

Topic Overview: China's Relationship with North & South Korea

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The autocratic regime of North Korea has been the focal point of many negotiations and points of tension between the United States and China. The Six Party talks (China, the U.S., Russia, North Korea, South Korea, and Japan) have failed to make significant headway due to Chinese and North Korean stonewalling. A U.S. response to the nuclearization of North Korea would directly involve China. China has been the largest ally of North Korea for over 60 years. They have provided the regime with economic, military, and humanitarian assistance. But there is currently a significant change occurring in Sino-Koreans relations. Not only is China reevaluating its position towards South Korea, but also its ally North Korea. Trade steadily increases with South Korea as well as dialogue. China seems to be shifting further south for its friends. The future of Sino-South Korean relations will depend upon developments in North Korea. China must make a decision on supporting the Northern regime despite continual treaty violations, a growing nuclear program, and threats of force. Overall, as China's relationship with North Korea strains, it strengthens with South Korea.

(This overview specifically addresses China's relationship with North & South Korea, not the relationship of the two Koreas with each other.)

Key Terminology

Six Party Talks: The negotiations between China, the U.S., Russia, North Korea, South Korea, and Japan to cease the nuclear development of North Korea.

38th Parallel: The latitude line used as the border between North and South Korea

Demilitarized Zone (DMZ): The strip of land separating North and South Korea. It is the most militarized border in the entire world. The DMZ is littered in watch towers, sniper outposts, patrols, barbed wire, electric fences, and land mines.

Nordpolitik: South Korean president Roh Tae-woo's policy of normalizing relations with northern countries, specifically the USSR and China.

Kim Il-sung: First Supreme Leader of North Korea. (1948-1994)

Kim Jong-il: Second Supreme Leader of North Korea. Son of Kim Il-sung. (1994-2011)

Kim Jong-un: Third and current Supreme Leader of North Korea. Son of Kim Jong-il. (2011-current)

Background

Modern Korean history revolves around WWII and the Korean War. Imperial Japan occupied the Korean peninsula from 1910-1945. Japan governed over Korea harshly and great anti-Japanese sentiment grew. In 1945, two armies liberated Korea. The United States entered from the south and the Soviet Union entered from the Chinese border on the north. At this time, there were already stark signs of division within Korea. The Korean Provisional Government had declared war on Japan in 1941 and eventually settled in South Korea becoming its governing body after the war. Communist party members in the northern peninsula had different plans. They mobilized their own army and also fought against the Japanese during WWII. After the war, under Kim-Il Sung, they established a government in the north. The U.S. and USSR agreed that the divisions were too deep and a border should be established along the 38th parallel.

Movements grew for a unified Korea following WWII. However, both sides wanted unification under their own government. In June of 1950, the communist North invaded South Korea. ([Korean War](#) - 1950-1953) It is at this point, that China enters the picture. Approximately 1.3 million Chinese soldiers fought with North Korea. In fact, far more Chinese fought in the war than North Koreans. After the cease-fire agreement between the belligerents, China continued to build its relationship with Kim Il-sung, the Supreme Leader. In 1961, the two nations signed a treaty pledging military assistance. Both North Korea and China share a border.

The relationship between South Korea and China was icy following the war. Capitalist South Korea worked with the United States and other Western nations while China furthered its alliance with North Korea. Neither nation would open dialogue with each other, thus inhibiting official trade policy despite their close proximity. The early 1980's saw the introduction of "Nordpolitik" by South Korea's president. Nordpolitik was a doctrine borrowed from the Germans that seeks to promote relationships with northern states. South Korea specifically wanted to open dialogue with China and the USSR. It hoped that by pursuing relations with North Korea's allies, it could isolate the country further. To a degree it worked. Trade opened more freely between Korea and China establishing a relationship for further cooperation.

More recently, North Korea has been pursuing its nuclear program. In response, the "Six Party" talks between China, the U.S., Russia, North Korea, South Korea, and Japan seek to end the nuclear progression. On March 2, 2016, China agree to UN Security Council Resolution 2270, which increases sanctions against North Korea, especially on China's part. The success of these sanctions can be argued back and forth. It is difficult to know if they will have a significant impact. China has reached a decision point: continue its alliance with rogue North Korea or side with the West against its nuclear program.

