



## The US-Korea Institute at SAIS

#### and the

Center for Northeast Asian Policy Studies at the Brookings Institution

Present:

# The Implications of Democracy and Dynasty: The Foreign Policy Futures of the Two Koreas





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## PARTICIPANTS

# Introduction

## Dr. Richard C. Bush

Director and Senior Fellow Center for Northeast Asian Policy Studies, The Brookings Institution

# Moderator

#### Dr. Jae H. Ku

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# **Panelists**

# Dr. Sang Yoon Ma

History and Public Policy Scholar, Woodrow Wilson International Center Associate Professor, School of International Studies at the Catholic University of Korea

## **Dr. Alexandre Mansourov**

Visiting Scholar, US-Korea Institute at SAIS

# **PROCEEDINGS**

**Dr. Richard Bush:** We are very pleased to cosponsor today's program with the U.S.-Korea Institute here at SAIS. I really appreciate the assistance and hospitality of Jae Ku and his staff in this endeavor. Our topic for the day is "The Implications of Democracy and Dynasty: The Foreign Policy Futures of the Two Koreas." It takes off on the coincidence that we have political change in North Korea and South Korea this year. And so that raises a lot of questions about future policies and we have two outstanding experts to talk about this: Dr. Sang-Yoon Ma from Catholic University of Korea and Dr. Alexandre Mansourov who is a visiting fellow here at the U.S. - Korea Institute. The fact that each of them at a time in the past was a visiting fellow with my program is pure coincidence, as well.

So thank you very much for coming. I look forward to learning a lot from the presentations today and I would now like to turn the mike over to Jae Ku to moderate the program. Jae

**Dr. Jae Ku:** Well, thank you very much. What a timely discussion and to have, I think, two real experts in the two respective countries with us here in Washington. So that is doubly exciting. For me, again, very exciting to have these two scholars talk about it because I just got back from Pyongyang. I was there for a week attending the Spring Art Festival, which I brought a little flag from the event and this is my ID. And here it says: Johns Hopkins University Magician. And for those of you who attend SAIS, you didn't know that Johns Hopkins has a magic school. We don't, but I attended with an American delegation of magicians. Coincidentally, April 11 was a very important date on the Korean peninsula. And our two scholars will really kind of give us an outline of what is to come this year and the kind of excitement that we see. Maybe I should not say excitement so much as kind of foreboding. But I am going to open the floor to Professor Ma first and then Sasha afterwards.

But before we get started, if I can do some housekeeping – I violated this rule just the other day and so when I gave a talk I had my cell phone on. So if you have your cell phone, if you can put it on vibrate or turn it off, I would greatly appreciate it. Why don't we get started with Professor Ma?

**Dr. Sang-Yoon Ma**: Thank you. I am Sang-Yoon Ma from the Catholic University of Korea and currently stayed at the Wilson Center as a public policy scholar. Before I start, I would like to make a personal note that in my country in Korea, I am not normally taken as an election specialist nor a specialist in domestic politics. But I am glad in Washington D.C., I have an opportunity to talk a little bit about South Korean politics and its implication for the future of the nation's foreign policy. Because I have been working quite consistently in the area where intersection of domestic politics and foreign policy crossed over.

My presentation consists of three parts mainly. The first one is analysis of the results of the April 11 National Assembly election. And secondly, I will talk a little bit about the implications of the April election for the presidential election, which will be coming in

December this year. And thirdly, I will also analyze what will be the foreign policy implications of the elections that took place this month.

Having said that, I am not really a fortune teller and a prophet neither. And my analysis is more common-sensical rather than giving you a definite answer or definite picture of the future.

Okay, I will start with analysis of the results of the April 11<sup>th</sup> of the National Assembly election. Before the elections, actually many people anticipated the opposition victory because of the widespread dissatisfaction of the people, people's widespread dissatisfaction with the current Lee Myung-bak government and the conservative Party. However, it turned out to be... Well, the ruling party's victory, given the victory was very slim, it was a kind of unexpected result because of – as I said – the widespread people's dissatisfaction and especially the result of the previous election for the whole layer that took place in October 2011 indicated the very strong trends against the ruling Party and the government.

As of January, for example, it was expected that the Grand National Party, which was the former name of the current Saenuri Party, it was expected that that Party would take only less than one hundred seats of the National Assembly. However, the result of the election was that the Saenuri Party took one hundred fifty two seats including constituencies and the proportion representation. Of course, after the election, two seats were lost because of some of the personal scandals of elected people.

Anyway, it was a Saenuri expected victory. And at the same time, the result can be interpreted as a defeat for the opposition as a whole, especially the Democratic United Party experienced a kind of defeat. Because it expected a large expansion of size in the National Assembly. However, within the liberal coalition with the Democratic Party, the United Progressive Party had quite a success. It expanded the number of its seats in the National Assembly, even though it failed to achieve twenty seats, which made it possible to organize a caucus in the National Assembly. It still expanded its presence in the National Assembly so that it can manage to lead the liberal coalition according to its very liberal agenda.

I will proceed to explaining those results. The Saenuri Party was relatively successful largely because of the very strong leadership of entering party leader, Park Geun-hye. She was extremely popular with the people. Of course, some of them do not really like him but he proved to be very much popular. He led a kind of reform measures within the Party in order to change the image of the old Grand National Party, which is considered as corrupt and old fashioned. An emergency leadership council was formed under her leadership and that counsel led the change of the Party's name and also almost thirty to forty percent of the current presentation at the National Assembly were changed so that the new people came into the Party. More importantly, Park Geun-hye tried to disassociate herself from the current Lee Myung-bak government that was quite successful. She emphasized that she was also a victim. For example, of the government's illegal inspection of its civilians so that the opposition political attack on her was somehow evaded.

On the other hand, the election was a failure to the opposition parties. The reasons for those failures probably comes out of three factors. First, it was the opposition focused on the negative campaign rather than presenting some of the positive policy views on the national agenda. Of course, people are very much dissatisfied with the current Lee Myung-bak government but the opposition Party failed to give positive suggestions.

