

Beyond the Trump-Kim Summit
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TRANSCRIPT

Panelists:

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Yun Sun

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Yuki Tatsumi (Moderator)

Yuki Tatsumi: And, you know, please imagine the heart attack of me seeing that news that someone pulled the cord right off of it, but sure enough, now seems the track seems to be back on, and we are basically getting whiplash moments every day on this one, whether the summit is going to be on, off, on, off, so who knows what will happen when next week comes. So in light of that uncertainty, we are delighted to have Frank Jannuzi from the Mansfield Foundation, and Katsu Furukawa, who formerly served as the U.N. committee on the economic sanctions experts panel, and Jenny Town from 38 North, which I'm now proud to say that is part of a big Stimson family.

Audience Member: Survivor!

Tatsumi: And my other co-director, my better half of the East Asia program, Yun Sun. So what I'm going to do is I'll first open the conversation with these four people by asking very, very brief questions. I want this to be more of a dialogue, rather than each of them giving ten minutes presentations each. So I want to be fluid and get moving. So I think let me start with you, Frank, by asking can you walk us through from your mind, if the Trump-Kim summit happens in Singapore, what's the good outcome, but what's the bad outcome, and what's the really ugly outcome?

Frank Jannuzi: Thank you for the question and thank you for the invitation to be here. I will answer your question. I will briefly set the scene by saying it's really important to understand how we got here. And I think we got here because of three strategic changes on the peninsula. The first is President Moon Jae-in being elected, a progressive in South Korea, and reaching out to North Korea as a number one agenda item for him as president. From May of last year until May of this year, it's been his top priority and he is known and trusted by the North. The second big change is Kim Jong-un. He has consolidated political power in North Korea. He has assassinated his half-brother; he has eliminated rivals; he has promoted his followers across every county in North Korea and the Korean Worker's Party; he has elevated generals to senior ranks who he trusts. He has also consolidated a limited nuclear deterrent. So he is feeling much more confident today than he was even 12 months ago. And the third main strategic change is Trump and his maximum pressure campaign. And he deserves some credit for changing the dynamic on the peninsula, but unless we understand those previous two strategic factors, we are at risk of really misunderstanding what's driving this whole process. So, as Joe Yun, a

distinguished fellow now at the Mansfield Foundation, likes to say about the summit, he says there is a good-bad outcome, there is a bad-bad outcome, and there is a catastrophic outcome. So the best we can hope for is what he calls the good-bad outcome. The good-bad outcome is that the two leaders sit down and agree to the basic principles. Denuclearization and peace hand-in-hand, in some kind of a phased, reciprocal plan of action, but the end goal would be clear: Kim Jong-un will promise denuclearization, and President Trump will promise peace. And I think we will get that outcome. I think we will get the good-bad outcome. Why is it a bad outcome? Because none of the details of denuclearization are going to be agreed. Not even necessarily what full denuclearization means because for instance, South Korea is a nuclear power country. If we are going to denuclearize the Korean peninsula, does that mean South Korea has to give up nuclear power? I don't think so, but does that mean therefore that North Korea is entitled to nuclear power? If so, under what circumstances? The devil is in the details here, and that's why there is a risk of a bad-bad outcome, which would be essentially the summit breaking down and Trump agreeing back to maximum pressure. And there is a risk of a catastrophic outcome, which is that the summit breaks down quickly, Trump leaves in a huff and launches a pre-emptive military strike against North Korea a month later. So I think we should be aiming for the good-bad outcome, which will set in motion a process that hopefully won't break down before November of this year because it can't for political reasons and sets in motion a difficult negotiation that will hopefully bear fruit.

Tatsumi: Thanks, Frank. So looks like South Korea may be heavily, heavily impacted on this, and you already see that by the development coming out of the Blue House. In your view, Jenny, how does this whole development could or could not affect and strengthen Moon Jae-in's power or standing within Korea or not? Walk us through that a little bit.

Jenny Town: Well, yeah, obviously, first of all, thanks to the Stimson Center for taking us in. We are the survivors. But obviously South Korea has a lot at stake here, and Moon Jae-in has invested a lot of personal capital into this process as well. As Frank said, this is one of his top agenda items. It was one of the first things he wanted to do. A summit is one of the first things that he wanted to do even before he was elected. It was very much a top priority, and so if, you know, he's already had the inter-Korean summit, which, you know, for all intent and purposes was a success; they got all the commitments they needed to kind of move the process forward. He's been very successful in kind of dragging the U.S. along, getting Trump involved in the process, getting the U.S. and DPRK [Democratic People's Republic of Korea] talking directly. But now the problem becomes that in this scheme of things, as much as Moon wants to be in the driver's seat in this process, North Korea doesn't necessarily see South Korea as an equal partner, and so now that the U.S. is involved, now that China is involved, it sort of marginalizes South Korea's influence in the process as well because a lot is going to ride on how U.S.-DPRK relations move forward, how China-DPRK relations moves forward, and Moon sort of gets caught in the middle of that. And I think there is another fear that, if this doesn't work out well, there's going to be huge repercussions for Moon Jae-in, for his personal reputational capital, because he put so much into this, because he's invested so much money and so much resources on this as well, to the detriment of the domestic issues. So you start to see this when President Trump suddenly canceled the Singapore summit, you did see the opposition party, the conservatives, start to come out very quickly and very hard on Moon Jae-in, sort of accusing him of sort of wasting the time and resources. And you are going to see more of this the harder the

process becomes. And the more hardline North Korea gets towards South Korea even on the inter-Korea agenda, because it still, you know, doesn't solve the domestic issues, which especially the younger generation is really going to be pushing for is, you know, in terms of jobs, in terms of all these political scandals that had been going on so far, the [inaudible] scandal and things like this. So at some point in this process, the euphoria of the inter-Korean summit will wear off, the novelty of Kim and Trump being good friends all of a sudden will wear off, and once you start to get into the details, and once you start the actual negotiations and how to implement these commitments, you are going to see a lot of criticisms and a lot of oppositions along the way that is not going to be easy for this administration for shoulder.