North Korea Sanctions

On March 2, 2016, the Security Council passed UN Resolution 2270. The resolution was drafted by the United States and China. It imposes tougher sanctions on North Korea by requiring searches for all cargo entering and leaving North Korea to be searched. The largest trade between China and North Korea is coal. Some argue that this vital trade keeps the North Korean economy alive. While China has agreed to restrictions on this trade, there are signs that it continues almost unhindered currently, however, illegally. If the Chinese government lets the trade continue willingly or is simply unable to enforce the laws is under question.

U.S. and UN Sanctions

(Fox News, "US sanctions North Koreans for missile, nuclear programs," <http://www.foxnews.com/us/2016/03/02/us-sanctions-north-koreans-for-missile-nuclear-programs.html>, March 02, 2016)

The United States on Wednesday sanctioned a dozen individuals and five organizations tied to North Korea's nuclear and weapons proliferation efforts.

The announcement by the Treasury and State departments complement actions taken by the United Nations and are aimed at holding Pyongyang responsible for its illicit pursuit of nuclear and missile programs.

The U.N. Security Council on Wednesday unanimously approved the toughest sanctions on North Korea in two decades, reflecting growing anger at North Korea's Jan. 6 nuclear test and Feb. 7 rocket launch in defiance of a ban on all nuclear-related activity.

Hugely Significant Sanctions

(Louis Charbonneau and Michelle Nichols [Reuters], Charbonneau is the Reuters Bureau Chief for the UN, "U.N. imposes harsh new sanctions on North Korea over its nuclear program," Reuters, <http://www.reuters.com/article/us-northkorea-nuclear-un-idUSKCN0W41Z2>, Mar 3, 2016)

All cargo going to and from North Korea must now be inspected and North Korean trade representatives in Syria, Iran and Vietnam are among 16 individuals added to a U.N. blacklist, along with 12 North Korean entities.

Previously states only had to inspect such shipments if they had reasonable grounds to believe they contained illicit goods.

"Virtually all of the DPRK's (North Korea) resources are channeled into its reckless and relentless pursuit of weapons of mass destruction," Power told the council after the vote, adding that the cargo inspection provisions are "hugely significant."

Chinese Sanctions on North Korea

(CBS News, "China tightens the trade screws on North Korea," <http://www.cbsnews.com/news/china-tightens-the-trade-screws-on-north-korea/>, April 6, 2016)

China has banned most imports of North Korean coal and iron ore, the country's main exports, in a significant increase in pressure on the North under U.N. sanctions against its nuclear and missile tests.

China buys an estimated two-thirds of impoverished North Korea's exports, making Beijing's cooperation essential for trade penalties that the U.N. Security Council approved last month to succeed.

China Still Importing Coal from North Korea

(Megha Rajagopalan [Reuters], Reuters China correspondent, "The coal loophole: doubts on China's will to enforce North Korea sanctions," Reuters, <http://www.reuters.com/article/us-northkorea-nuclear-china-idUSKCN0WJ33R>, Mar 18, 2016)

Over two weeks after the United Nations slapped harsh new sanctions on North Korea, several Chinese shipping and trade sources say they have not been told of any curbs on the import of coal from the isolated nation - a lifeline for its struggling economy. China accounts for about 90 percent of North Korea's trade and its help is crucial in enforcing the sanctions announced by the United Nations on March 2 to punish Pyongyang for its nuclear and ballistic missile programs.

Coal is particularly important to the economic health of North Korea because it is one of its only sources of hard currency and its largest single export item. Coal is also bartered for essentials, including oil, food and machinery.

Although some curbs have been put in place in the border city of Dandong, half a dozen trade and shipping sources at ports in northeastern China said they had received no instructions from the government on any new rules on coal imports from North Korea. The ports account for the bulk of the coal trade between the two countries.

New UN Sanctions Lacking

(Choe Sang-Hun & Edward Wong [NY Times], correspondents for the NY Times, "Doubts in Asia Over Whether New Sanctions Against North Korea Can Work," The New York Times, http://www.nytimes.com/2016/02/27/world/asia/north-korea-sanctions-un.html?_r=0, FEB. 26, 2016)

But the draft contained no effective sanctions against a booming trade across the relatively porous 870-mile border between China and North Korea — a lifeline not only for the impoverished North Korean people but also for their government's ability to earn cash. Nor did it require countries, especially China, to cut off oil exports to the North.