And secondly, the Party leadership of the opposition was somehow indecisive. "Nanun gomsuda" was kind of a political satire show, which mixes with politics and entertainment and which drew millions of listeners. One of the candidates of the Democratic Party was a member of that program and his scandalous use of slang words made the conservative Party to be...inaudible...[00:11:15]. And many of the supporters of the Democratic Party complained that scandal really reduced the possibility of their chances being elected. But Party leaders of the Democratic Party really was not removed those negative elements in their campaign.

Democratic Party's alignment with United Progressive Party was also a factor. Well, probably with alignment, the Democratic Party obtained a little bit of profit but that was incurred quite less. With the alignment with the Progressive Party, the party platform of the Democratic Party actually went leftward a little bit. For example, the issues of Korea - US free trade agreement, the party chairman said that if her party won the election, she will try to renounce the FTA and that actually backlashed. The Democratic Party's opposition to the construction of naval base in Jeju Island was also problematic. With those elements and because of those reasons, Democratic Party failed to give kind of confidence to voters, especially the people in their forties or fifties and those who live in rural provinces were not given assurance from the platform that the Democratic Party suggested.

There was a question whether North Korea or North Korean threat was a factor which determined the election result. It was not really. Policy toward North Korea and North Korean threat were not a major issue at all. Some concerns were there that a win from North will affect the election but the thing is that it is really hard to predict whether North Korean trial attempt to affect the election will go which direction. Conservatives can be benefited. Or according to circumstances, liberals can be benefited. So it is kind of a double edge sword that we cannot really tell whether North Korean intention to support the liberal can be really realized.

Okay, now let us turn to what are the implications for the presidential election scheduled in December. The results of National Assembly election made Saenuri Party's presidential candidate, Park Geun-hye, to stand in former ground before the election took place. Her leadership and population was confirmed once again. Thus, she can now concentrate on policy and legislative action inside the National Assembly. If she shows to the people that she really takes care of min-sang, that is people's lives, is her chance of being elected will increase. This is quite contrasted with situation in the opposition because Democratic United Party will have troubling time for this election and nomination of its presidential candidate from now on.

Another benefit, advantage for Ms. Park is that she has a first mover advantage. She

promised – as I said – to take care of min-sang issues seriously. This includes expansion of the welfare system. If she is successful in doing that, she will be able to expand her support base into the center of the public spectrum. Then, driven out of the center, the opposition view Democratic Party may try to differentiate itself with more emphasis on the left oriented policy agenda. However, this can be a losing game for the Democrats. The Democratic Party, therefore, has a difficult task of how to regain the political center while at the same time successfully differentiating itself from the Saenuri Party.

Having said that, Park Geun-hye as a leader is still with quite a number of weaknesses, as well. Saenuri Party's majority in the National Assembly just crumbled with the ouster of two National Assembly-men Elects. Saenuri's lack of enough parliamentary seats will make Park Geun-hye, made her efforts to concentrate on legislative actions difficult. Park Geun-hye will also face very intense political offensives from the opposition. The opposition will try very hard to reveal Park Geun-hye's so-called true colors behind a façade of her new image as a reformer and as a very principled politician. Revelations of various political and financial scandals under the current Lee Myung-bak government, of course, may continue and this will be a major political burden for Park Geun-hye. Of course, so far, she was quite successful in disassociating herself from the Lee Myung-bak government and emphasizing she was also a victim. But who knows? It is to be seen whether she continues to succeed in this regard.

In the April elections, actually the percentage of votes for Saenuri candidates was only forty-three percent while the Democratic Party and the Private Progressive Party in combination received forty-four percent – slightly larger than Saenuri's votes. So that implies that the opposition candidate can still have a better chance than Park Geun-hye in the present election.

Park Geun-hye is also vulnerable in major city, especially in Seoul and the metropolitan area around it. This is a very crucial area because almost forty-nine percent of total voters reside in those areas. In the April election, however, opposition candidates were far more successful in these areas than Saenuri candidates.

In addition, Park's weakness also lies in young voters in their twenties and thirties. In the National Assembly elections, voting rate of twenties in Seoul was very high – sixty-four percent. This was critical for the opposition's success in Seoul. In summary, Park Geun-hye still leads, but her weaknesses are quite obvious, as well.

In the opposition side, it is not certain at the moment who is going to be nominated as the presidential candidate. Moon Jae-in, the former Chief of Staff of late President Roh Moo-hyun is still a leading candidate supported by the dominant faction inside the party, dominant pro Roh Moo-hyun faction, I mean. However, Moon's ability to reach out to the general public outside of pro-law supporters, proved to be less than anticipated before the election. He is recognized as a man of Roh Moo-hyun, but he is not recognized as a political leader on his own merits. That is a clear limitation.

Another candidate, Ahn Cheol-soo, is a successful IT entrepreneur and Seoul

National University professor. He is a potentially very strong candidate but he is not really associated with the Democratic Party at all at the moment. He seems to have serious intentions to run for the election and his town hall meetings with young people put the fame and popularity. His strength is that he has a very fresh image, untarnished image thanks to his computer faxing program distributed for free and his donation of his wealth to the society. Yet his popularity could prove to be a political mirage because he was not politically tested yet. There is some major uncertainty with regard to his public policy lines, as well. He is known to be socioeconomically liberal and conservative in foreign and defense policy. Yet, no detailed information on his policy made public yet. Whether or not – and how – he will join the opposition party is still not known either; so still many uncertainties remain.

The voting rate in April election was about fifty-four percent. This means a large number of voters did not really express their political preferences in the National Assembly election. The voting rates likely to be higher in the presidential election, of course. This is not certain, however, which party will be more benefited with increased voting rates. That leaves a political space in which a powerful competition will take place. In short, presidential election is undetermined yet. The remaining eight months are very crucial for the selection of the next president of the Republic of Korea.

My last topic is about foreign policy implications of the elections. Actually, foreign policy issues were not highlighted in the National Assembly election very much. And I think that will be the case in the presidential election. Bin-sang in other words, socioeconomic issues will continue to dominate in the political competition. However, during the campaign process – or even earlier – major candidates will have to answer their view and express their view when pressing foreign policy questions arise. For example, when we have to ask how to respond to North Korean provocations and what is his or her policy stance towards rising China, how much value is attached to the alliance with the United States? Those are the questions that potentially will be highlighted during the campaign and of course major candidates should answer those questions.