Tatsumi: Thanks, Jenny. So, Yun, a lot of people, or a lot of media reports suggest, at least that's how it's been portrayed, is that Kim Jong-un's rhetoric begins to shift after he met, he had a couple of meetings in Beijing with Xi Jinping, so how does China see all this? Are they now happy that the summit negotiations to the summit are back on track, or where does Beijing stand?

Yun Sun: I think at this point China wants to see the summit happen because it means the de-escalation of tension on the Korean peninsula and it offers some hope for the denuclearization. Although like Frank pointed out, there probably will not be details. But if the two leaders, Kim Jong-un and President Trump, could in principle agree to denuclearization – the term – without specific definitions of the term, I think China will see that as a bad-good outcome? Not a good-bad outcome but a bad-good outcome. There are – there have been speculations on what happened during Kim Jong-un's second visit to China, which happened on May 7th and May 8th, and the North Koreans apparently changed their attitudes basically one week later. So the speculation is: what did the Chinese tell him? And what was put on the table that made the North Koreans change their attitudes? And I think the Chinese have a different interpretation as to what happened that led to change in attitude, and they definitely pointed out to the Libya model as referred to by National Security Advisor John Bolton, as a key reason that led to the change of heart, or the change of tone by the North Koreans. And yeah, I'll stop there. Yes.

Tatsumi: So finally, Japan seems to be the outlier in all this. There's a lot of news reporting on how Japan feels marginalized, and now, I think it was in yesterday's Voices of America that Prime Minister Abe may try to have a face-to-face with President Trump before this Singapore summit, if it is to be indeed happening and happens. So, Katsu, where do you think Japan stands on this? Are they really marginalized, or are they more – do they have a more quiet and invisible role in all this?

Katsu Furukawa: Mr. Abe was the only leader in the world who supported President Trump's decision to cancel the summit last week. I am sure that whatever decision President Trump may make in the future, Mr. Abe will support. But to be honest, I think there are not a small number of Japanese people or experts who are concerned whether President Trump understands the issue he was talking about. One, when Mr. Trump rejected idea of the so-called Libya model, in front of Mr. John Bolton, it appeared to us that he was talking about bombing against Libya rather than Libyan denuclearization. I'm not quite clear, it wasn't clear to us whether he has a precise understanding of what the Libya model is about. Frankly, I'm – other sanction experts are concerned about the over-simplification of the concept of Libya model. Libya had only known to

have acquired 22 centrifuges, and they attempted to procure a huge number of parts and spare parts, but at the end of the day they only ended up by completing one small cascade, which consisting of nine centrifuge only. When it comes to North Korea we are talking about a country which appears to have procured at least thousand, likely over ten-thousand, centrifuges or spare parts. So the scale is totally different. And this is only about centrifuges. HEU, Highly Enriched Uranium program, we have Plutonium, we have whole range of missiles, chemical weapons program, biological weapons program. We have no credible information, but they have the capabilities. So when we talk about Libya model that would come after the so-called CVID, Complete, Verifiable, Irreversible Disarmament [Denuclearization] [*sic.*], we were just talking about a scale of nine months. The intensive part of Libyan disarmament process took only nine months, from January through September of 2004. But in the case of North Korea, I am not aware of any experts who are expecting to see the intensive parts of disarmament to be completed in less than five years. The disarmament period may take over – more than five years. Maybe President Trump may not be there, I am sure Prime Minister Abe will not be there. So how do you assure Mr. Kim Jong-un that, you know, we are going to reward you after all the disarmament process and I'm sure that my successors, and by the way U.S. Congress, will carry on this commitment. I think it's a very big pill for Mr. Kim Jong-un to swallow. One thing that people completely forget about is, you know, I hear so many concerns about, you know, North Korea's proposal of step-by-step approach enabling North Korea to engage in this salami-slice cutting negotiation techniques. We should be concerned about that. I fully understand that. But, there is a significant difference about the situation surrounding North Korea today and ten years ago. Today North Korea is wrapped literally by layers of sanction regimes: U.N. sanction regimes, U.S. sanction regimes, E.U. sanction regimes, and other regimes. We have so many sanction regimes surrounding North Korea, but now currently we have only discussion about whether we do nothing until the total disarmament is completed, or give everything up after the total disarmament. Despite this advantage, which didn't exist ten years ago, we are only basically talking in principle about two limited options, which doesn't seem to be credible enough. If you are concerned about salami-slice cutting negotiation techniques by North Korea, we can do the same, if we wish to, when lifting sanctions. And also the issue is not only about lifting sanction – neutralizing North Korea's existing WMD [weapons of mass destruction] and related programs facility. We also have to ensure long-term monitoring to prevent North Korea from reviving WMD programs, utilizing the capabilities they have already acquired. And also non-proliferation. For South Africa, it took 19 years, almost 20 years, for IAEA [International Atomic Energy Association] to certify that South Korea (*sic.*) is certainly committed to non-proliferation. And Iraq, the U.S. George Bush administration ran through Iraq, the Iraq survey group, which consisted of 1,400 experts, supported by the military, and it took almost less than two years only to prove that there is no WMDs existing – stockpiles existing in Iraq. So we have to be realistic about the scale we are talking about when we, you know, about North Korea's WMD program, and also a long-term commitment that will be required for us if we are to lift all sanctions after intense disarmament period, we might expect to see a revival of the recent wave of the Iraq [*sic.*] sanctions. We don't want to have, I mean, Iraq – no, Iran sanctions, the Iran nuclear deal, Iran complied with the deal, but the Trump administration is not happy about ballistic missile program and also other activities associated with Iran, which were incorporated in the previous U.N. sanction regimes but discarded in the Iran nuclear deal. So we have to have more long-term, comprehensive perspective when we are talking about. And let's be pragmatic, that's my story.

