneges or walks away from the process. While Trump may be seen as a deal-maker, Kim Jong Un has already proven himself to be a deal-breaker, so we must be prepared for the worst.

Policy Recommendations

Our Korean presenter noted that the real key to dealing effectively with the North Korean challenge is not new ideas but the political will to implement them. Lots of ideas have been put forth: a North Korean freeze in return for the re-opening of Kumgang and Kaesong; a lifting of UNSC sanctions in return for a verifiable freeze; nuclear arms control discussions; CVID in return for a Peace Treaty and normalization with the ROK, Japan, and U.S.; etc. What is needed is consensus on the roadmap and a genuine Chinese effort.

If overtures toward North Korea failed, then it will become necessary to explore leadership change options; Kim Jong Un will need to be replaced with someone who would swap nuclear weapons for peaceful coexistence. The ROK should be prepared to forego absorption of North Korea to gain Chinese support for regime change. A U.S. policy of “warm-hearted multilateralism” should be considered as an alternative to “cold-hearted bilateralism.” Meanwhile, China should not be linking cooperation on North Korea to the South China Sea or other issues. Concerns about China’s strategic overstretch would be lessened if China were to more genuinely cooperate on North Korea denuclearization; Beijing needs to make a departure from conventional thinking.

The U.S. presenter added his own list of policy recommendations. First and foremost, the new administration should not go back to a policy of “strategic patience.” This policy is not viable; it died after the fourth nuclear test and was buried after the fifth test. He feared the denuclearization window is almost fully closed; North Korea is trying to force the U.S. to accept it as a nuclear weapon state as the only alternative to war (assuming Washington will opt for the former).

The U.S. presenter cautioned that it was easy to slip back into old habits of tit-for-tat which the North played to its advantage. The challenge is to convince Kim Jong Un that nuclear weapons will undermine, not enhance, regime survival; he must be forced to make the choice between survival and nuclear weapons and this requires a significant increase in pressure, (economic, political, diplomatic, financial, and non-kinetic military), policy coordination, and management. Unfortunately, the Trump Administration currently is not adequately staffed to implement such a complex policy. And, while it appears that China is prepared to do more, it is not prepared to do enough to put the stability of North Korea at risk. He noted that the U.S. can still take significant steps without China’s full cooperation, including instituting secondary sanctions against Chinese firms that are assisting the North.

Successful implementation requires U.S. global leadership, which the Trump Administration does not appear to be willing to exercise. A number of events, most recently the decision to withdraw from the Paris Climate Agreement, undermine the credibility of the Administration’s willingness to lead. The Trump Administration must rebuild trust and confidence in America’s willingness to lead and any approach toward Pyongyang must start with the U.S. and ROK in sync. The same holds true for Seoul; ROK policy cannot be seen as

undercutting U.S. policy. At the end of the day, all parties must be prepared for a North Korean refusal to denuclearize. What then? Regime change? If so, is there a non-kinetic way to do this? It is time to discuss alternative futures for the Korean Peninsula.

The Japanese presenter underscored the common goal of a denuclearized Korean Peninsula and supported the idea of a freeze or pause as a first step toward dismantling North Korea's nuclear weapons program. Looking to the future, it was important to manage differences in perceptions and concerns among the four actors and to take a proactive rather than reactive approach. He wondered whether a declared no first use policy on the Korean Peninsula would be helpful, while also underscoring the importance of conventional deterrence. The fact that Prime Minister Abe was reportedly thinking about joining the AIIB (although still not ready to do so) also opened the possibility of improved Sino-Japan relations. Increased cooperation in non-sensitive areas such as humanitarian relief was another way to build trust and confidence.

The Chinese presenter began by raising the question "who do we propose policy recommendations to and to what degree can they be implemented and enforced?" Noting that President Trump does not appear to listen to his policy advisors, he suggested the use of social media to influence top leaders.

Meanwhile, Trump is sending mixed messages regarding Kim Jong Un and North Korea policy. If exercising the military option was not a viable choice, why keep doing military drills that really scare the North Koreans (especially after the missile attacks on Syria)? He lamented that on the one hand, the U.S. seeks China's help but then does not pay serious enough attention to what China proposes (such as its freeze for freeze suggestion). There is "not too much space for China to change policy" toward North Korea since there are still many who cherish the friendship (not to mention the desire for a buffer zone).

There are still things Beijing can do to be more helpful. It could: issue more serious warnings from the *PLA Daily* as well as from the *People's Daily*; punish or expel North Korea companies and businesses currently operating in China; cancel contracts and stop using cheap North Korean labor; revoke its Friendship Treaty with Pyongyang or threaten to do so; openly signal its desire for a change in regime to provide stability; acknowledge the existence of contingency plans to deal with a collapse scenario; and get the Russians on board so they don't fill the vacuum when China reduces economic assistance.

The discussion built upon these policy recommendations. Some wondered how to persuade China to really bring North Korea to the brink of collapse in order to bring about denuclearization; others wondered whether it was possible to put sufficient pressure on Pyongyang without China's help. Currently Pyongyang seemed to believe that China would not let it fall; how can Pyongyang be disabused of this notion? Even when the new ROK government tried to wave an olive branch, the North rejected the offer. Instead, it met the new administration in Seoul with a new series of missile tests.

While sanctions alone are not sufficient, they are an essential element in bringing about a change in behavior or a change in regime. While everything is easier with full Chinese cooperation, there are other things that can be done without Beijing's active assistance: cyber actions can destabilize the North Korean leadership and economy; more assets can be seized; human rights prosecutions can be pursued; senior North Korean officials can be encouraged with incentives to defect; a government-in-exile can be established (perhaps centered around Kim Jong Nam's son); and other covert steps can be taken.

Making North Korea even more reliant on China could also prove to everyone's advantage if China were to use its leverage more effectively. As stressed by several participants throughout the meeting, after the Mar-a-Lago Summit, President Trump seems to have placed a lot of faith in President Xi's willingness and ability to help solve the North Korea problem. What happens when Trump gets disappointed? Expectations need to be managed.

Finally, to reinforce an earlier point, all four countries need to reach consensus on the preconditions for dialogue, the carrots that they are prepared to offer, and the potential consequences if Pyongyang reneges or walks away from the process. Is there a long-range desirable outcome that is acceptable to all four parties?

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