Park Geun-hye's view is better known than other candidates, actually. She published an essay in *Foreign Affairs* magazine last fall and according to that essay and some of her other remarks, it is likely that she will maintain strong alliance with the United States and she will also try to engage North Korea. That is a difference from her previous position, which emphasized more a pretty bold approach to North Korea.

Opposition candidates – whoever is nominated – they have to present their foreign policy vision, as well. Once again, however, the political space of differentiation is very narrow. It is quite clear that an opposition candidate will come up with more emphasis and engagement with North Korea. However, because Park Geun-hye already made it clear that she will follow a similar policy, this will not be particularly useful for the proposal of differentiation.

Another option for the opposition is to take a rather anti-American position. He or she may propose a renegotiation of the Korea-US Free Trade Agreement and continue to raise questions as to the foreign and defense rationale of the construction of the naval base in Jeju

Island. As I said, however, this may not be politically very much helpful for their position as it proved in the April elections.

Interparty struggle inside the Democratic United Party will, of course, matter. After the April elections, the pro Roh Moo-hyun faction is now dominant, but at the same time challenge it by more moderate factions. Which faction will occupy the politically upper ground will affect the proposed foreign policy vision of the Democrats. Vice versa, how the position candidate handle the issues like Korea-US FTA and Jeju Naval Base will serve as a barometer or indicator of their foreign policy vision in case of his or her election.

Thank you. I will stop here.

**Dr. Ku:** Well, thank you for that excellent overview of what just recently happened in the South Korean domestic politics. Now we shift gears and move North on the same day where North Korea held its Fourth Party Congress. Sasha?

**Dr. Alexandre Mansourov:** Good afternoon, ladies and gentlemen. My name is Alexandre Mansourov and I was asked to talk about the recent developments in North Korea and the implications on the situation on the peninsula. In early April – as you probably heard – North Korea unveiled a new governing system presided over by Kim Jong-un, the third generation Mangyongdae dynasty ruler who declared the commencement of the second century of the Juche revolution and the Kim family rule. But as the whole world was focused on the missile launch and on the election of Kim Jong-un as the first Chairman of the NDC and the first Secretary of the Workers' Party of Korea, something very important was happening at the same time behind the hidden walls.

Let me give you a wakeup call. Some of you seem to need it. I will talk about the overhaul of the governing system which just took place a couple of weeks ago in North Korea in addition to the election of Kim Jong-un to all these top positions in the Party government and the military. Kim Jong-un overhauled his National Security team, he revamped his economic team, and he removed a lot of legacy officials whom he inherited from his father to cement his grip on power and to lay the cadre's foundations for developing and implementing his own revolutionary program in the future. On the surface, everything appears rosy and Kim Jong-un seems to be in firm control. But we wonder whether there might be some other alternative explanations of what is going on there.

So let me first talk a little bit about the overhaul of the National Security team, which we just witnessed. In early April, Kim Jong-un reshuffled the country's National Security leadership to discard the National Security team which he inherited from his father. And to install his own National Security aides in power in order to strengthen his personal authority and the party role over the military, as well as to rebalance the power relationships between key players and key National Security institutions. To be more specific, Kim Jong-un appointed a new Director of the General Political Department, a new Director of the State Security Department – which is like a North Korean KGB – a new Minister of Defense and probably a new Guard Commander initiating a chain of top down personnel changes within these departments. Only the KPA Chief of General Staff, Ri Yong-ho – who by the way, also

lost some power in this reshuffle – Minister of People's Security, Ri Myong Su, and the recently appointed Defense Security Commander, Jo Kyong Chol were able to keep their posts.

Now the most important thing, I believe, is the appointment of former Workers' Party Secretary, Choe Ryong Hae is the first ever, first ever civilian director of the General Political Department of the Korean People's Army. There will be a lot of firsts. Already we see a lot of firsts with Kim Jong-un's governing style. But nevertheless, the appointment of Choe Ryong Hae as the Chief of GPD, the appointment of Kim Jong Gak, a military political officer who was the former first Deputy Director of the General Political Department as the Defense Minister, and the appointment of Kim Won Hong, another military political officer as the new Director of the SSD clearly were intended to strengthen the party rule and party control over these key institutions despite continued military first policy and obviously to ensure the unswerving loyalty of these people to Kim Jong-un, given his personal trust in these individuals.

It is interesting, yesterday *Rodong Sinmun* published on its second page an unusual article. It was called [Korean language], "the first banner of the military is the party banner." And essentially that article, for the first time and I mean in a long time, talked about the threat of modern day revisionists who try to introduce the ideas of depoliticization [Korean language] and de-ideologicalization [Korean language], the party military relations in North Korea aiming to split the party from the military. And the admonition in the newspaper was when some former Eastern European Socialist countries tried to do it in the past, we all know what happened. Those Communist parties lost their power and were basically thrown into the garbage bin of history. So that was a very unusual article which kind of provided beef for those people who thought that really, part of the rationale for the overhaul of the National Security institutions was to strengthen the party role over these power organizations.

Now, the second important aspect of this overhaul of the National Security team was that the latest power rebalancing strongly indicated that now the Director of the General Political Department stands above the Chief of the General Staff Department while the Minister of Defense remains in a subordinate position to both General Political Department and the General Staff Department. And this is a departure from the practice of the past several years when Vice Marshal Ri Yong Ho became really a number two official standing next to Kim Jong-un and being designated as one of his primary guardians.

Now civilian Vice Marshal Choe Ryong Hae, freshly minted Vice Marshal, is ranked as number four following Kim Jong-un, Kim Yong Nam, and Prime Minister Choe Yong Rim having pushed aside Ri Yong Ho, Ri Yong Ho lost by a notch to Choe Ryong Hae. And of course, Choe Ryong Hae was elected as a member of the National Defense Commission whereas Ri Yong Ho failed to make the cut. So again, this relationship was rebalanced between the General Staff and the General Political Department and now we know that the GPD is again on top of the General Staff.