Tatsumi: That's a really good point and I think it's rare to hear all this complexity that this sanction regime that we just kind of categorically use. So, in the timespan of Katsu's talking about, it looks like the only leader who is physically or technically being able to commit to such a long-term process is President Xi Jinping because he doesn't have to worry about elections, given what happened in China last year. So, Yun, my question to you is do you think Xi Jinping, President Xi Jinping will be comfortable supporting the – such a complex denuclearization program that is long term, even if it's like step-by-step, talking about the lifting of various layers of sanctions as North Korea does A, B, C, through probably Z, Z minus? Do you think China is ready to support something comprehensive and long-term like that if it means that it will provide stability on the Korean peninsula, which, I think you would agree, that it is in China's strategic interest?

Sun: Yes, stability is in China's interest, but then the question is, China has three proclaimed goals coming to North Korean nuclear issues: there's peace, there's stability, there's denuclearization. If China really wants these three goals than China should support unification led by South Korea because it would be stable, it would be denuclearized, and it would be peaceful. But I think the issue here is, for China, it's not just a technical issue of denuclearization. It is also a political issue of what it would look like, and what are the political agreements associated with denuclearization. Frank talked about the peace regime, peace treaty, or peace mechanism – what role will China play? Again, the Panmunjom Declaration, it mentioned either a North Korea-South Korea-United States three party, a trilateral mechanism, or a quadrilateral mechanism that includes China. And I think for China, trilateral is not an option. Quadrilateral is the only option. Any deal that will exclude China will not be welcomed or supported by Beijing, so I think the politics is key here.

Tatsumi: So in light of that, and also given the complexity of the long-term nature and comprehensiveness of the sanction, and our president and South Korean president seems to have a lot shorter tenure in the office. So, I guess, for the lack of better words, do you think, both leaders, when they talk about the denuclearization of North Korea, is this something that they are thinking that they are going to – are heading into? Something that's this complex, and that takes this long time, and even then, at the end of the road, we could see what happened after what we saw in the Agreed Framework, back then North Korea's program was so much more limited in scale, and we thought we got there in terms of dismantlement of that program or freeze of that program, if you will. But then only about ten years ago, ten years later, it just got popped back up, and there's always that risk so, just quickly get your point for South Korea and also U.S. side.

Town: Well, I think I would speak a little bit for the U.S. side first actually, because I think the biggest problem here is, when America thinks about this issue, they think of it in this simplistic term of the "we can buy North Korea off, we don't want this to last very long, we don't want to put a lot of effort into it, and that we've narrowed North Korea's choices down to a point where they have no other choice than deal with us if they want to survive," sort of thing. And this is completely the wrong approach. And I think this always happens is that when we talk about either Korea, a lot of times we couch it in big power politics and out of the filters of big power politics, and not actually – and really discounting the actual strategic interests of the Koreas

themselves. So when North Korea is approaching this process, it isn't just about denuclearization, it's not just about the nuclear weapons, it's not just about sanctions. You can't just buy them off because again, they don't trust the U.S. They've seen the cycles run, they've seen deals fall apart as far back as, you know, the Agreed Framework, which was working, that could have been renegotiated at that time when it could have made an impact, to as recently as the Iran deal, even if it is a multilateral agreement that is working, and is proven to be working, that the U.S. can still walk away. So I think when North Korea approaches this process, they are looking more for a fundamental change in the political relationship, and that's part of denuclearization. It's not just getting quick rewards. And security guarantees mean nothing on paper in an agreement until they've had some time to, again, be played out and to have a consistent pattern over time and to show that this is a fundamentally different political relationship in order to take those bigger steps of actually dealing with the core of their backup plan, of their nuclear deterrent. And so I think when South Korea approaches this, you know, Moon has five years. We don't know who the next president is going to be and we've all seen how drastically policy can change from one administration to the next. And so it would be very difficult also for North Korea to believe that whatever happens in this administration can last to the next administration as well, unless Moon really tries to work now in gaining that political buy-in from the opposition party in South Korea, which so far he has spent no time on and has actually tried to sort of silence in the process, so that it looks like there is greater buy-in than what there is. And I think these are fundamental problems that will make denuclearization even more complicated because North Korea also knows the dynamics of this and will hedge in that process.

Tatsumi: What do you think, Frank?

