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Risk Reduction and Crisis Management on the Korean Peninsula

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Contents

Executive Summary	5
Introduction	6
The Rising Risk of Armed Conflict in East Asia	6
The Korean Peninsula, an Arena of Global Tensions and Local Risks	8
Challenges to the Current Security System	9
Reframing the Goal: A New Peace Approach	.11
Suggested Measures for Progress in Practice	.13
Conclusion	.16

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Executive Summary

The security dynamics of East Asia are changing. The growing instability of the world order in the 21st century is being keenly felt in the Pacific Rim, where the risk of armed conflict among major powers is on the rise. Rising tensions in the Taiwan Strait, strategic realignment in the Indo-Pacific, disputed claims in the South China Sea, the securitization of non-military issues in the competition between the US and China and military escalation on the Korean Peninsula all contribute to an increasingly competitive and unpredictable geopolitical situation.

The Korean Peninsula is a prominent example of an area where high tensions significantly increase the risk of unintended incidents and where a current overreliance on existing deterrence and defense capabilities and messaging is exacerbating relations, and where the urgency for multi-domain risk reduction mechanisms that encourage trust building is growing.

In this paper, we discuss the risk of an armed conflict in the East Asian region, analyze the current system of deterrence and risk management and propose a new approach to what we believe to be a more sustainable peace process. The situation on the Korean Peninsula is inherently intertwined with the regional security environment, and the negative spiral of enmity currently unfolding in East Asia must be broken, or at least better managed, before it is too late.

At the current rate, efforts are needed to help avoid current tensions from escalating into armed conflict, especially investing broadly and generously in a risk management framework that reaches beyond hard security measures. To avoid a bad situation is not the same thing as seeking to create a better one marked by positive peace—a longer-lasting peace built on sustainable investments that are closer to the root of the conflict. If the opportunity to talk suddenly arises, decision makers may feel pressured to strike a deal while the iron is hot. By investing in forward-oriented planning and preparing multiple options in advance, parties are less likely to rush decisions and unsustainable settlements may potentially be avoided.

That said, we recognize that peacebuilding is a long-term process. On the Korean Peninsula, it means also realizing that North Korean denuclearization is more likely to come about as a result of establishing a peace regime and normalization of relations, and not a condition for peace. However, in the meantime, military power is necessary for ensuring international order and for staving off further military provocations from North Korea and China.

Introduction

This year marks 70 years since the <u>Korean Armistice Agreement</u> was signed, and yet a peace treaty is no closer to becoming a reality today than it was in the summer of 1953. In fact, some may argue that inter-Korean peace feels more distant than ever, as relations are at their lowest point in over a decade since the <u>sinking</u> of the Cheonan and the <u>shelling</u> of Yeonpyeong Island (Yeonpyeong-do) in 2010. Furthermore, the Democratic People's Republic of Korea (DPRK or North Korea) has been pushing its missile capacity forward with <u>unprecedented haste</u> since last year, and South Korea's incumbent Yoon government has assumed a distinctively more <u>hawkish</u> stance toward diplomacy with Pyongyang. In addition, the US and the Republic of Korea (ROK or South Korea) have expanded military joint drills near the 38th parallel. As missile launches inspire military exercises, and military exercises inspire fierce rhetoric, this further inspires displays of might, which results in even more missile launches. Escalatory behavior in a cycle of provocation and reaction has become the norm in dynamics on the Korean Peninsula, and the security infrastructure that was built on deterrence and the balance of power risks losing its equilibrium.

Growing unrest in the Indo-Pacific also makes for a competitive and unpredictable geopolitical situation that increases the risk of armed conflict among major powers. As the Russian invasion of Ukraine highlights, the risk of aggressive use of force by authoritarian regimes is never far away; China has ramped up its <u>aggressions</u> in the Taiwan Strait. The development is accompanied by strategic realignment in the Indo-Pacific and the securitization of non-military issues in the competition between the US and China. All of this contributes to an increasingly competitive and unpredictable geopolitical situation that amplifies the risk of conflicts occurring.

The Rising Risk of Armed Conflict in East Asia

The increased geopolitical tensions make the shortcomings of the current security structure in East Asia clearly visible. The desire to be one step ahead of the other has led to increased defense spending across the region. As a result, relentless military buildup has emerged with China, Russia and the DPRK on one side, and the ROK, Japan and the US on the other.