Sanctions Make no Impact

(Sam Cho, special Assistant to the Deputy Administrator at U.S. Global Services Administration, "Why more UN sanctions on North Korea won't matter," Global Risk Insights, <http://globalriskinsights.com/2016/03/un-sanctions-north-korea-wont-matter/>, March 13, 2016)

History demonstrates that economic sanctions tend not to work with North Korea. The United Nations in particular imposed sanctions on North Korea in 2006 when the regime conducted its first nuclear test. The UN subsequently strengthened sanctions on North Korea following provocations in 2008 and 2013. However, given the most recent nuclear and missile tests, it is clear that the sanctions have done very little, if anything, to impact North Korea's economy or slow down its WMD development. History aside, basic logic would suggest that economic sanctions on what is considered the most economically isolated country in the world will garner minimal results.

Sanctions Hurting the People

(BBC News, "North Korea sanctions should be eased, say Nobel laureates," <http://www.bbc.com/news/world-asia-362369347>, May 2016)

Sanctions imposed on North Korea are hampering health and science and should be eased, a group of three Nobel laureates have said.

They were speaking in Beijing after visiting Pyongyang in what was billed as an attempt to promote dialogue. "You cannot turn penicillin into a nuclear bomb," one of them said. International

sanctions on North Korea were further tightened this year after it claimed to have tested a hydrogen bomb and launched a missile into space. The laureates' visit came as a rare party congress opened in North Korea, with leader Kim Jong-un hailing his country's "great success" in its nuclear advancements. The event is widely seen as a chance for Mr Kim to cement his power, and South Korea urged the foreign delegation not to visit, fearing it would become a propaganda coup for the North.

"We didn't come to criticise them," said Aaron Ciechanover, who won a Nobel Prize for Chemistry in 2004.

"We really came to converse and to exchange dialogue with students." On sanctions, he said "you cannot turn penicillin into a nuclear bomb... You don't pressurise via making people sicker". Foreign visits to North Korea are carefully monitored and public access to information such as the internet strictly limited. Nobel laureate for medicine Sir Richard Roberts said he was "quite impressed" with what North Korean scientists had achieved despite sanctions. "This embargo is really hurting the scientists and that's a great shame," he said.

Sanctions Hurt Humanitarian Efforts

(Emma Campbell, Visiting Fellow, at the Strategic and Defence Studies Centre College of Asia and the Pacific and Australian National University, "North Korea sanctions punish the whole population," East Asia Forum, <http://www.eastasiaforum.org/2013/10/10/north-korea-sanctions-punish-the-whole-population/>, 10 October 2013)

The current sanctions have not only failed to curtail the nuclear ambitions and human rights abuses of the ambitious North Korean leader, Kim Jong-un, they are also constraining the actions of humanitarian NGOs trying to carry out life-saving activities inside the DPRK. These essential humanitarian activities include the provision of nutritional supplements to malnourished children; the treatment of infectious diseases, such as drug-resistant tuberculosis; the provision of support to rural villages; and the delivery of basic medicines, such as antibiotics and pain relief.

Fallout of Sino-North Korean Relations

Recently, relations between China and North Korea have been deteriorating. With persistent atomic, hydrogen, and missile tests from North Korea, China has been distancing itself. China has ended economic support, has amassed troops along the border, and agreed to sanctions against North Korea. Indeed, the best word for Chinese attitude towards North Korea is: frustrated.

Chinese Banks Freezing Assets

(Reuters, "Chinese banks freeze North Korean accounts: South Korean media report," <http://www.reuters.com/article/us-northkorea-satellite-china-banks-idUSKCN0VV09S>, Feb 22, 2016)

Chinese banks including a branch of China's biggest bank Industrial and Commercial Bank of China (ICBC) have frozen accounts belonging to North Koreans, a South Korean newspaper reported on Monday.

Citing phone conversations with an unnamed employee of ICBC's office in the northeastern Chinese border city of Dandong, the Dong-A Ilbo reported that since late December it had suspended all deposits and transfers of foreign currencies in and out of accounts with North Korean names.

"(The bank) had never told me why it was taking such measures, but it seems that they are related with the strained relations between North Korea and China," the ICBC employee told the Dong-A Ilbo.

China Massing Troops on Border

(Sneha Shankar [International Business Times], Shankar is a political writer for IBT and has worked for Outlook Business and Bloomberg TV, "China Deploys Troops To North Korea Border Fearing Fifth Nuclear Test, Report Says," International Business Times, <http://www.ibtimes.com/china-deploys-troops-north-korea-border-fearing-fifth-nuclear-test-report-says-2357158>, April 21, 2016)

China deployed troops to its border with North Korea Wednesday as reports said that the reclusive country may be preparing to conduct a fifth nuclear test. Tensions have been rising on the Korean peninsula since Pyongyang conducted a nuclear test, a rocket launch and test-fired several missiles over the past few months, leading the United Nations to slap harsh sanctions.