Jannuzi: And just building on excellent remarks by Jenny, I mean, and Katsu as well, there's both a practical problem for the U.S. and a political problem. The practical problem, as Katsu has laid out, is that the best experts, including Siegfried Hecker who's just recently released a really fantastic report out of Stanford, estimate that between five and 15 years, I think, you know, Siegfried Hecker estimates 15 years necessary for denuclearization to be accomplished inside North Korea. I think it's a very realistic estimate and you don't take my word for it, Siegfried Hecker knows more about Plutonium than any other person on the planet. He was director of Los Alamos Nuclear Laboratories and he wrote his report with Bob Carlin who knows more about North Korea's political scene than anyone else on the planet. And it's a very carefully done study. And they are saying 15 years for denuclearization. So the Bolton Libya model is completely unrealistic. And for North Korea the problem is Kim Jong-un's span in office, he hopes, is 40 years. But he knows damn well, that Trump has, what –

Audience Member: Six months?

Jannuzi: No, I think Trump's counting on three terms, you know, after he amends the constitution, but even he, is going to be out of office in 11 more years. And so, you know, Trump's not going to see this through. He is going to be out of his office after his third term. Moon Jae-in isn't going to see this through. So in the United States, you know, we have to either embrace a declaratory policy that puts us on the path toward denuclearization, or reject it, because of the timeline, which is too long, and yet is the only realistic timeline available to us.

Given that choice, I think President Trump will make the pragmatic choice. I think he will accept a declaratory peace. I am betting on the fact that he's not a policy wonk. Trump thinks the wall is already built, right, with Mexico. If he comes back from Singapore, he will announce that denuclearization has been accomplished. It won't matter that the inspectors aren't on the ground yet. And there's nobody in Congress who is going to call him on it either. With all due respect to Congress where I used to work, they don't want a war with North Korea, they want a peace process, and a denuclearization process. And if Trump gives them some credible road forward, they're going to jump at it. So that's the good news. But the bad news is that all those difficulties of actually getting the job done are going to remain in front of us. And thank goodness for the deep state because we've got some really good experts like Ambassador Sung Kim and Randy Schriver and Allison Hooker and Mark Lambert and some really – and Marshall Billingsley and some really talented civil servants who are going to do some hard work and begin to unravel the sanctions layer by layer off the onion. That's the optimistic scenario. What day is today? Today's Tuesday. I'm supposed to be a pessimist on Tuesdays. But I'm feeling more optimistic.

Tatsumi: That's kind of special. Thanks, Frank. So, what's striking to me listening to three of your comments is that there is the practical aspect of this challenge, but then also each country also has its own political dimensions to this. It's really – in South Korea's case, like you said, how the opposition is going to react, and how this will help or hurt President Moon, and how it might affect the next administration. And, you know, for the U.S., I don't think we have to argue too much because I think it's been out there. But even for China. What works for China politically, and what works for the actual resolution of the problem technically may be a very different thing. So when it comes down to Japan, Katsu, is that Japan also has its own political problems when it comes to trying to play any role in what is bound to be a multinational scheme. So how should – if you are a foreign policy – having Mr. Yachi's job, as national security advisor to Prime Minister Abe, what would you advise to him as we move forward? And, you know, like our president and also our South Korean president, Mr. Abe's time in the office is also, you know, the clock is ticking already. So what would you advise Mr. Abe to do to make Japan stay relevant?

Furukawa: Yeah, well the abduction issue for Japan is like hostage – U.S. hostage situation in Iran in the early – in the late 1970s. The hostage situation or abduction matters could really evoke complicated, complex national feelings, which is still a center of Japan's policy toward North Korea today. But practically speaking, we have to have a reasonably peaceful situation in the Korean peninsula before we have Tokyo Olympics games in year 2020. The position of South Korea for the Pyeongchang Olympics today, is exactly the position of Japan two years afterward. Frankly, I see no ways to have some reasonable clear pathway to address our national issues other than having diplomatic interactions improving overall relations with North Korea because the previous evidence will – the cases of making some breakthroughs in abduction issue is always triggered by diplomacy or improvement of bilateral relations. A total solution to the national issues may take as long as CVID but, as Jenny stated, first of all we have to have North Korea, U.S., or Japan has to build trust. It didn't exist, you know, until just last week, right? Maybe not today as well. It takes time to build trust. Let me just cite the lessons learned from the Libyan experience in the words of Ambassador Robert Joseph. It was Ambassador Joseph who negotiated with Iran, Libya about its WMD program, not Mr. Bolton. But Ambassador Joseph

listed several key lessons learned which included saving face of Colonel Gaddafi and clearly preventing the future way, which is win-win situation. If Colonel Gaddafi appears to be coerced into abandoning WMD program, that would totally destroy his political basis and endanger the Libyan politics as a whole. So this was the key lesson – one of the key lessons learned from Libya. But look at what we are doing to North Korea. Shouting between the U.S. president and North Korean leader, and threatening the use of force against North Korea. At the moment when political leaders make such statements, it shouldn't be called the "Libyan model," because it's clearly different. So trust-building really matters. But when – as Frank stated, the details matter. For example, when we – in building trust, we have to at some point start lifting sanctions. The problem is that North Korea use, in most cases, the commercial, normal products for nuclear, ballistic missile program. So how can we effectively maintain a meaningful control to regulate the flow of commodities, that would not be diverted to North Korea's WMD program, but ensuring North Korea's economic growth. This is going to be the challenge.

Tatsumi: Very good point. I think if it's okay for everyone on the panel, I would like to open the floor for questions. So I would open – the first question goes to Chris. Can you wait until the microphone gets to you, because it's being recorded? Thanks.