Over the past few years, China has cemented its position as the leading military power in Asia and now holds a strong strategic position vis-à-vis the US on a range of issues in the Indo-Pacific region. China initiated its efforts to modernize its armed forces almost two decades ago, and today its progress is as fast as it is opaque. Militarily, China has reached a point where they are fully capable of challenging US hegemony, and although it has yet to catch up in soft power influence, this is a top priority on Beijing's to-do list. China is actively seeking to establish a parallel order that disregards and overrides many aspects of the international system that are unfavorable to Chinese interests. In addition, Beijing has achieved success in promoting its definitions of security, business and politics in the past few years. More recently, China has marketed itself as a "global peacemaker" by facilitating closer ties between Iran and Saudi Arabia and promoting its 12-point peace plan for Ukraine.

Japan, too, is significantly expanding its military counterstrike capabilities, having <u>pledged</u> to double its defense budget over the next five years, thereby making it the third-largest defense spender in the world. "I myself have a strong sense of urgency that Ukraine today may be East Asia tomorrow," Japanese Prime Minister Fumio Kishida <u>said</u> at the International Institute for

Strategic Studies (IISS) Shangri-La Dialogue in Singapore last year, and in a recent Japanese poll, four out of five respondents <u>stated</u> they "worry the country could go to war." These concerns have <u>pushed</u> Japan closer to the US in both popular opinion and defense cooperation. Meanwhile, in the region of the South China Sea, the Philippines and Indonesia have been <u>increasing</u> their defense budgets in response to Chinese naval aggressions.

While an arms race does not need to be prophetic of war, the risk of war is very real in combination with the chronic state of mutual distrust that currently exists between, and to some extent also within, both spheres. In the authoritarian sphere, relations are characterized by instrumentalism, and neither China nor Russia have offered guarantees of solidarity if military conflict breaks out. In the US-allied sphere, South Korea cannot trust that Japan will refrain from a unilateral attack on North Korea if it continues to launch missiles into the Japanese airspace, nor is it fully comfortable trusting the US commitment to extended deterrence. Frictions during the Trump administration, disagreement over the Inflation Reduction Act's economic consequences for ROK businesses, and US pressure on allies to distance themselves from China are all issues of contention.

Earlier this year, Seoul announced that it had considered launching its own nuclear initiative—an idea that was quickly shot down by the US. The <u>Washington Declaration</u>, which resulted from the White House summit in April, seeks to clad the alliance in unity, as Seoul reaffirmed its commitment to nonproliferation in exchange for strengthened extended deterrence. However, the issue is still far from settled. Choosing pro-US policies incurs the risk of inviting economic retribution from China, which would be devastating to the South Korean economy, as China is its top trading partner, whereas an ambivalent stance could harm South Korea's claim to the US nuclear umbrella. This tendency toward pursuing thorough securitization presents an opportunity for adversaries to force a wedge in the US-ROK alliance.

It could be said that the grim picture of the East Asian security environment in 2023 is symptomatic of a larger malaise. China is not the only authoritarian regime working hard to shift international norms to better suit its national interests. Undoubtedly, competing strategic interests on the global stage are shaping regional politics, economics and security environments, both directly and indirectly. Looking toward Europe, the war in Ukraine is certainly an influential factor in shifting military dynamics, and President Xi Jinping's visit to Moscow in mid-March served as a stark reminder of the growing ambition of an emerging authoritarian bloc with Beijing in the driver's seat. The DPRK has expressed its unwavering support for Moscow, declaring that the two countries are "in the same trench," and this camaraderie has reportedly extended to illicit arms deals where North Korea has supplied Russian paramilitary groups fighting in Ukraine with battlefield missiles and rockets. Nevertheless, the international resolve to stand up for Ukraine has likely proved to be much stronger than anyone, including Russia, China and North Korea, could have expected, and this certainly has implications for the East Asian power balance.

To add to this, the pace of technology development in what are traditionally non-military fields, such as artificial intelligence, robotics and information technology, has been rapidly progressing for some years, and the experimental use of novel technologies for military purposes in asymmetrical methods, like in the war in Ukraine, adds fuel to the process. Civilian and non-kinetic technologies are increasingly being implemented in destructive and decisive applications on the battlefield, which now extend into the digital and cognitive spheres. Innovations in space and cyber warfare, hypersonic weapons and drones are gaining significance as key components in military tactics, and China has been observed to be investing massive sums into artificial

intelligence (AI), automation and robotics. Meanwhile, international arms control treaties have yet to catch up, thereby leaving the domain of emerging disruptive technologies essentially unregulated, which poses an <u>additional risk</u> to international stability. As such, the introduction of new technologies necessitates updates being made to the areas of best practices and arms control regimes.