The Information Center for Human Rights and Democracy, a Hong Kong based non-profit, said Wednesday that Beijing deployed 2,000 troops along the border it shares with North Korea, according to Sputnik News. The statement from the organization added that several Chinese troops were given the work of measuring radioactive emissions if North Korea conducts the fifth nuclear test.

A report by Washington-based news agency United Press International also said that the Chinese troops will be stationed at two major observation posts and added that the guards will act as lookouts throughout the day.

Beijing's latest deployment of troops follows one in January after Pyongyang conducted its fourth nuclear test. China sent 3,000 troops then while the country also deployed troops in late 2013, after Kim Jong Un's uncle Jang Sung Taek was executed. It was not clear what China's motives were to deploy the troops on Wednesday.

Growing Sino-South Korean Relations

Having started with Nordpolitik, South Korean relations with China have grown especially since China recognized South Korea as a state in 1992. Ever since, China has acted as a mediator in the Six Party Talks to negotiate a solution to North Korea's nuclear program. China has also become a major trading partner with South Korea. South Korea hopes that pursuing better relations with China, they can isolate North Korea from its only real ally.

South Korea Seeks Better Relations with China

(Han Suk-hee, Associate Professor at Yonsei University, "South Korea Seeks to Balance Relations with China and the United States," Council on Foreign Relations, <http://www.cfr.org/south-korea/south-korea-seeks-balance-relations-china-united-states/p29447>, November 2012)

East Asia Institute-Asia Research Institute (EAI-ARI) polls reveal that in the context of these developments in bilateral relations, South Korea's public perceptions of China have been ambivalent. On the one hand, South Korea recognizes the growing importance of China for its future economic prosperity and potential unification with North Korea. Given that South Korea's lopsided economic dependency on China has intensified (a quarter of Korea's 2011 total exports went to China), and that Beijing has consolidated its political, economic, diplomatic, and cultural influence over Pyongyang, South Koreans clearly acknowledge the significance of building and maintaining positive relations with China.

SK's Relationship with China linked to NK

(Jonathan D. Pollack, Jonathan D. Pollack is a senior fellow in the John L. Thornton China Center and the Center for East Asia Policy Studies at the Brookings Institution, "The Strategic Meaning of China-ROK Relations: How Far Will the Rapprochement Go and with What Implications?," Brookings Institute, <http://www.brookings.edu/research/articles/2014/09/strategic-meaning-china-south-korea-relations-pollack>, September 29, 2014)

China's diminished relations with North Korea continue to shape the political and strategic contours of China-ROK relations. Not surprisingly, this dimension of relations between Beijing and Seoul has taken much longer to develop than trade ties. Following the first nuclear crisis, the death of Kim Il-sung, and the negotiation of the Agreed Framework, China sought to maintain the semblance of working relations with Pyongyang. In the early 2000s, Beijing's role as convener and host of the Six-Party Talks and periodic facilitator of US-DPRK diplomacy elevated China's prominence in peninsular affairs. This process enabled increased Chinese contact with senior ROK officials and diplomats, resulting in a closer relationship between both governments. But potent political constituencies in China (especially in the party and the military) remained protective of the historical relationship with the DPRK and wary of US strategic intentions on the peninsula. From the mid-2000s, Beijing again increased trade and economic assistance to the North, calculating that a successor leadership would ultimately pursue an internal economic transition and more normal relations with the outside world.

China's growing alienation from North Korea in the aftermath of Kim Jong-il's death and the ascension of Kim Jong-un has accelerated the accommodation process with Seoul; it also correlates closely with Xi Jinping's advance to the top position in Beijing. Though officials are loath to openly compare relations with the two Koreas, the asymmetries are inescapable. An open, globalized South is increasingly committed to deeper ties with Beijing while a defiant, nuclear-armed North resents its dependence on its erstwhile ally and fears the consequences of a more open economy. China is not prepared to jettison its ties with the North for fear of triggering a

larger crisis, while Pyongyang remains unwilling to accommodate to Chinese expectations. Open estrangement between Beijing and Pyongyang has yet to fully transpire, but Beijing no longer reflexively defers to the North's preferences, enabling China to more vigorously explore longer term possibilities with Seoul.

