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CONFRONTING THE NORTH KOREA THREAT: REASSESSING POLICY OPTIONS

TUESDAY, JANUARY 31, 2017

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 10:31 a.m. in room SD–419, Dirksen Senate Office Building, Hon. Bob Corker, chairman of the committee, presiding.

Present: Senators Corker [presiding], Risch, Johnson, Gardner, Young, Cardin, Menendez, Shaheen, Kaine, Markey, Merkley, and Booker.

OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

The CHAIRMAN. The Foreign Relations Committee will come to order.

The North Korean threat is one of the most urgent security challenges facing the United States. Yet for nearly three decades, successive Republican and Democratic administrations have pursued the seemingly elusive goal of North Korean denuclearization, with little to show for their efforts.

The United States, along with allies and partners, have employed a variety of tools, including diplomacy, deterrence, and sanctions to persuade North Korea to abandon its illicit nuclear missile programs. In addition, Congress has done its part to strengthen the hand of the United States to confront the threat posed by North Korea. Last year, spearheaded by Senators Gardner and Menendez, the Foreign Relations Committee paved the way for Congress to pass unanimously the first North Korea-specific comprehensive sanctions and policy legislation, signed into law by President Obama on February the 18th, 2016. However, no combination of incentives and disincentives has brought us any closer to ending the threat posed by North Korea.

We could spend all day discussing the strengths and weaknesses of various combinations of tools and the reasons why past approaches have not yielded the desired result. There are many, including China's lax enforcement of multi-lateral sanctions. Yet the fact remains that the threat posed by North Korea has only grown more alarming.

In the past year North Korea conducted over 20 missile launches and tested two nuclear devices, bringing its total number of nuclear tests to date to five. And in its recent New Year's address, Kim Jong-un claimed that North Korea was ready to launch an ICBM

at any time. Pyongyang has increasingly appeared to be on a trajectory to have the capability to launch an ICBM capable of reaching the continental United States, a missile that could possibly carry a miniaturized nuclear device.

Something obviously has to give. The current approach is not working, and the urgency of the North Korea threat states that we spend some time thinking outside the box about U.S. strategy towards North Korea. For example, does the pursuit of North Korean denuclearization remain a realistic policy objective in the near term? Alternatively, should the United States consider policy approaches that proactively pursue regime change in North Korea by non-kinetic means?

The recent defection of a high-level North Korean diplomat suggests that there may be opportunities to exploit pockets of regime instability. In addition, should the United States be prepared to preemptively strike a North Korean ICBM on a launch platform?

Of course, in spite of their shortcomings, diplomacy, deterrence, and sanctions remain important tools, and we should redouble our efforts to enforce sanctions and work with our Japanese and South Korean allies to strengthen deterrence capabilities.

However, as we find ourselves staring down the barrel of a North Korean ICBM, we have an obligation to the American people to challenge existing assumptions and explore policy alternatives. I hope we are going to be able to have a thoughtful discussion today that outlines U.S. interests on the Korean peninsula and, more importantly, provides the new administration with some food for thought as it shapes its approach to U.S.-North Korea policy in the coming months. I look forward to hearing from these witnesses, and I want to thank our ranking member for allowing this hearing to take place, for his cooperation a few moments ago, and I look forward to his comments.

STATEMENT OF HON. BENJAMIN L. CARDIN, U.S. SENATOR FROM MARYLAND

Senator CARDIN. Well, thank you, Mr. Chairman. I share the comments that you just said in regards to today's hearing. Thank you for having the hearing. I thank our witnesses for being here. I think you have laid out the issues pretty clearly.

It is clear that North Korea, according to the statement of their leader, is in the final stages of testing and launching the intercontinental ballistic missile. If North Korea successfully launches an ICBM, it would be well on its way to joining China and Russia as the only countries that can directly target the United States with a nuclear weapon.

I noticed that President Trump said, "It won't happen." Does that mean we have drawn a red line? We know the consequences of drawing red lines. The Chairman pointed out that we may have to consider military options. I understand that. But I am concerned about the role of our foreign policy when the President of the United States announces policies without having it properly vetted by the relevant agencies and the experts, recognizing the adverse consequences to some of his statements and whether what he does, in fact, is legal. We saw that this past weekend on his executive order dealing with immigration and our refugee program.