The Korean Peninsula, an Arena of Global Tensions and Local Risks

The nuclear issue continues to be a considerable source of uncertainty in the region, and the question of extended deterrence plays a prominent role in shaping the strategic environment in East Asia. Ever since the DPRK altered its nuclear doctrine last year, which established the possibility of it launching a preemptive strike, this issue is being viewed with increased urgency in South Korea and Japan. The Russian invasion of Ukraine set a precedent for other revisionist actors in Moscow's blatant disregard for international norms and has likely reinforced Pyongyang's preexisting notion that denuclearization at this stage would invite a foreign invasion.

As the war in Ukraine diverts the world's attention to Europe, North Korea has continued to advance its nuclear and missile capacities. Meanwhile, the intensified Russia-China-DPRK ties mean that the UN Security Council (UNSC) is unlikely to agree to additional sanctions. In 2022 alone, North Korea <u>launched</u> at least 60 ballistic missiles and displayed progress in developing cruise missiles, diverse rocket launchers and its air force, as well as continuing to enhance its asymmetric capabilities with no UNSC response.

That unparalleled pace of missile testing continues. On January 1, 2023, North Korean leader Kim Jong Un called for an "<u>exponential increase</u>" of the country's nuclear arsenal. So far this year (at the time of writing), the country has <u>launched</u> 23 ballistic missiles of various ranges. These included four intercontinental ballistic missiles (ICBMs), which, in theory, are capable of reaching the mainland of the United States. Whether or not North Korea conducts additional nuclear weapons tests in the near future is still unclear.

The North's missile tests should be equally understood in proactive and reactive terms; that is, these tests are not just aimed at deterring what the DPRK perceives as US-ROK provocative actions, but as actual operational exercises that signal the country's clear commitment to advancing the credibility and capability of its nuclear arsenal. Although a surprise nuclear attack is deemed to be a less attractive option to Kim Jong Un, as the US has made quite clear its intention "to end" the North Korean regime if nuclear weapons are used, many other things could go wrong before the situation improves. As such, it will take a very long time until a sustainable settlement of the Korean conflict can be reached.

Nuclear development is a costly affair and requires a <u>major portion</u> of North Korean government funds to be channeled into the military. Furthermore, the fragile state of the economy has been additionally weakened by international sanctions and a three-year pandemic-related period of closed borders with the cutting off of trade and humanitarian consignments. As a result, the country is reportedly experiencing severe food insecurity and risks a humanitarian crisis, at which point advancements in its missile program and other provocations can be a way for the regime to manifest its competence to its domestic audience. Having displayed credible nuclear and missile capabilities and feeling emboldened by Chinese and Russian support, Pyongyang might be encouraged to take greater risks in its interactions with Seoul, and despite the burden of high defense spending on the national economy, Kim Jong Un appears to be counting on the advantages that come with time. North Korea, for one, is not in any hurry to make concessions.

Apart from making qualitative and quantitative nuclear progress, North Korea compensates for the power discrepancy of its conventional forces vis-à-vis the West by developing asymmetric warfare capabilities and non-kinetic tools of power. This toolbox of unconventional methods <u>blurs the lines</u> between the defensive and offensive, between the military and civilians and between the front and the rear. It includes the use of sabotage, propaganda and disinformation campaigns, cyber attacks, the uncertainty generated by incessant provocations and more.

Currently, constructive dialogue on denuclearization around the negotiation table seems a distant prospect as functional communication channels have been traded for hostile and confrontational dynamics. In April 2023, North Korea stopped responding to routine inter-Korean military hotline calls, and while this was not the first time for the DPRK to do so, the simultaneous <u>suspension</u> of all three hotlines for more than a day was a first. Kim Jong Un <u>condemned</u> the South for fueling tensions in the "ever-worsening security on the Korean Peninsula." Meanwhile, South Korea's unification minister urged the North to make a "wise decision" and pick up the phone. Kim Yo Jong, sister of Kim Jong Un, recently <u>declared</u> that "the reality before the DPRK is not dialogue repeatedly touted by the US" and further <u>denounced</u> the first US-ROK <u>Nuclear</u> <u>Consultative Group</u> meeting in Seoul on July 18 as "the most direct threat to the security" of the peninsula.

At the same time, the US and the ROK pledged to expand their joint military drills and strengthen their commitment to the complete denuclearization of the Korean Peninsula. In commemoration of the 70th anniversary of US-ROK ties in June 2023, the allies carried out five rounds of the "largest-ever live-fire drill." Pyongyang condemned the drills as "war rehearsals," using rhetoric that leverages the intensified US-ROK military activity to legitimize the North's nuclear missile program to both domestic and foreign audiences. Tensions escalated further following the deployment of a US nuclear-armed submarine to a South Korean port in July, as the DPRK defense minister warned the US that "the deployment of the strategic nuclear submarine…may fall under the conditions of the use of nuclear weapons."