And the third significant change in the National Security team, of course, was the surprise replacement – dismissal and disappearance now – of the Director of the State

Security Department. It's like the Chief of the North Korean KGB has been dismissed and disappeared. And the point – I will return to it a little bit later – his replacement, General Kim Won Hong – and by the way, that surprise replacement clearly undermined the SSD positions vis-à-vis its perennial rival, the Ministry of People's Security although again, the newly appointed Director of the SSD, Kim Won Hong, still stands one notch above the Minister of People's Security, Ri Myong Su, although both are four star generals, both are members of the NDC and CMC. But Kim Won Hong was able to preserve that traditional kind of lead of the SSD over the MPS.

So that is one major overhaul which took place, I would tell you, in the last week of March, first week of April. Because all these officials, last time they showed up, were replaced on March 26 when Kim Jong-un went to visit Kumsusan Memorial Palace. And since then, none of them have been seen. And we know that they have been replaced.

Now the National Economic team has been revamped, as well, since the inauguration of Kim Jong-un as North Korean Supreme Leader, he revamped his economic team reaffirming the central role of the cabinet in economic policy making and giving more power to key economic officials known for their "reformist views and commitment to raising the people's living standards" through the "pro market policies." And specifically in his conversation with the responsible senior party officials at the Central Committee on April 6, he reaffirmed the principle of the Cabinet's primary responsibility for the national economy and the system of the Cabinet's centrality in economic decision making. And this is important because continuous Party involvement, involvement of the Party Central Committee in economic policy making and the past couple of years, basically Kim Jong-il said leave it to the cabinet to handle the economy. And so this was the first statement from Kim Jong-un saying okay, I agree with that and let's leave the economy basically out of the Party hands by and large and let's leave it to the professionals. Again, when the military folks tried to make the same argument – I talked about it earlier – by talking about the need to professionalize the Army and separate it from ideology, we know what happened. I mean, it was this major overhaul of the National Security team and military political officials were put in charge of the military.

With economy, it is a different story. The fifth session of the SPA – which was convened after the Party conference on April 15, the day of the launch – appointed four new vice premieres in charge of the energy sector, agriculture, capital construction and education, bringing the total number to twelve and replaced five key ministers – confirmed, actually, not replaced – but confirmed the replacement of five key ministers – Minister of Finance, Minister of Commerce, Minister of Posts and Telecommunications – by the way, a guy who spent some time in revolutionary reeducation camp a few years ago. And now it is another first. This is an official who made it back and now appointed as the minister of a very sophisticated industry.

Also, the Fourth Party Conference promoted two key economic officials – Party Secretary Kwak Pom Gi and Vice Premier and Chairman of the State Planning Commission, Ro Tu Chol, to the rank of the alternate members of the politburo. There by strengthening the Politburo's economic team vis-à-vis its military security and ideology wings. And of course,

the appointment of Pak To Chun [sic], the former Prime Minister who was regarded as "reformist" as the Director of the Parties like Central Committee Light Industry Department. Also, kind of strengthen the "pro market and economic reform minded forces within the Party's Central Committee."

Now how do we explain, how should we explain these changes? I would submit to you that depending on what you believe about the degree of Kim Jong-un's control over the system – and we all know that yes, he is the first Secretary of the Workers' Party Central Committee and he is the First Chairman of the NDC – but depending on what you believe about the degree of his control over the system, you may come up with very different explanations of what just happened two weeks ago.

I will lay out three alternative explanations for you. Number one, if we assume that Kim Jong-un is in full control – that is what the North Koreans want us to believe – then the recent overhaul of the governing system may basically tell us that the succession is over, Kim Jong-un has arrived as the country's supreme leader in his own right and he feels secure and comfortable enough to basically split up the generational change and dismantle the legacy government that he inherited from his father. And hence, he inaugurated his own national security team, his own economic team composed of the confidantes – you know, people whom he trusts – after discarding his father's legacy choices, essentially, which Kim Jong-il put in place to enable a smooth transition.

It is very important that out of the original seven people who, those seven senior officials who walked alongside the hearse carrying the body of Kim Jong-il, remember the Gang of Seven during the funeral procession on December 28, which the South Korean media portrayed as the most trusted aides of Kim Jong-un who were there to protect him. Three of them were dismissed already and that is SSD Director, U Tong Chuk, Defense Minister Kim Yong Chun, and Ri Yong Ho, Chief of General Staff. He lost relatively his power. He is still there. I mean, he is still very important, don't get me wrong. But he was pushed a little bit aside and he dropped in ranking. Well, two others, Party Secretary Kim Ki Nam and Choe Thae Bok clearly failed to make it to Kim Jong-un's inner core, circle, inner circle. And so only two men from the original Gang of Seven – Kim Jong-un's uncle, Jang Song-taek, and Kim Jong Gak – they were able to gain more power and increase their party rankings in the past four months. It has been just four months and in four months out of seven people who were supposed to be there to protect and guard and advise, five essentially either dismissed or sidelined or lost access.

So secondly, if we assume that Kim Jong-un is only partially... so second alternative anti hypothesis – if we assume that Kim Jong-un is only in partial control and someone else may be calling the shots or manipulating him, then an inauguration of this new National Security team may indicate that those officials who gained power in the recent reshuffle, including Jang Song-taek, including Choe Ryong Hae, and including the former intelligence czar ...inaudible...[00:43:19] who also went up... Who by the way, all of them were part of the original successor support group, we call it the first generation successor support group, which Kim Jong-il first put in place but then discarded them at the time of the Third Party Conference by kind of sidelining them and front lining the second generation successor

support group made up of people like Ri Yong Ho and U Tong Chuk.