I have already commented on that, about how reckless and dangerous I think that executive order was, and I do not believe it is constitutional or legal. As we saw with Ms. Yates' comments, and then, of course, after she made her comments, she was readily fired by the President of the United States, not leaving us any confirmed person in the Justice Department to exercise that important responsibility.

We have tried isolation in the past, and it has not worked. We need to be engaged with other countries, and that is particularly true with North Korea. When we look at North Korea's capacity today, the amount of nuclear material it has, it has the nuclear material that could produce hundreds of nuclear weapons, and now they are working on a delivery system that could threaten the continental United States.

Our past policies under both Democratic and Republican administrations have not been successful in allowing us to prevent them from pursuing this nuclear objective. But it is clear to me that the United States alone has little chance of preventing North Korea from achieving its stated objective, and that we need to work with other countries. First and foremost is our reliance on the Republic of Korea and Japan. I am glad that Secretary Mattis, in his first foreign policy trip, is visiting our allies in that region. I think that is a very important statement and something that we need to work with our allies on.

So let me just talk briefly about the underlying assumptions in North Korea and whether we can change those equations. First and foremost, will China ever join us in effectively preventing North Korea from having the economic benefits that we have tried to prevent through the imposition of sanctions? Will they stop their importing of Korean coal? That is an area where we have to change the equation. Can we convince China that it is in their security interest for a non-nuclear Korean peninsula, and how do we change that equation so that they can work effectively with us?

We need to know whether North Korea wants and needs to rejoin the international community. Many of us think that North Korea has made the assumption that they can continue to go down this road. We have to change that equation so that North Korea has incentives to give up its nuclear program. And is there still time on our side? I think we all are concerned that time is working against us as North Korea continues these activities.

We also need to know that if North Korea enters into an agreement, they will live up to it. The 1994 framework agreement had many problems. It did not limit North Korea's stockpile of fissile material to an 8-year period, but we have to see if we can get agreements that, in fact, can be carried out.

So, Mr. Chairman, I want to strengthen our alliances with our partners. We need leadership at the United Nations on tough sanctions. We need roadblocks and rigorous actions to fully implement and enforce HR–757. I want to thank Senator Gardner and Senator Menendez for their leadership on that. We now need to make sure it is enforced. We need to make sure the U.N. sanctions are enforced. And we have to find out when is the appropriate time for sustained diplomatic efforts, because we always prefer to solve these problems through diplomacy rather than through force.

Lastly, North Korea has many problems in addition to its nuclear program. It is a country that ranks at the bottom of the world in its respect for human rights and the development of its own people. We need to be mindful that whatever program we have in North Korea, it also needs to be focused on the people of North Korea, which gives us the greatest chance for a stable regime someday for the people of North Korea.

The CHAIRMAN. Thank you.

Senator Gardner, I want you to know I highlighted your efforts with Menendez last year, too, and I want to thank you for that and your strong interest in this area.

With that, our first witness today is Dr. Nicholas Eberstadt, Henry Wendt Chair in Political Economy at the American Enterprise Institute. Thank you so much for being here.

Our second witness is Mr. Scott Snyder, Senior Fellow for Korea Studies and Director of the Program on U.S.-Korea Policy at the Council on Foreign Relations.

We respect the organizations you represent. I know these are your own individual comments. Your written testimony will be entered into the record. You are free to make shorter comments, hopefully under 5 minutes, and we will then ask questions. But thank you both for being here.

If you would just begin in the order you were introduced.

STATEMENT OF NICHOLAS EBERSTADT, PH.D., HENRY WENDT CHAIR IN POLITICAL ECONOMY, AMERICAN ENTERPRISE INSTITUTE, WASHINGTON, DC

Dr. EBERSTADT. Mr. Chairman, distinguished members of the Senate Foreign Relations Committee, I am honored to be invited to discuss the gathering threat North Korea poses to the United States, our allies, and the international community, and what we can do to respond to this.