In short, the Korean Peninsula is a prominent example of an area where high tensions significantly increase the risk of unintended incidents and where existing deterrence and defense capabilities need to be supplemented with multi-domain risk reduction mechanisms that encourage trust building.

Challenges to the Current Security System

Collective security is hard work that requires consistent efforts with a long-term perspective, and geopolitical tensions are subjecting the current risk management systems to severe pressure. A lack of trust amplifies the risk of accidents being misunderstood and for provocations to be miscalculated, thus rendering a traditional approach to security as an unsustainable zero-sum equilibrium. For example, individual mistakes by soldiers and officers at the frontlines can easily escalate, and tough rhetoric from political leaders, including public criticism of soldiers and officers, amplifies these risks.

On the Korean Peninsula, the existing frameworks are being revealed as dysfunctional and illfitted to contemporary issues and interpretations of risk. **The Armistice Agreement**, to which South Korea was not formally party to, was signed by North Korea, China and the UN Command in July 1953 and is, to date, the prime legal document regulating inter-Korean relations. It was originally devised as a temporary solution to uphold "cold peace," while parties negotiated a permanent political settlement. Seven decades later, such a peace treaty has yet to take form.

The Armistice Agreement has been <u>criticized</u> for its idealistic attitude toward peacebuilding and cooperation and for failing to sufficiently address the root of the conflict, as it only addresses the symptoms and not the cause. However, this criticism appears to be somewhat unfair, as these issues would be best addressed in a permanent peace treaty and not in a ceasefire agreement with one sole aim—to stop the armed fighting, which we ourselves would deem to be a successful outcome at this point. The lack of a political settlement burdens the now-outdated Armistice Agreement with a task beyond its qualifications and intended best before date.

One struggle the agreement faces is that it lacks de facto acknowledgment in many aspects. For example, the mandate of the Neutral Nations Supervisory Commission (NNSC), which was established by the Armistice Agreement to monitor compliance and proper implementation, has been partly lost as North Korea unilaterally ceased to recognize the commission in 1995. Since then, the NNSC has only been able to operate on the southern side of the DMZ. Without a body to enforce compliance and monitor tasks, armistice agreement violations have become common practice by all parties. Moreover, any formal amendment to the agreement, such as its eventual replacement with a peace treaty, needs the consent of all signatories. China's approval will likely not be easily obtained, especially in any scenario where an amendment would reduce North Korea's utility to Beijing as a buffer zone that increases its distance from US army troops stationed in the South.

That is not to say that the past seventy years have been without progress. The **Inter-Korean** <u>Comprehensive Military Agreement</u> (CMA) was signed in September 2018 following the inter-Korean summit between South Korea's President Moon Jae-in and North Korea's Kim Jong Un in April of the same year. It promised to bring arms proliferation along the inter-Korean border under control and allow for small trust building steps in the process. The CMA included several confidence and security building measures (CSBMs) to ease tensions, reduce risks and restore trust. Among other things, it called for the cessation of live-fire artillery drills within five kilometers of the DMZ, created a military no-fly zone above the border area and established a neutral zone—known as the Northern Limit Line (NLL)—along the maritime border. The CMA showed promising potential to become a valuable modern addition to the existing Armistice Agreement, but it continues to face many of the same problems in that it lacks consistent political backing and a comprehensive compliance mechanism. Another struggle for the CMA is its lack of details on implementation, which was in part the result of time constraints in reaching an agreement.

A deadlocked **UNSC** is another source of unpredictability in the region. Historically, the UNSC has been quick to condemn North Korean aggressions and unanimously approve harsh sanctions in response to North Korea's continued weapon of mass destruction (WMD) development activities. However, the North has continued to violate these resolutions through further development and repeated WMD testing. Attempts in the past two years to impose additional sanctions have failed at the hand of Chinese and Russian vetoes. The two countries have rejected such proposals <u>stating</u> that sanctions do more harm than good and have had little effect on the North's calculus about its nuclear weapons program.¹

¹To which there is a point that must not be overlooked: The effect of sanctions on totalitarian regimes is questionable at best, and if they work, they do so over the course of a very long period of time.