Chris Nelson: Thanks. Chris Nelson, the Nelson Report. A great discussion – really succinct, which really helps, because I'm on fumes and I got to type up something. Got back from the beach late last night – it's my fault! I love the way Frank organized the, you know, win-win, win-lose, you know, all that kind of stuff. I find myself wondering at what point, and is it the role of the U.S. or is this a Moon issue, to say, "I can't do anything with you as long as you say armed unification of the peninsula is your agenda. Can we agree upfront that this is no longer, because how can we give you a peace treaty if you won't give us one?" It is – is that something that needs to be front-loaded, or is that one of those things you sort of phase-in when you've built in more trust? Because the analogy is like – you know, we get really upset with how the Iran thing has been handled, but then every time you get really upset, you know, one of the Ayatollahs says Israel's going to die in a sea of fire tomorrow because they're all awful, you know, which just cuts everybody off at the knees in terms of dealing with the Iranians. Well, it's really the same with the North, isn't it? If they're not going to say, "We're not going to invade" – so, am I too far ahead of things on that, or is that something that needs to be more clearly articulated upfront? Because that gets us into the non-nuclear weapons and the artillery and the troops and all those things that we say we're afraid that Trump is going to ignore in order to clear victory on the ICBM. So, circular, but.

Tatsumi: So, who wants to tackle that first? Jenny goes first?

Town: You know, I think the problem here is – I think both sides have actually sort of in this commitment to peaceful, you know, peace regime and even, you know, talking about peaceful unification, I think they both have sort of given that assurance. The problem is I don't think anyone believes it at this point. And so I think it's too early to have those assurances when there's no trust. You know, again, we just had the Panmunjom Declaration. Prior to that, they were still threatening each other back and forth. So you can't change that political reality overnight. And so, you know, in the declaration, I think that's the starting point to really start to work on these issues, whether it's in a bilateral, trilateral, quadrilateral format. And I think as

part of that process, this will have to be addressed, but at the moment, just to say those – just to have them on paper isn't going to have much meaning.

Nelson: If Trump –

Tatsumi: If you can hold your thought for a minute. Frank, did you have something?

Jannuzi: Let me – yeah, I just want to add too, briefly. I – look, I was trained as a military analyst when I began my career at the State Department. And capabilities matter more than intentions here. And I think the Panmunjom Declaration provides sufficient assurances, political assurances from North Korea that they don't intend war with South Korea. But what matters is the capabilities. And we're not going to see any diminution of the capabilities in the North or the South for quite some time. But the good news there is the South doesn't have the conventional military capabilities to affect unification on their terms, and the other good news is the South Koreans have a strong U.S. ally at their back. So I'm not so worried about the North Koreans sort of having to disarm as a prerequisite for peacemaking. I think that's an unrealistic expectation. I think that there should be, and will need to be, some kind of a peace declaration, peace regime established early in the process. It's going to have to involve China, because, I mean, not only did the Chinese general sign the armistice agreement, but you just can't practically end the Korean War without China's support. So eventually, the Chinese are going to have to sign on the dotted line, and they're going to be crucial, I think, in providing security assurances to North Korea that gives North Korea the confidence to proceed down a peace process with the South. But no, Chris, I don't think you should worry about the North revising their Talmudic documents to foreswear forceful unification of the South. I think it's a practical matter. It's already off the table.

Tatsumi: Emma had a question.

Emma Chanlett-Avery: Emma Chanlett-Avery, CRS. Thanks for the panel. I wanted to follow up on Furukawa-san's comments as a sanctions expert and ask about your impression of the maximum pressure campaign. I mean, a big part of that were the two U.N. Security Council resolutions passed in 2017. It seems like maximum pressure is off – I mean, the second that we had the inter-Korean summit, you know, that political momentum globally slowed for implementing those sanctions. And now, as a result of this episode, North Korea's relations with China are much better and with South Korea are much better. So they're not in the mood for pushing those sanctions further. First of all, do you think that the international sanctions in addition to the U.S. sanctions were being effective? Did they have, you know, any time to set in? And also, can you reinvigorate that aspect of the maximum pressure campaign if this summit doesn't produce what it could?

Tatsumi: That's you.

Furukawa: Yeah, the – in my assessment, sanctions has some effect in encouraging North Korea to pursue dialogue strategy, but I don't think sanctions played a decisive role in shaping their strategy because of two reasons. When people talk about the effectiveness of sanctions, I think the too late, too different parameters of judgment – one is the impact on the North Korean

economy as a whole, theoretically, North Korea was prohibited from 90 percent of trade, as a result of a series of US and UN sanctions. But having said that, several Japanese journalists or experts have been monitoring price levels in North Korea – the price of gasoline, diesel, rice, or other key commodities. And, you know, despite some sporadic spikes up and down in the key commodities price levels, overall for the previous one year, it's stable. I don't know why, but it is stable. And the foreign currency exchange rate between the North Korean won, U.S. dollar, Chinese yuan, again, it's stable. So I still cannot find quantified evidence to show the critical impact brought by sanctions on North Korean economy as yet. I think, you know – currently, we heavily rely upon China to impose sanctions. Previously, we focused on imposing smart sanctions against North Korea. Smart sanctions is about, you know, the target sanctions, target the funds, people, and goods and services relating to WMD. But North Korea was far smarter, you know, much more smarter than international community, so many countries, we were not so smart enough to enforce the sanctions. It's a reality. So currently, let's imagine a huge pipe in which, you know, lots of economic activities just go – channel through between North Korea and external world. The pipe has many loopholes and from there many funds or goods diverted to WMD programs. There are so many loopholes. Because China is currently constraining the entire slope, so the amount of water leaked from the pipe appears to be small, but once this – the overall flow levels return to the previous volume, then again, we'll have the same problems. North Korea has been – their agents connecting to the WMD programs or illegal procurement activities, money laundering – they are still there, around the world, North Korean nationals living in luxurious apartments in Kuala Lumpur. They're still there. I don't know why. North Korean agent of Reconnaissance General Bureau possessing Cambodian passport and traveling around the world. And no government stops these people's activities effectively. So, you know, regardless of the dialogue, the international community has never been good at enforcing effective sanctions. So, you know, this relates to the future of the non-proliferation regime. It's not only about North Korea, but how do we make – control the risk of diversion of many commercial commodities, you know, technology for WMD programs? No countries in the world have been good and I see no good examples of addressing this challenge. And this is one of the issues.