China-South Korea Trade

Sino-South Korean trade has increased due to the proximity of the two nations in conjunction with an increase a dialogue. China is South Korea's number one consumer. However, with China's economy so large, (especially in comparison to South Korea) they do not need South Korea for economic sustainability. It is an asymmetric partnership in terms of dependence, while both do benefit. Recent economic woes due to a suffering Chinese economy as well as low gas prices has directly affected South Korea. Because of the South Korean dependence on Chinese consumption, South Korea catches cold if China sneezes.

Free Trade Agreement – China is attempting to compensate for the TPP

(Duncan Hewitt [International Business Times], "China's 'Historic' Free Trade Accords With Australia And South Korea Seen As Providing Economic Boost," The International Business Times, <http://www.ibtimes.com/chinas-historic-free-trade-accords-australia-south-korea-seen-providing-economic-2233967>, December 21, 2015)

China has launched new Free Trade Agreements with South Korea and Australia, which officials on both sides say will be worth billions of dollars. The accords, seen as two of the most significant China has reached with other countries, could provide a boost to China's trade at a time of falling exports and imports. China is the largest trading partner of both South Korea and Australia. Chinese officials have also said the deals will pave the way for more such accords, as China seeks to mitigate the impact of the recently signed U.S.-led Trans-Pacific Partnership (TPP) — which Chinese experts have said could potentially wipe between 1 and 2 percentage points off the country's GDP growth rate.

SK Needs China, but not Vice Versa

(Steven Denney [The Diplomat], is the managing editor of the research site Sino-NK and holds an MA in Global Affairs and Policy from Yonsei University, "South Korea's Economic Dependence on China," The Diplomat, <http://thediplomat.com/2015/09/south-koreas-economic-dependence-on-china/>, September 04, 2015)

A closer look at the WTO data shows that South Korea doesn't trade evenly. South Korea's main trading partner is China; it is not a balanced relationship. The breakdown in the ROK economy's total exports shows that China takes in 26.1 percent of South Korea's exports. By imports to South Korea, China is number one, too, at 16.1 percent. By contrast, data for China shows that South Korea, while a leading trading partner, is nowhere near as crucial. In other word, China is not as dependent on South Korea as South Korea is on it. The ROK takes in 4.1 percent of China's exports and provides 9.4 percent of China's total imports. The China-South Korea economic relationship is a case-in-point in trading asymmetry.

China's Woes Hurt South Korea

(Song Jung-a [Financial Times], "Weak global demand and low commodity prices have hit growth," The Financial Times, <http://www.ft.com/cms/s/0/129efcac-1745-11e6-b8d5-4c1fcdbe169f.html#axzz49Vnk67hb>, May 22, 2016)

China is the main source of Seoul's latest trade woes on two fronts. It is South Korea's biggest trading partner, taking a quarter of its overseas shipments, but South Korea's exports to its large neighbour fell 15.8 per cent in January-April. In addition, China's slowdown has hit many commodity exporting nations that rely on Chinese demand and which buy Korean products.

Future Conflict

Technically the United States never made a peace settlement with North Korea ending the Korean War. To this day, peace is only maintained by an armistice agreement signed in 1953. To discourage another invasion of South Korea, the United States keeps troops stationed there. There are roughly 28,500 U.S. troops in South Korea. They patrol the border with the North and are a preventative measure against war. There is always an imminent risk of hostilities as North Korea continues its weapons tests and occasional commits violent acts against the South such as the shelling of Yeonpyeong Island and sinking of South Korean vessels.

In addition to 28,000 troops in South Korea, there are 50,000 U.S. troops stationed on Japan. These soldiers are capable of responding in event of war. North Korea regularly makes threats against the United States and South Korea saying it will "engulf them in a sea of flames."

70 to 80% Chance of War

(Maria Vultaggio [International Business Times], "70 Percent Chance Of War With North Korea, Expert Says," International Business Times, <http://www.ibtimes.com/70-percent-chance-war-north-korea-expert-says-1185493>, April 11, 2013)

"There is a 70 to 80 percent chance that a war will happen because North Korean leader Kim Jong-un may want to use this opportunity to force a reunification of the Korean Peninsula," Chinese expert Zhang Liangui, a professor of international strategic research at the Communist Party's Central Party School, told the South China Morning Post.

In recent weeks, Pyongyang has continued to threaten South Korea and the United States, even saying the country would bomb U.S. soil with nuclear missiles. As a result, tours in North Korea have been canceled because of the escalated threat from the country.