So what it means, then, that this first generation, a regional successor support group which Kim Jong-il feared and that's why he removed them. Because he thought that these are powerful individuals and instead of guarding Kim Jong-un, they may snatch the power away from him so he sidelined them. So now these people may have finally succeeded in dismantling the protections built in the second generation successor support system by Kim Jong-il in order to prevent these particular potential rivals from staging a palace coup against his son. So by purging the Kim Jong-il designated supporters of his successor, Jang Song-taek and Roh Hyung-Oh appear to have cleared the obstacles facing their own potential power takeover bids. And it is just a hypothesis so we cannot exclude the possibility that the officials who disappeared – U Tong Chuk, Yun Jong Rin the guard command. I mean, these are key officials. This is the director, the Guard Commander. Even politburo member, Jon Pyong Ho, they may have been accused of saying or doing something which is threatening to Kim Jong-un and you saw already some... I mean, I saw this one article in the South Korean press talking about high-handed and arrogant attitude by U Tong Chuk, the SSD Director, that may have cost him his job. Or saying that he might have become a victim of Jang Song-taek's breath. You know, it's like Jang Song-taek's wind or something.

Anyway, there is another possibility, a third alternative explanation of what just happened. And that is if we assume that Kim Jong-un is a legacy figurehead leader symbolizing regime continuity elevated temporarily for the sake of preservation of internal political stability who presides over different competing elite groups that compete for power and policy influence. Then this recent reshuffle, over -haul of the National Security institutions, may reflect the power rebalancing and readjustments of checks and balances between different competing groups of officials – even possibly merging factions, if you wish, especially in the party and in the military, the military and the security, the civilian economic sector people and the defense industry and men in uniform – favoring up and coming group of officials made up of people like Choe Ryong Hai, Kim Jong-un's aunt, Kim Kyong-hui, who rose in the rankings from number thirteen to like number six. Her husband Jang Song-taek, Kim Yong Chun as SSD director and others, obviously.

At the expense of those Politburo members who were just dismissed like Jong Pyong Ho, Pyon Yong Rip, U Tong Chuk, and its aging idealogical stalwarts like Kim Ki Nam and Choe Thae Bok. I mean, when I think about it, I cannot really exclude the possibility that in contrast to Kim Jong-il whose Unified Guidance system [Korean language] – essentially his One Man Rule – was based on the principle of the single-hearted unity in [Korean language] which banned party factionalism. Kim Jong-un may well have decided to govern on the base of the principle of checks and balances between emerging, these rival interparty groups – similar, by the way, to his grandfather's governing style. I mean, Kim Il-sung – unlike Kim Jong-il – he relied on this interparty faction competition to consolidate and maintain his own power position and improve the overall performance of the party establishment. And when you read the South Korean press, it is all over that Kim Jong-un is trying to be like grandson like grandfather like grandson in everything. And so maybe in his governing style, too, instead of mimicking Kim Jong-il's reliance on this Unified Guidance system, maybe he instead is compelled – or chose – to practice Kim Il-sung's leadership style, if you wish,

manipulating different factions.

Again, this is just a hypothesis. But I told you what happened in addition to Kim Jong-un's being elected in taking over these top positions. But this major overhaul in the National Security and economic teams and three possible explanations what may be driving them.

Now what are the foreign policy challenges? Just in a couple of minutes, I will try to address them. Because foreign policy challenges facing Kim Jong-un, they originate essentially in the behests, in the legacy left by Kim Jong-il and Kim Jong-un's so far unsuccessful efforts to implement those behests [Korean language] at one go and without conceding an iota, how they say. The missile launch, I mean, it is a legacy issue. They have been on track to do it for quite some time and not just this April. It was botched but they decided to repeat it, apparently, and I am sure North Korea will test an ICBM again in the near future, both in order to advance its own missile program but also to repair the credibility of the regime and the image of the regime at home and abroad despite this unanimous condemnation. You guess it, a new missile, a nuclear test is likely to exacerbate the tensions, fuel everybody's insecurities, and set in motion this action/reaction spiral of confrontation causing both further isolation of North Korea and fortifying the deadlock in its relations with the rest of the world. Hopefully, three or four years down the road, basically will again be forced to, everybody will be forced to re-engage in strategic bargaining and we will have to pick up where we are left now.

Now, policy towards South Korea, essentially Kim Jong-un inherited a very hard line approach, which was initiated by Kim Jong-il in the second half of 2010. Although that hard line backfired in the last elections, it looks like they reaffirmed it and are going to continue with it. And essentially what happened, Saenuri – you just heard – scored an upset victory and was able to maintain its majority in the ROK's Assembly despite the strong North wind and the North Korean government's campaign to get it ousted. But believe it or not, Pyongyang interpreted the election results as a win, as a victory because of the favorable outcome in Seoul, because the opposition took over Seoul and so now their campaign is aimed at expanding the victory from Seoul to the rest of the nation in South Korea come December. So Kim Jong-un, if you read all the statements which were released in the past four months, basically has one strategy goal vis-à-vis the South, which is regarded as one of Kim Jong-il's behests. And that is "to revive the June 15" reunification era." Which means what? Economic benefits will flow without limit from Seoul to Pyongyang again, ranks of the pro-North Korean forces and pro-North Korean sentiment will grow in the South, and the anti-US sentiment will deepen in the South weakening the ROK-US alliance, damaging bilateral relations between Seoul and Washington while relations between North Korea and the US and North Korea and Japan will improve as it happened in 2000, 2002. So that's the strategic goal.

The tactical objective is basically today – even after the election results – it is to prevent the Saenuri party including Park Geun-hye from winning the Blue House next December and to help the pro-North Korean forces to regain the South Korean presidency by facilitating the formation of a united front of the position forces against Park. And you just

heard the numbers. I mean, if the opposition forces combine, the DUP and UPP, they will get forty-four percent, which is above the results shown by the Saenuri.

So what are the mean supply? The main tactic basically – and we see it now – is after the elections. It is to further harden the hardline, if you wish. If there is any more way to go, they want to harden the hardline even more in order to smear Lee Myung-bak and his party with personal insults and to further scare off the South Korean population. This is by attempting essentially to compel the South Korean public to elect a more "moderate and pro-North" president in December so that they can avoid living in fear for the next five years. They are trying to raise the heat so much that everybody will be scared. So no, we do not want for five more years to live in that kind of nasty world.