Tatsumi: Professor Steinberg had a question back there, and then I'll go to Kevin next.

David Steinberg: Thank you. David Steinberg, Georgetown emeritus. This is basically for Frank. Supposing Mr. Kim, who says that we cannot guarantee – you cannot guarantee in a post-Trump era that the United States would agree with this agreement, whatever that agreement is – he may say, “We need something from the Congress, which would guarantee basically the agreement will continue in the post-Trump era.” Given the human rights situation in North Korea, would the Congress agree?

Jannuzi: Wow, David, yeah, I mean, I served for 15 years on the staff of the Senate Foreign Relations Committee, and I worked closely with Senator Brownback on that committee to help draft the North Korean Human Rights Act. And at Amnesty International, you know, I worked to try to shine a spotlight on North Korea's grotesque human rights abuses. So it's an issue I care deeply about, personally. I think this may be one of those only Nixon can go to China moments, with respect to Trump and a North Korea deal. I think, frankly, it would be inconceivable to me that a Republican-controlled Congress would approve any deal that Obama could have

negotiated with North Korea for precisely the human rights issues and other issues that you have raised. But I think that with President Trump in control of the White House and with Republicans' control of the House and the Senate that they will set aside those concerns if President Trump asks them to. And, you know, as a Democrat, I can either choose to whine about the unfairness of that, or as an American I can choose to celebrate the fact that the United States and North Korea might be able to put themselves on a path toward peace which is the only path that can eventually lead to improvements in North Korea's human rights situation to begin with. So I think we need to keep our eyes on the ultimate objective. There's nothing about North Korean human rights that's going to improve in a situation in which it is in a bellicose, adversarial relationship with South Korea and the United States. That I can assure you. So I can't predict what this Congress will do, but I would hope that they would see that these are not mutually exclusive outcomes, that a peace and denuclearization agreement is arguably the best way to try to make progress on human rights in North Korea. I've been told that by North Korean officials themselves, including Kim Kye-gwan, who has said to me, "Look, Kissinger didn't go to Beijing and lecture Mao about the Cultural Revolution. He made a strategic opening and you all addressed the human rights issues later." Now, frankly, I kind of wish that Kissinger had mentioned the fact that there were 30 million Chinese imprisoned in *laogai* camps at the time that he visited, but he didn't. And I think that Trump will probably finesse this issue with the Congress.

Tatsumi: You had something quickly to add.

Town: Yeah, just to quickly add to that, though, I can't imagine that the North Koreans would even ask for that, for a congressional mandate, because realistically that's what they'll build into the deal itself. And that's why having a short-term deal, a very short deal, is unrealistic, because they're going to want to build in those assurances over time to last past an administration to test the theory to begin with. It's not just about Congress, but it's the administration as well, because again as we've seen with President Trump pulling out of the Iran deal, that's not a congressional decision, that's an executive decision. And so that isn't necessarily who the North Koreans would target in this kind of deal, it's really going to be what are the terms of the deal, what are the details?

Tatsumi: Kevin, and then I'll go to Ferial.

Kevin Maher: Kevin Maher, former State Department, now at NMV Consulting. It seems the dynamic has changed but the fundamental question that we and the international community have to ask ourselves has not changed. And that question is, do we tolerate North Korea as a nuclear power or not? My feeling is it should be "or not." It's too dangerous, given their history of proliferation for one thing, and the threats they continue to make. But the dynamic has changed, and we've seen this before, where we're going to have talks or not have talks, or what's the subject of the talks, you know, how do we define things? We tend to – in 30 years in the State Department, I saw this many times. We start focusing on how do we continue the dialogue, rather than our strategic objective which is to get rid of the weapons of mass destruction programs. My question for the panel is, as a whole, do you really believe that Kim Jong-un woke up one day and slapped his head and said, "Oh, now I get it! I got to get rid of this for my future." Or is he just buying time, as we've seen before many times? And my question

specifically for Frank: you said the good outcome is we don't define denuclearization, we don't have CVID in place –

Jannuzi: At the summit.

Maher: At the summit. But if he's really buying time, is that a good outcome? I don't think so. And you said the bad outcome is we go to the meeting and Trump says, "No deal because you guys don't agree to concrete action before we remove sanctions," so we go back to maximum pressure. If he's really buying time, is that a bad outcome? And one last quick comment about Japan. I think this notion that Japan's marginalized – people are overlooking some things that are going on in the sanctions. Japan played a key role in getting these sanctions in place, including sanctions towards China, pressure on China to go along, and also in implementation. But in the max – when we really were doing maximum military pressure, Japan was playing a much bigger role than most people realize because they can now, because they can do collective self-defense. Things like escorting B-52 bombers, escorting B-1 bombers, unthinkable a few years ago, but that's – the North Koreans and the Chinese know this. They see this, and getting cruise missiles, things like that. So that's my question. Sorry to go on so long.