I just wish in these remarks to make a few main points.

First, North Korea is continuing down steadily, methodically and relentlessly, on a path whose intended endpoint is a credible capacity to hit New York and Washington with nuclear weapons.

Secondly, America's policy for nuclear non-proliferation in North Korea is a prolonged and thoroughly bipartisan failure.

Third, our North Korea policy is a failure because our public and our leaders do not understand our adversary and his intentions.

Fourth, we cannot hope to cope successfully with the North Korea threat until we do.

And fifth, any successful effort to make the North Korean threat smaller will require not just a better understanding of this adversary, but also a coherent and sustained strategy of threat reduction informed by such an understanding.

Seeing the DPRK, the Democratic People's Republic of Korea, for what it is rather than what we would like it to be obliges us to recognize two highly unpleasant truths. First, the real existing North Korean leadership, as opposed to the imaginary version that some Westerners would like us to negotiate with, will never willingly give up their nuclear option. Acquiescing in denuclearization would be tantamount to abandoning its mission of Korean reunification, which is to say disavowing the DPRK's very raison d'etre.

Second, international entreaties can never succeed in convincing the DPRK to relinquish its nuclear weapons program. Sovereign governments simply do not trade away their vital national interests. Quite simply, this means that engagement can never produce a denuclearization of the real existing North Korea. It is time to set aside the illusion that we can somehow engage North Korea into denuclearizing and to embrace instead a paradigm that has a chance of actually working. Call this threat reduction.

Through a coherent long-term strategy, working with allies and others, but also perhaps acting unilaterally, the United States can blunt and then mitigate, and eventually help to eliminate the killing force of the North Korean state. Note, by the way, that we do not need Pyongyang's approval or assent to proceed with threat reduction, unlike engagement.

In broad outline, North Korea threat reduction requires progressive development of more effective defenses against the DPRK's means of destruction while simultaneously weakening Pyongyang's capabilities for supporting both conventional and strategic forces. I describe some of the elements of such an approach in my statement.

A more effective defense against the North Korean threat would be required, for example. Weakening the DPRK's military economy, the foundation for all its offensive capabilities, would surely also be in order. Diplomacy also has a role in this approach.

Then there is the China question. China has been allowed to play a double game with North Korea for far too long, and it is time for Beijing to begin to pay a penalty for all its support for the world's most odious regime.

Human rights promotion must also figure in our threat reduction strategy. If North Korean subjects enjoyed greater human rights, the DPRK killing machine could not possibly operate as effectively as it does today.

And this brings us to the last item, preparing for a successful reunification with a post-DPRK peninsula. The Kim regime is the North Korean nuclear threat. That threat will not end until the DPRK disappears. We cannot tell how or when this will occur, but it is not too soon to commence the wide-ranging and painstaking international planning and preparations that will facilitate divided Korea's long-awaited reunion as a single peninsula, free and whole.

Thank you.

[The prepared statement of Dr. Eberstadt follows:]

THE PREPARED STATEMENT OF NICHOLAS EBERSTADT [1]

Mr. Chairman, distinguished members of the Senate Foreign Relations Committee:

I am honored to be invited to discuss the gathering threat North Korea poses to the United States, our allies, and the international community—and what we can respond to it.

In my testimony I wish to make five main points:

First: North Korea is embarked on a steady, methodical, and relentless journey, whose intended endpoint is a credible capacity to hit New York and Washington with nuclear weapons.

Second: America's policy for nuclear nonproliferation in North Korea is a prolonged, and thoroughly bipartisan, failure.

Third: Our North Korea policy is a failure because our public and our leaders do not understand our adversary and his intentions.

Fourth: We cannot hope to cope successfully with the North Korean threat until we do.

Fifth: Any successful effort to make the North Korean threat smaller will require not just better understanding of this adversary, but also a coherent and sustained strategy of threat reduction informed by such an understanding.

I

Our seemingly unending inability to fathom Pyongyang's true objectives, and our attendant proclivity for being taken by surprise over and over again by North Korean actions, is not just a matter of succumbing to Pyongyang's strategic deceptions, assiduous as those efforts may be.