So Kim Jong-un's policy now is based on principle of anybody but LMB or whoever his protégé may be in December. How far are the North Koreans, how far are they willing to go? People talked about more missile tests, more nuclear tests. I think they can conduct them simultaneously in missile and nuclear tests at the same time to kind of really show, to scare the South Korean public. Possibly naval clashes in the West Sea, cyber attacks, yes, and clearly, they are taking the low road now with all the latest hot rhetoric. It is interesting that these threats of sacred warfare and special action, have you guys accessed KCNA this morning? They launched the cartoon warfare. These are outrageous, in my opinion. You know, cartoons which they are trying to plaster all over the internet and we thought it would be like a cyber attack of some sort. I do not even want to talk about it, but just go to the KCNA website and you will see what I mean. What this cartoon warfare means really, it is a very low road that they are taking.

But in general, we need to wait and see whether Kim Jong-un really means all these threats of sacred warfare and special action or whether this is just hot rhetoric, a sign of his immaturity possibly as a leader or demonstration of the elite loyalty competition even though at a much more provocative and personal insulting level than before. Because if this is all about psychological warfare and Kim Jong-un does not follow through with re-election, does not follow up with re-election, then his credibility will be hurt. And he will be regarded as a paper tiger. His future threats will be discounted as posturing and demagoguery. However, if he does follow through with some sort of physical provocation whether it is simultaneously nuclear, missile tests or some sort of... Remember those two submarines which disappeared a few days ago? Who knows where they plan to resurface? So if he does follow through with some sort of physical provocation going beyond this pure propaganda and psychological warfare, it will definitely reveal a much more aggressive and at the same time straightforward leadership style different from his father's. Because Kim Jong-il usually, A; he stayed away from such denigrating personal insults of the South Korean leaders, at least since President Chun Doo-hwan. That was a long time ago.

But most importantly, Kim Jong-il used to go into this quiet mode, dead silence, if you wish, before attacking. And he would never... And this was a pattern. Whenever they raised the temperature on this rhetoric, they never did anything. Because if they planned any action they would go silent and then they would strike. And more importantly, Kim Jong-il was very unpredictable in his offensives by using this old Chinese strategy of making noise

in the East and striking in the West. Whereas what we hear now, it is all... If he does follow through with this, that would be a very different leadership style.

But the bottom line is that Kim Jong-un is likely to continue his confrontational policy aimed at aggravation of tension with the South to oust Lee Myung-bak prior to December elections. Again, it does not mean that they will not switch it off come December election and will not try to open a new chapter in relations with a new South Korean leader, whoever he may be. But until December, I see a lot of tension and confrontation.

Now on the US side, if you...

**Dr. Ku:** One minute.

**Dr. Mansourov:** One minute, okay. Basically, the Leap Day deal is derailed, as you know, but so what? To understand what really happened you have to understand why North Koreans entered the deal to begin with. Under Kim Jong-il, the basic idea was strategic, was to split the U.S. from ROK by signing a separate deal directly with Washington and leaving Seoul in the cold thereby basically demonstrating the failure of Lee Myung-bak's policy of title lines with the US and hardline policy against North Korea. So Kim Jong-il did not live to see that. So after he passed away, the domestic political consideration kicked in and that is the North Korean leadership wanted to implement Kim Jong-il's behest including his desire to reach some sort of settlement with the United States even though they knew that they would have to scrap it sooner or later. And of course, for Kim Jong-un, one of the foreign policy interests for him was to set up a situation in which he could basically test the hostile intent of the United States, especially using the satellite launch as a pretext before exploring any further kind of initiatives down the path of normalization.

So what's next? I think Kim Jong-un will continue to wage his "silent diplomatic war" against the US on the base of this Military First diplomacy by hitting all these "vulnerable spots" of the hostile nations through bolstering his self defensive nuclear deterrent and failing this anti-South, anti-US wind in the South. Is another deal possible between Kim Jong-un and Obama? From a North Korean standpoint – not from American – but from a North Korean standpoint, yes it is possible. Because Kim Jong-un reportedly does not believe in geopolitical fatalism and he believes that Korea is "a point of vital strategic importance" that will continue to draw the US back in and will continue to force the US to accommodate North Korean concerns. So probably he will wait until after the US Presidential elections in November before re-engaging with the Obama administration close to the end of the second Obama term. But there will be definitely no more deals involving the surrender of the North Korean strategic arms in exchange for the US food aid. That is, I think, no.

Now I will stop here. In the Q&A, we can talk about what happened in North Korean and China relations in the past four months because there were some adjustments there. But probably we will address them in Q&A. Thank you very much for your attention.

**Dr. Ku:** Well, on that positive upbeat note on peace and prosperity on the Korean

Peninsula, let me open the floor for questions. Please raise your hand, identify yourself, and ask a question with a question mark at the end. We have a couple of microphones here. In the meantime, let me ask the first questions. First to Dr. Mansourov: In your three explanations of this leadership change, as generalists on the Korean Peninsula here in this town, when we see or hear the names of his uncle and aunt, where do they fit into all this?

**Dr. Mansourov:** In second explanation. As I said, if we assume that Kim Jong-un is only partially in control and somebody is manipulating him, then the question is who is manipulating him? And to answer this question, you have to look up and who went up and who went... I mean, we know who dropped in rankings, who disappeared. Now you have to ask a question and whose power position and party rankings increased? And that is, without a doubt, it is Jang Sung-taek. Although when I spoke here four months ago I said that probably Jang Sang-taek, you know, Kim Jong-un would be very wary of Jang Sang-taek and would make sure either to contain him or eventually to kind of push him aside. Why? Because that was Kim Jong-il's experience with his uncle and probably that must have been Kim Jong-il's advice – watch your uncle – this is not happening.

And this is one of the biggest surprises is that the guardians, people who were put in place to make sure that Kim Jong-un would succeed, these guardians are now marginalized and some of them relieved of their duties and disappeared. So what is happening with the guardians, somebody must be clearing the political space for himself to make his own, his own power bid. And you look at people who moved up – Jang Sung-taek is one of them – and by the way, even Chai Dyong-hai, the new director of general political department, the new number four guy, the new senior civilian military official who stands next to Kim Jong-un, he is considered to be one of Jang Sung-taek's close friends and confidantes. Although I think that at this point, because of his position within the system as the member of the presidium of the Politburo and again, the head of the GDP, institutionally, he is so well above Jang Sung-taek that he can no longer be his pawn or his proxy and he is a man in his own right, Chai Dyong-hai. But you cannot ignore the long history of their close relationship and close bond.