Jannuzi: Just very briefly in response, a great question, Kevin. Can we tolerate them or not? We've been tolerating North Korea as a nuclear weapons state for 12 years, so clearly the answer is yes, we can tolerate them. And I don't think – I respect the question that you asked, but I think there's another question, which is we have dialogue or else what? What's the alternative? And as Katsu has laid out, the sanctions regime, even maximum pressure sanctions regime, has not led to a fuel price spike, has not led to the shutdown of the North Korean economy. The North Korean economy is growing. It's growing in the face of these sanctions. So unfortunately, the "or else what?" question, to me, drives my support for a flawed, imperfect engagement process that will without question allow North Korea to sustain some level of WMD activity for years. I think that you're right in your bleak assessment of where North Korea is headed. I don't expect that Trump will be able to negotiate a deal as good as the Iran deal. The Iran deal I reference – the Iranians gave up 95 percent of their highly enriched uranium up front. Now, does anyone in this room think that Donald Trump is going to negotiate a deal that good with North Korea? I doubt it. If he does, I'll eat my shoe, but I doubt it very much. So I wish we had a better outcome, Kevin, but I don't see a good choice. We're choosing among bad choices.

Nelson: [Inaudible]

Tatsumi: Wait until –

Nelson: I'm sorry, it's Chris Nelson again. There's a second part to Kevin's first question. Did Kim wake up one morning, you know – Spencer Kim has put in the Post and has put in long messages to me that I've run, saying that's not what he woke up one morning. He woke up one morning saying, "I can trade my nukes for the economic assistance and the peace treaty I want." Now that's how – that's how people who think they know the mind of North Korea phrase it, not that he wake up – woke up one morning and said, "Okay, nukes are dangerous for me, it's I can use my nukes as collateral to get the economic stuff that I want." Jenny's shaking her head, you

know, and I think she's right, but Spencer and Tony [inaudible] and that crowd, they're telling me, "Yeah, man, this guy is different, he's going to make that deal." Where are we now?

Jannuzi: I want to hear Jenny's opinion on this, but let me say that Biden taught me that if I didn't know the answer to a question, I should say I don't know. So I don't know.

Tatsumi: So before I – I'll let you go, and then I need to get to Ferial, so – go ahead.

Town: You know, I think the problem here is, are we – what is the nature of the dialogue? Are we talking, or will they denuclearize, or can we tolerate that, or not? The question is really, has the U.S. really tried to address the core issues to get North Korea to be in a space where they felt like they could give up their nuclear weapons? And that's really never happened. You know, we keep going back to this "we can buy them off, we can buy them off, we can buy them off," assuming they don't have – well, assuming that, you know, that they don't have larger strategic interests in this, and that I think has always been the problem when we approached the deal. We don't have the patience to get the 90 percent up front because that took 12 years to negotiate. We want this to be quick, we don't want to spend a lot of time on it, we don't really care what they think, because we project on them what we think they want in this process, that we know they're poor, we know they have limited access to resources, we assume a lot of things about them, and there're probably some truth to it. But in the meantime the North Koreans over and over talk about, you know, the core issues, it's not just, again, on paper a security guarantee saying you're not going to attack us, but it's a broader political relationship. They want the legitimacy, they want the assurances, they want the sort of normal relations, and the question is, are we willing to give them that in order for them to denuclearize? And I think that's always been the tension between these arguments, is that we're not willing to go there, and they're – but those are their core strategic interests.

Tatsumi: Before going back to – I know, Kevin, you have a second – two fingers, but we have about a minute or two left in this session, so let me get to Ferial for the last question, and then I would just go back – go back to our panelists for their final, last words or two or three.

Ferial Saeed: Ferial Saeed, independent consultant and recent refugee from the State Department. Quick question, so my big concern with all this is that the Trump administration, President Trump himself, will lose interest in these negotiations if there are not big, big achievements between now and the midterms elections. So if that happens, and this is for you, Frank, if that happens, who is going to draw – continue with this process once the president has sort of let the genie out of the bottle and met with Kim Jong-un, which is an historic thing for any U.S. president to do. So that's one thing. The second thing that keeps me up at night is that I don't think that the U.S. and China share the same perspective on what the elements of denuclearization of North Korea actually entail. I don't think that they have the same understanding of what the elements of a peaceful nuclear program in North Korea would be. So how do we arrive at that kind of understanding with the Chinese?

Jannuzi: I'm going to ask Yun Sun to take the China question.

Tatsumi: Excellent takeaway.

Jannuzi: And I'll say that in the unlikely event that President Trump removes from completely from the DPRK issue after the summit, we should count ourselves blessed.

Tatsumi: So, Yun, since this is especially true because one – her second question was about maybe the U.S. and China in the same bed, different dreams when it comes to denuclearization.

Sun: Sure. Two quick points. I think you are right – the U.S. and China do not share the same definition or the same perspective on the future of the Korean Peninsula, in particular. That when the Chinese made the references about denuclearization of the Korean Peninsula, it's not the denuclearization of North Korea per se. And there are also technical differences as for what that really constitutes, and essentially the Chinese future question is that, what is essentially going to happen to the U.S.-South Korean military alliance? Will that still be in place if North Korea is in a peace treaty with the United States? Does the legality of the alliance still stand? So I think that's one issue. And the other issue is that we hear a lot of this linkage – that China is making the linkage between the broader U.S.-China relations and the issue of what China's position on North Korea really is. And I do see that from both sides, because remember, a year ago, President Trump's position is that – was that if China cooperates with us on North Korea, the trade deal they're going to get is much better. Guess what? One year later, it's not that much better. So for the Chinese, they feel there's a strong sense of grievance and unappreciated that China did deliver the sanction on North Korea, but the trade deal is as bad as they can imagine. So I think there is a transactional issue here that both sides are avoiding to talk about that is there.