With the UNSC incapacitated on this issue, North Korea has pursued nuclear and missile development with unprecedented fervor, which has led individual states, like South Korea, to respond on its own, such as imposing unilateral sanctions, building up defenses, and conducting greater shows of force to try to impose consequences on Pyongyang for its continued violations. Moreover, North Korea's closed border COVID-19 policy has cut off most in-person contacts and travel to the DPRK. This includes Track 1.5 and 2.0 dialogue efforts as well, thereby leaving few formal or informal channels of communication with Pyongyang on critical security issues, further increasing the <u>risk</u> of misunderstandings and further escalation.

Finally, the US-ROK defense alliance is also a significant framework for regional security. This year not only marks the 70th anniversary of the Armistice Agreement, but also the 70th anniversary of the US-ROK alliance. So far, the presence of US troops in South Korea may be viewed as serving as an important check against North Korean (and Chinese) aggressions. While contributing to reducing tensions on the one hand, the increased frequency of joint military drills fuels the cycle of provocation that currently characterizes inter-Korean dynamics. As such, the presence of the US military might be described as a double-edged sword.

To summarize, existing security structures in East Asia that were designed with the concept of "<u>negative [or cold] peace</u>" in mind (i.e., peace, as in the absence of violence) are struggling to sustain the status quo as the threat of violence and armed conflict grows larger. The Korean Armistice Agreement, strategies of military containment and nuclear deterrence have kept violence at bay so far successfully enough. However, they were not designed with 21st-century modern and asymmetric "warfare capabilities" in mind, and the risk for spillover effects in today's interconnected modern world must not be underestimated. To avoid a bad situation is not the same thing as seeking to create a better one marked by positive peace—a longer-lasting peace built on sustainable investments closer to the root of the conflict.

Reframing the Goal: A New Peace Approach

As previously discussed, the contemporary East Asian risk management system is underdeveloped to the point of being dysfunctional. The current security environment is in need of a comprehensive architecture that combines deterrence and defense with broad risk management and confidence building measures. To this end, we have identified two distinct dimensions that we believe need further attention. First, there is a need for effective risk management where the risks of unintended incidents must be reduced and properly managed; and second, there is a need to consider what can be done to reinstate working diplomatic relations with North Korea.

To begin with, the current regional security trajectory is too risky. If an incident were to go wrong today, be it the accidental trigger of a gun in the DMZ, a failed missile launch where falling debris causes damage to infrastructure or people or an unintended intrusion on another nation's territory, the potential casualties could set off a powder keg and spur retribution. The Korean Peninsula is relatively small, with Seoul located only 32 kilometers from the DMZ. This means that early warning systems are difficult to implement, evacuating large parts of the population would be a nightmare and an ongoing attack would be difficult to intercept before it was too late. In short, armed conflict on the Korean Peninsula simply must be avoided. The current risk management system focuses on hard security and military matters, and previous attempts to introduce trust building (for example, through the CMA) have failed because some

issues, like the creation of sustainable peace, simply do not have only a military solution. As such, there is a need to distribute efforts more evenly across comprehensive deterrence, defense capability and risk reduction.

Fundamentally, the negative spiral of provocation-retaliation can only be broken by moving away from security as a zero-sum arena. As such, we propose introducing a positive-sum framework where all parties stand to gain from abstaining from escalatory behavior(s). A good foundation for such a framework would be *predictability and credibility* to reduce the risks of misunderstandings and miscalculations. For example, some form of a non-intrusive measure of preinformation that informs of military exercises and the testing of new weapons systems would benefit predictability, which is a necessary foundation of trust building. Moreover, South Korea, as well as Japan and Taiwan, need to be able to rely on US extended deterrence; North Korea needs to be able to rely on the allies' promises of non-intervention if any concessions are to be made at all; and the US and the ROK need to be able to rely on North Korea not to launch a surprise attack.

There is also a need to move away from the notion that normalized relations and peace on the peninsula are subsequent to denuclearization. North Korea has <u>made</u> it clear that it has zero intent on giving up its nuclear arsenal and refusing to accept this has done little good so far. The geopolitical outlook with an emerging authoritarian bloc centered on China further reduces external pressure on the DPRK to denuclearize. With time currently on the side of the DPRK, its nuclear, conventional and asymmetric capabilities will continue to grow. As such, we propose viewing denuclearization as a natural result of a peace process that starts with risk management, arms control, a reliable security guarantee and normalized relations.

This leads us to the second dimension of "what can be done to resume functional diplomatic dialogue with North Korea?" which needs further attention.