So in my hypothesis, it would be the second hypothesis assuming that... Part of the rationale for these changes is this overhaul of the National Security team and economic team is that somebody else is clearing the political space for his own challenge, power change.

**Dr. Ku:** Okay. Questions out there. Gentleman in the back corner.

**Question:** This is Dave Winters, local researcher and Hopkins Alumnus. I would like to ask Dr. Mansourov on the assumption that Kim Jong-un – I will be very positive – let's say he is a young, charismatic, highly intelligent new leader with Western experience. He is definitely the youth group. Now if you want to come over to Japan, you have got a leadership crisis, you have got these old folks changing chairs. When I heard this description of the South Korean elections, I have to admit I was yawning. Maybe I am not into those things. But I mean, it just sounds like business and usual and same tired old politics. So when you look historically – which is the way analysts, I would assume, would have to do – you do not have to look too far to find young, charismatic, dynamic leaders whether it is a Napoleon,

whether it is a Castro back in the fifties. I mean, this is a really wild card to enter into a situation where everybody else seems to be bogged down in the old ways. Looking at it from the outside, how are people going to cope with this? I mean, what is the game plan here?

**Dr. Mansourov:** You are raising a very important question. And yes, he is young and in the eyes of the North Koreans, he is fresh air and he is charismatic, although he is a little bit old by the standards set by his parents and grandparents. I always remind my listeners that his father started on the path of revolution – according to official North Korean mythology – when he was twelve, his grandfather. His father started the revolution when he was six and Kim Jong-un now is twenty-eight. So by those standards, I mean, he is pretty late to this.

But indeed, when he took over four months ago, our point of reference was what Kim Jong-il did twenty years ago in 1994 when essentially, the whole country was put into a coma - you know, shut down - and for three years, it was a No Business sign on the door. You know, famine ensued, a lot of human life lost. Very little change for three years. And so that is what we thought, maybe transition would unfold in a similar way – out of precedence, out of lack of experience, out of deference to the past... Again, because the system is built in such a way. And guess what? Four months later, we basically look at a vibrant country by North Korean standards. I mean, I am not talking about global standards. Vibrant leadership, complete leadership on the whole, if you wish. And it is almost like the other extreme. Nobody expected that internal changes would be so profound as they were. And a lot of firsts. I mean, this guy, for the first time he addressed his nation televised live. For the first time, his speech to senior officials at the Central Committee, just six days later it was published in the North Korean media. In the case of Kim Jong-il or Kim Il-sung, it was never published. Kim Jong-il would be published several years ago. And the guy visits strategic rocket command and they call it strategic rocket command as opposed to KPA Unit Number blah, blah, blah. You know, they begin to call a spade a spade.

In that same military parade speech, for the first time he addresses the officers and soldiers of the strategic rocket force command, which existed for twenty years but publicly it was the first mention of it. And this much greater transparency, which anybody thought we could ever see under this regime, definitely you can get the feel of the fresh air, at least from the outside. And I know, Jae, it was just a week ago it may be inside, you know, you do not really feel it or see it. But at the policy level, I mean, all these messages we are sending out, we begin to see differences. And yes, he brought hope. Whether this hope will be realized in the lives of the ordinary people, it remains to be seen. But definitely, the fact that this guy – he is twenty-eight – for nine years – just think about it – for nine years, he lived in Switzerland. Not four, not five. For nine years since, yes, the age from seven to sixteen. But it is a very impressionable age. I mean, my son is sixteen and when I ask him what he wants to do, if he, let's say, goes to Russia, for example. He would think about his life in America as that forming experience, that he would definitely want to keep around.

So those nine years of life in Switzerland, maybe we will not see them right away but eventually, we will see them kind of making an impact to begin with, and a lot of other stuff. But I agree with you. He is a new leader and I think he brings hope to the country.

**Dr. Ku:** Yes, Brad.

**Question:** Bradley Babson, from DPRK Economic Forum, Sasha, two linked things. One is I do not want to lose the China story. And particularly linked to the economic team and Chinese interests in what kind of economy they would like to see this country evolve, and also their interest in having the party become more, a stronger position. I think there is an important China story there.

**Dr. Mansourov:** And you are right. This is very important because after Kim Jong-il died, essentially the North Korean-Chinese relationship kind of began to backslide, if you wish. Remember, Kim Jong-nam opened his mouth in China criticizing the succession of saying how it was going to fail. And we know that in a country like China, probably there must have been some official kind of acquiescence for him to say things like this. Then in February, the rumors about Kim Jong-un's assassination spread around Chinese social media networks and the government did not really try to stop them. Again, Beijing did not send any high level delegation to either the funeral of Kim Jong-il to express condolences or to celebrate Kim Jong-il's birthday in February or Kim Il-sung's birthday on April 15.

So people began to wonder what is really going on; although I do discount the reports about the Chinese stopping repatriation of the defectors. I mean, there is no evidence to that. But there were other significant kinds of facts that raised concerns about what was going on – whether really China has fully behind the succession process. And the most benign explanation was that the Chinese were trying to give space to Kim Jong-un to him to kind of take over and consolidate because they did not want to leave the appearance that they are meddling and that they are really anointing this new leader in that he is the pawn.