Tatsumi: So, let me go back to Jenny and then Katsu for whatever the final thoughts are that you want to share, the things that you left unsaid, that you were dying to say today.

Town: I think I've said a lot. I think, you know, we are in a space now where I think a lot of the media is focused on, you know, will he or won't he in terms of the summit itself, and I think the bigger question should be, are we really close to having this understanding on the substance rather than just on the pomp and circumstance. And I think that's where, you know, I think Moon Jae-in, as much as he's been instrumental in starting this process, I think now he is by trying to encourage the process too much has put too much pressure on it and has sort of backed us into a corner, and is almost, you know, now by saying all these messages coming back from Kim Jong-un and by raising the expectations and by, you know, cozying up to Trump and playing to his ego I think is actually undermining the process and making it more difficult, and I think we really need to tamp down the expectations of what if we have a summit it's going to accomplish and that, you know, if we have it, we have it because we are – we do have the framework of a deal, and the outlines of a deal, not just to have it because it's going to be historic.

Jannuzi: And I just want to revise my flip answer. Look, my – what I'm trying to get at is this summit has happened bottoms to tops, that is to say top to bottom. It's absolutely backwards of a normal summit. And so you're going to have the top leaders meet. Normally you would have had careful preparation all the way up to the top. What needs to happen after the summit is for Trump to get out of the way and to have it filter back down so that all the details can be worked out not by Trump but by people who are competent to do the job. And then with respect to sort of, you

know, where we're headed, you know, I would hope that the administration would therefore have the patience, you know, necessary to see through the tough work that's going to be ahead. And I agree very much with what Jenny said. You know, the United States in this situation – we have an opportunity with Kim Yong-chol coming. This is the most senior person to come to D.C. since Marshal Jo Myong-rok 18 years ago. And that Jo Myong-rok-Clinton agreement remains to this day the preferred North Korean state of relations between the U.S. and North Korea. That Jo Myong-rok – I would urge people to go back and read it, but the Jo Myong-rok-Clinton joint statement lays out the totality of what North Korea is trying to accomplish this round, and I hope that Kim Yong-chol's visit will lead to something comparable to the Jo Myong-rok joint statement. They're not going to issue a joint statement but that's where we should be I think aiming for.

Tatsumi: Katsu, since you traveled all the way from Japan just for this, I'll give you the last word.

Furukawa: Thank you very much. Two points. The – North Korea was not supposed to be the most important security challenge from – particularly from Japan's perspective – a significant, the most significant security challenge relates to China, because China is trying to rewrite the international rule. Originally, we are not supposed to spend so many resources for North Korea, as North Korea nuclear and ballistic missile capabilities increase, the cost that Japan has to invest in upgrading ballistic missile defense system vis-à-vis North Korea is expanding increasingly, which is sucking up resources to deal with this expansion of Chinese military activities. So we have to find a reasonable way to maintain this North Korea's WMD problems before our focus on China is not – is not neglected, but we need – we need space, sufficient space to cope with China. But in this regard, I'm always concerned about the U.S. government, because to me, it happens to me that the U.S. government is always, always in love with Iran more than North Korea. In 2015, when we saw, when I was in the U.N. DPRK panel, myself and my colleagues are really happy because, you know, because of the Iran nuclear deal. Now Obama administration will focus on North Korea finally. But now again, you guys are opening up this Iran nuclear deal, and, you know, in the operational reality on the ground of enforcing sanctions, you know, the resource allocated for Iran and the resource allocated for North Korea, it's a trade-off relationship. So I hope the U.S. government will continue to pay attention to North Korea so it's not going to be much bigger problem in the near future.

Tatsumi: Thank you, Katsu. You all noticed the CIGS banner, which is the Canon Institute of Global Studies. Everybody – whenever the banner's up, everyone's so used to seeing either Ken Jimbo or Kuni Miyake, but CIGS wants to change things up a little bit. And actually they run the crisis simulation about three times a year. They picked up the North Korea scenario, and it was very interesting to see – listening to all these panelists, all those scenarios played out, and obviously it's Chatham House rules, so I cannot get into the details, but Katsu also played a critical role shaping that whole flow of the game, and it was just fascinating that all these great questions that was raised, all these points that were made by the panelists, they all came up in one shape or form. And it's very interesting, even if everybody that plays the game is Japanese, the minute you assign them to the team, within five minutes they assume the personality of the country that they're assigned to. And it's just a fascinating thing to see. But then I would also like – CIGS, in the absence of Kuni and Ken to let Katsu share his thought about it. We thought

he was the best person to do so because it's North Korea, and like I said during the session, we often don't get this kind of technical difficulties, we don't, I think, frankly, give enough appreciation to that. So thank you for traveling all the way. And thank you to all our remaining three very talented panelists. This is I think the best panel that I've had on this one. I really enjoyed the conversation. I hope you all did too. We keep – especially now that 38 North is a part of our Stimson family, you can almost – we can almost guarantee that we're going to see more North Korea related stuff coming. So thank you for coming and the session is done. Thank you.

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