To start, there is no security guarantee that the international community can give that is more reliable or has greater credibility than a national arsenal of nuclear weapons that will satisfy North Korean demands and make them pick up the phone. The South Korean tactic of applying maximum pressure in the hope that promises of sanctions relief will bring Kim Jong Un back to the negotiation table does not appear to be working either. In this case, Beijing is an actor who may be able to induce some change to the North's standoffish attitude by applying political, economic and diplomatic pressures. So far, tensions on the Korean Peninsula have had a limited impact on China's ability to pursue its interests. However, two different perspectives that could incentivize Beijing to actively pursue deescalation can be identified. One is related to regional security, and one is related to DPRK internal stability.

Pyongyang's continued provocations provide the US, ROK and Japan with a legitimate reason to bolster their military capabilities, and even though North Korea is framed as being the primary threat, stronger US, ROK and Japanese militaries are in no way limited only to the Korean Peninsula. In fact, they have implications for any contingency related to the Taiwan Strait, which is a prime security objective for China's President Xi. Worsening economic conditions in North Korea, including widespread food insecurity, may become a cause for concern for China and an opportunity for Beijing to improve its image as a regional responsible stakeholder. Although there are limits to China's leverage, inter-Korean conflict mitigation and negotiation are likely in China's best interest.

However, progress may be possible even without Chinese support by approaching the issue

from a different angle and thinking about how to alter North Korean threat perceptions. The development of nuclear weapons is currently perceived in Pyongyang with existential significance, and the international community is not entirely without blame for making North Korea feel this way. Although Washington keeps <u>reiterating</u> its "<u>non-hostile intent</u>," this message is undermined by US actions, such as its conducting large military exercises and the deployment of nuclear-capable assets on North Korea's front porch, its reiterated commitment to annihilate the regime in the case of nuclear deployment and the complete isolation North Korea faces in the international community. To lead by example and offer non-military exchanges entailing some form of mutual recognition is a possibility, which may make North Korea feel less encircled, threatened and on edge. This is not a call for North Korean democratization or to immediately normalize relations, but to make exchanges and eventual cooperation with the West more approachable from Pyongyang's point of view.

It is worth repeating here that some issues do not only have a military solution. Working on both fronts (i.e., combining risk management efforts toward improved credibility and predictability with trust building efforts in soft security issues) may nurture a positive long-term engagement that is not solely tied to stability on one end.

Suggested Measures for Progress in Practice

Should an ideal-type framework be established for a modern risk management system to supplement the tendencies toward thinking only in terms of defense and deterrence, it raises the logical question: "What measures might integrate risk reduction and diplomatic reestablishment in practice?"

In general terms, any introduction would need to be gradual since the experience from a collective crisis management system in East Asia and the Korean Peninsula is limited. Nevertheless, the process of negotiating and agreeing on specific measures would, in itself, constitute trust building. A successful scenario would need permanent bilateral or multilateral institutions to openly address issues of mutual concern and encourage military-to-military, government-to-government and people-to-people interactions. An added benefit of such a process would be incrementally changing North Korea's threat perception and incorporating the DPRK into a regional security system that could provide Pyongyang with some institutionalized security guarantees in the long term.

We appreciate that the measures that we are suggesting below by no means present a full solution, and some may be more realistically feasible than others. However, we believe that it is better to make front-end investments and prepare many different initiatives for stakeholders to promote and discuss when the opportunity arises as opposed to passively waiting for an opportunity that may never come. We advocate for a shift of perspective toward proactive and creative modes of thinking, and we encourage parties to start investing resources (workforce, time and money) into developing initiatives—with or without the DPRK's participation.

First, regarding **improved predictability**, the sharing of timely information is one need that has emerged as being increasingly significant. Since the largest risk of unintended incidents is related to insufficient knowledge regarding military events, such as drills and missile launches, sharing information and updating parties about upcoming events across sectors would undoubtedly be beneficial. Pyongyang has met <u>criticism</u> from international organizations for conducting missile launches with trajectories over Japan without warning to civil aircraft or ships. Seeing as how Pyongyang has insisted that these are missile tests and not operational exercises, providing early warning is one relatively simple measure that would both improve North Korea's credibility as an actor within the international community while also avoiding the risk of accidentally incurring damage to civilians. In May 2023, Pyongyang indicated its willingness to do just that as it notified Tokyo of its upcoming plans to launch a rocket carrying a satellite.