So it was very important, the visit of Kim Jong-il's Party Secretary for International Affairs, which just took place yesterday, the day before yesterday to Beijing. Again, everybody was waiting whether he would meet only ...inaudible... [01:14:30] and ...inaudible... [01:14:33] or whether he would be met by the leadership of senior leaders of China. So when President Hu Jintao met with Kim Yong-il, pretty much they cleared the air and confirmed that the North Korean-Chinese relationship is back on track. And the message Pyongyang sent to Beijing was that Kim Jong-un is determined to follow the instructions of late General Secretary Kim Jong-il to make all-out efforts to advance the traditional DPRK chain of friendship in a sustainable way. So now with this Chinese backing essentially reaffirmed, Pyongyang has kind of redoubled its efforts to badmouth the South Korean government, to essentially ignore the new US sanctions and all this UN Security Counsel condemnation. But I think Kim Jong-un's visit to China is in the making and that will be, again, an important occasion not only for the rest of the world to learn more about the leader, but for him to kind of take a close look at the Chinese economic experience. Because he is going to bring a lot of economic officials for them to see... Basically, he will put his rubber stamp of approval on the China-style economic policies with that visit.

**Dr. Ku:** Professor Ma, let me ask you some of the question that have been asked to Dr. Mansourov, but from a Korean perspective. First, how do Korean experts see the transitioning process happening in North Korea? And two, given the state of North

Korea-China relations, what do you think the next Korean administration is likely to do vis-à-vis North and China relations? You had mentioned about Park Geun-hye, if she becomes president what the US-Korea relationship would be like. But what about South Korea's China relationship as it relates to North Korea?

**Dr. Ma:** That is a very tough question regarding both Korea and China relationship. Actually, during the process of campaign, not many things actually were spoken on those subjects. Political leaders who are highlighted as potential candidates for presidency did not really reveal their views. Therefore, I can only give you some of the general observations of how the relationship between Pyongyang and Beijing is viewed from the South Korean perspective.

Of course, very recently – probably a couple of days ago – the President Lee Myung-bak made a kind of a special lecture on national reunification issues probably for the officials of the government, I think. And he mentioned that China is now changing its position towards North Korea. And President Lee stated [Korean language] which means South Korea is now getting across China and the two nations are helping each other in containing North Korea. I don't know whether President Lee's remarks on that really reflect real changes or signs of changes in China's position toward North Korea. But it seems the current administration seems to hope that kind of change will take place currently or in the near future. And if President Lee's remarks is a kind of indicator, then probably a conservative camp in the Korean politics might wish to see more of Chinese pressure given unto the North Korea asking, or demanding North Korean leaders to take more reformist actions to liberalize its economy and liberalize its politics at a later time.

Regarding the North Korean succession leadership change and the consolidation of Kim Jong-un's political ground in the North, well, I am not a good expert on that issue. But many people in the South, I think, regard at the moment that North Korea is quite a unitary polity. That means even though internal divisions across the institutions – well, government apparatus – the final authority lies in the supreme leader. And also the supreme leader has to be a successor of revolutionary family, the Kim family, Kim dynasty. That means, even though – as Mansourov just mentioned – the Jang Song-taek is taking care of Kim Jong-un at the moment and he is playing a very influential role at the moment.

**Dr. Mansourov:** He is taking care of himself.

**Dr. Ma:** Himself, really? [Laughter] Okay. Anyway, I think from the South Korean perspective, it is ultimately Kim Jong-un himself and his family that represent the direction of the North Korean polity.

**Dr. Ku:** I think we have there is a gentleman here and then Larry.

**Question:** Thank you. My name is ...inaudible... [01:21:40] office. I have a question for Professor Ma and Mansourov. So question to the Professor, do you think that the DUP of the party take the house in December election? Do you think there is a possibility that the DUP party implement like Sunshine policy again? And the question to Mansourov is that do

you believe that recent ...inaudible...[01:22:09] is deeply involved with China or your long term projection of China and North Korea relationship under the new Kim Jong-un regime?

**Dr. Ku:** As quickly as possible. [Laugh]

**Dr. Ma:** Yes. If DUP is victorious in the December presidential election, I think the party and the leadership will probably try to continue the Sunshine policy – of course, with some modification – because general public does not really like giving away of South Korean wealth to North Koreans. Probably they will try more effective way of affecting North Korean lives rather than just giving away. Thank you.

**Dr. Mansourov:** As a general course, I think the North Korean-Chinese alliance will be strengthened. But it remains to be seen whether Kim Jong-un has inherited his father's paranoia about China. Let me put it this way: when ninety-five percent of the North Korean people wanted to be like China, Kim Jong-il was probably the only guy who tried to slow down that process of North Korean submergence under this Chinese tsunami. Because he was very apprehensive about the Chinese intentions in the North. So whether he passed this kind of anti-Chinese sentiment, if you wish – despite the past two years and his engagement with the Chinese – whether he was able to kind of past that sentiment to his son or not remains to be seen. But as a general course, I expect that the relationship will continue to strengthen and the engagement will continue to deepen.

**Dr. Ku:** Final question to Larry.

**Question**: [Inaudible] ...try to take South Korea back to some degree to the Sunshine policy. But it also seems to me – and I think Dr. Ma, you would reinforce the impression I already had – that Park Geun-hye also would modify South Korean policy toward North Korea and move South Korean policy away from Lee Myung-bak's total linkage to the US nuclear policy that South Korea has followed.

Now, if you are going to see some kind of change in South Korean policy, regardless of who wins the election in December, if you are Lee Myung-bak sitting in the Blue House assuming that this is going to happen, are there any opportunities that you believe that he could have during his remaining term to influence the parameters of this change, the boundaries of a changed South Korean policy? Or is he too much of a lame duck at this point or is he just too closely tied to the US nuclear policy to really be able to move away from that to some degree to influence the change that is coming?

**Dr. Ma:** My impression actually is that the current Lee Myung-bak government has very little things to do, very little things to engage North Korea and to change the entire parameter in which North and South Korean relations are developing. Well, he might want to give some influence, but the other partners – I mean, the North Korean leadership – does not seem to give that kind of change to know, well, Lee Myung-bak government. And the Chinese also seem to wait for new leadership in the Blue House. That means, I think, the Lee Myung-bak government has very little influence over the remaining days in power, I think.

**Dr. Ku:** Well, we have – as always – gone beyond our time. I hope you enjoyed the discussions. I want to thank Dr. Mansourov and Professor Ma for taking time out of their busy schedule to come in and share with us their views on a very timely issue on the Korean Peninsula. So please give these two gentlemen a round of applause. [Applause] And thank you very much for coming. Bye bye.

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