Second, regarding trust and credibility in US-ROK-DPRK relations, we have identified two aspects of significant importance moving forward: establishing a long-term bipartisan agreement on DPRK issues in South Korea and harmonizing the policies of Washington and Seoul. A longterm bipartisan agreement between the major political parties in South Korea would constitute a good foundation for progress in diplomacy and dialogue. Long-term planning is notoriously difficult in an institutional environment that limits presidents to one term in office, as this often leads to foreign policy receiving a major overhaul every five years. Yet, a situation where inter-Korean relations, denuclearization and risk management become a contested domestic policy in South Korea only gives North Korea more room to both maneuver and question the sustainability of any agreement. Furthermore, the lack of a long-term plan presents Kim Jong Un with the possibility of getting a "better deal" in a few years' time with another president, thereby decreasing incentives to get on board with South Korean initiatives (e.g., President Yoon Suk-yeol's "audacious plan," which the North rejected as laughable). As it stands, Yoon is set to depart office in 2027, and the tepid reception of the Washington Declaration, in addition to the major domestic backlash from the political opposition following the recent positive momentum in <u>Seoul-Tokyo</u> ties, indicate that these alignments run the risk of being altered by the next president, which induces confusion for all parties involved, and does nothing to deincentivize North Korean from pursuing military aggressions.

A better course of action, as we see it, is to achieve a long-term domestic bipartisan agreement that is harmonized and coordinated with Washington. Without diplomatic coordination, peacebuilding will be extremely difficult in establishing long-term goals, formulating the desired outcome and outlining the expected step-by-step process. Although both the US and South Korea agree that North Korean denuclearization is a pressing issue, they must also agree on what reciprocal measures they are willing to concede in exchange for meaningful progress and what steps they would consider "meaningful." In addition, resorting to a good cop, bad cop dynamic, where the US and South Korea are out of step, can do more harm than good. Looking back, it is only when the US and ROK have managed to coordinate national policies that progress has occurred, and Pyongyang clearly considers Washington to be its key negotiating partner, not Seoul. For this reason, future South Korean administrations who may feel inclined to return to a <u>Sunshine Policy</u> must also recognize that Seoul alone cannot offer the deliverables that Pyongyang desires.

Of course, trilateral coordination on North Korean issues that also incorporates Japan in a joint position would further enhance the trio's diplomatic and military leverage. The recent momentum in Japanese and South Korean relations with strong support in the US should, if possible, be used as a platform to reenergize diplomatic efforts and develop novel ways to incentivize DPRK dialogue, as opposed to only being regarded as providing a stronger military deterrent. South Korea and Japan have a fair share of trust building of their own to work on before genuine cooperation can take place; although, the news that the three countries will link their <u>radar systems</u> to better track North Korean missiles in real time is a good first step.

Third, regarding **North Korea's credibility as a negotiation partner**, North Korea will remain a nuclear-capable state in all but formal acknowledgment for the foreseeable future. However,

it may be possible for the DPRK to meet the international community halfway by striving to become a responsible nuclear state. Looking back, Pyongyang has a poor track record of managing the waste created by its nuclear activities. For example, possible radiation leaks from nuclear test sites, such as the one in Punggye-ri, will have <u>implications for the environment</u>, as well as the health of the local population; and in the event that radiation seeps into the groundwater, populations in South Korea and China may also be at risk. North Korea has not granted access to independent observers of its nuclear activities since the International Atomic Energy Agency (IAEA) was kicked out in 2009, but <u>nuclear waste management</u> is one issue where engagement from the international community has been partly sustained, and it could provide a platform for cooperation. The resumption of regular nuclear inspections could ensure proper waste management, as well as build confidence between parties.

Increased efforts to introduce and allow some verification mechanisms for the safe handling of nuclear material should be intensified. Verifying security at nuclear installations, along with the safe storage and handling of nuclear-related material, can serve to reduce the risk of nuclear proliferation. With such verification mechanisms, the international community can feel less pressure to achieve immediate and complete denuclearization and make it part of a more comprehensive agreement that accepts realities on the ground. Perhaps, this could become a task for an integrated team of nuclear experts from the IAEA and members from the NNSC, which has an Armistice Agreement-bestowed legal mandate to move north of the Military Demarcation Line (MDL). Maybe such an effort could even include the DPRK nominating two new NNSC members to eventually restart NNSC armistice operations in order to boost North Korea's legitimacy and credibility as a partner.

Disaster management training could also be useful in a comprehensive approach. Due to global warming, the Korean Peninsula is increasingly exposed to typhoons, flooding and extended periods of drought. A combination of unfavorable institutional and environmental factors in North Korea makes its agricultural sector, infrastructure, and population vulnerable to extreme weather events, thereby risking intensified food insecurity and threats to nuclear safety. Alongside other issues, engaging in disaster risk management dialogue may provide a foundation for increased cooperation in environmental policies and beyond.

Moreover, the <u>development of the economy</u> is of critical importance in North Korea. To support the regime's pursuit of economic development, the international community can be more mindful of its use of sanctions going forward. By restricting what goods the DPRK may import and export, the intention of the current sanctions regime is to cut sources of state revenue and sustain a North Korean deficiency of the monetary and material resources necessary to run a WMD program. In addition, sanctions have symbolic significance in demonstrating that the WMD development program is unlawful and unacceptable. However, on the other hand, sanctions have inherently nonspecific effects, and it cannot be ascertained that they actually have the desired result(s) in the desired area(s). For this reason, it may be time to review (to the extent it is feasible) whether the sanctions indeed have the intended effect in the intended area. In other words, do current UNSC sanctions primarily restrict missile and nuclear development, as intended, or are there unintended, disproportionally negative effects on other societal domains?

For example, if we consider North Korea's reported <u>food insecurity</u>, easing some sanctions so as to alleviate the crisis is an act of good faith that is worth a shot. <u>UNSC Resolution 2321</u>, adopted in November 2016, suspends UN member states' "scientific and technical cooperation with North Korea, except for medical purposes," and <u>Resolution 2379</u>, which was adopted in December 2017, bans North Korean imports of "heavy machinery, industrial equipment and transportation

vehicles." While the resolutions have clear relevance for the nuclear weapons industry, the nonspecific wording may cause negative effects in areas unrelated to weapons development. These could be limited by specifying the domains under and not under sanction. Since Resolution 2321 already indicates a willingness on the part of the UNSC to make exceptions for cooperation related to public health, this could be expanded to incorporate cooperation in agricultural production as a gesture of goodwill that may benefit domestic food production. In addition, Resolution 2379 may be amended to specifically allow for the import of agricultural equipment. Of course, there are no guarantees that UNSC members would agree to such changes, nor that North Korea would reciprocate the sentiment, as the regime may still continue to reject on-site help or find a way to redirect resources to the advantage of its nuclear and missile programs. But this kind of gesture could nonetheless help to rebuild some cooperation amongst the UNSC members on this one issue while at the same time creating a reason for Pyongyang to start considering the possibilities to engage in positive exchanges on other issues as well.

Finally, to influence North Korean threat perceptions, we have identified the possibility of addressing North Korean civil society via the provision of humanitarian aid and the offering of cooperation in the arenas of culture, sports, art and music. This may be supplemented by an intensified information campaign, which should explore multiple novel ways of distributing information to North Koreans with the aim of reducing misunderstandings about US and ROK objectives and the outside world. However, this does not mean the international community should assume a soft line on North Korea or stop condemning its ballistic missile program and nuclear development. Although the possibilities for inter-Korean people-to-people exchanges are limited, given Pyongyang's aversion to "liberal" ideas, geographical proximity and shared heritage make inter-Korean exchanges the most realistic option. Encouraging people-to-people interactions in different arenas, such as the Olympic games, the UN, guest researcher programs, academic exchanges and the Cannes Film Festival, could benefit the diffusion of knowledge, which does not necessarily need to be ideological.

Conclusion

The security situation on the Korean Peninsula and in the wider East Asia region is complex, challenging and critically unstable. On top of existing challenges, the security sector is entering a period of unchartered waters, where the control of systems, narratives and economies is gaining increased significance. Combined with an ongoing arms race in Northeast Asia, deep mistrust between key actors and spillover effects from broader global geopolitical rivalries, the risks of unintended incidents with the potential of catastrophic escalation have climbed to unprecedented heights, and this toxic mix needs to be managed. We believe that when nuclear weapons are involved, deescalation and risk management are in everyone's best interest.

Against this backdrop, we argue that current risk management systems are based on outdated notions of peace and warfare and, thus, are fundamentally unequipped to manage the security challenges of today and tomorrow. Existing structures are based on the balance of power, but when there is too much power to balance, the scale is at risk of breaking. Although the current situation is mired with challenges, a long-term, persistent and comprehensive risk engagement project combined with the traditional setups of balances of power and nuclear deterrence is needed to secure regional stability. This is no quick fix, and such a comprehensive project must put more effort into combining soft and hard (or non-military and military) options with the goals of improving predictability and credibility and, over time, changing threat perceptions in the

DPRK. With or without the active participation of North Korea, we would put forth that now is the time to start investing in broad initiatives.

In the words of business entrepreneur <u>Gil Penchina</u>: "Momentum begets momentum, and the best way to start is to start."