The trouble, rather, is that even our top foreign policy experts and our most sophisticated diplomatists are creatures of our own cultural heritage and intellectual environment. We Americans are, so to speak, children of the Enlightenment, steeped in the precepts of our highly globalized era. Which is to say: we have absolutely no common point of reference with the worldview, or moral compass, or first premises of the closed-society decision makers who control the North Korean state. Americans' first instincts are to misunderstand practically everything the North Korean state is really about.

The DPRK is a project pulled by tides and shaped by sensibilities all but forgotten to the contemporary West. North Korea is a hereditary Asian dynasty (currently on its third Kim)—but one maintained by Marxist-Leninist police state powers unimaginable to earlier epochs of Asian despots and supported by a recently invented and quasi-religious ideology.[2]

And exactly what is that ideology? Along with its notorious variant of emperor worship,"Juche though" also extols an essentially messianic—and unapologetically racialist—vision of history: one in which the long-abused Korean people finally assume their rightful place in the universe by standing up against the foreign races that have long oppressed them, at last reuniting the entire Korean peninsula under an independent socialist state (i.e., the DPRK). Although highly redacted in broadcasts aimed at foreign ears, this call for reunification of the mijnok (race), and for retribution against the enemy races or powers (starting with America and Japan), constantly reverberates within North Korea, sounded by the regime's highest authorities.[3]

This is where its nuclear weapons program fits into North Korea's designs. In Pyongyang's thinking, the indispensable instrument for achieving the DPRK's grand historical ambitions must be a supremely powerful military: more specifically, one possessed of a nuclear arsenal that can imperil and break the foreign enemies who protect and prop up what Pyongyang regards as the vile puppet state in the South, so that the DPRK may consummate its unconditional unification and give birth to its envisioned earthly Korean-race utopia.

In earlier decades, Pyongyang might have seen multiple paths to this Elysium, but with the collapse of the Soviet empire, the long-term decline of the DPRK's industrial infrastructure, and the gradually accumulating evidence that South Korea was not going to succumb on its own to the revolutionary upheaval Pyongyang so dearly wished of it, the nuclear option increasingly looks to be the one and only trail by which to reach the Promised Kingdom.

II

Like all other states, the North Korean regime relies at times upon diplomacy to pursue its official aims— thus, for example, the abiding call for a "peace treaty" with the US to bring a formal end to the Korean War (since 1953 only an armistice, or cease-fire, has been in place).[4] Yet strangely few foreign policy specialists seem to understand why Pyongyang is so fixated on this particular document. If the US agreed to a peace treaty, Pyongyang insists, it would then also have to agree to a withdrawal of its forces from South Korea and to a dissolution of its military alliance with Seoul—for the danger of "external armed attack" upon which the Seoul-Washington Mutual Defense Treaty is predicated would by definition no longer exist. If all this could come to pass, North Korea would win a huge victory without firing a shot.

But with apologies to Clausewitz, diplomacy is merely war by other means for Pyongyang. And for the dynasty the onetime anti-Japanese guerrilla fighter Kim Il Sung established, policy and war are inseparable—this is why the DPRK is the most highly militarized society on the planet. This is also why the answer to the unification question that so preoccupies North Korean leadership appears to entail meticulous and incessant preparations, already underway for decades, to fight and win a limited nuclear war against the United States.

To almost any Western reader, the notion that North Korea might actually be planning to stare down the USA in some future nuclear face-off will sound preposterous, if not outright insane. And indeed it does—to us. Yet remember: as we already know from press reports, North Korea has been diligently working on everything that would actually be required for such a confrontation: miniaturization of nuclear warheads, intercontinental ballistic missiles, and even cyberwarfare (per the Sony hacking episode). Note further that while North Korean leadership may be highly tolerant of casualties (on the part of others, that is) it most assuredly is not suicidal itself. Quite the contrary: its acute interest in self-preservation is demonstrated prima facie by the fact of its very survival, over 25 years after the demise of the USSR and Eastern European socialism. It would be unwise of us to presume that only one of the two forces arrayed along the DMZ is capable of thinking about what it would take to deter the other in a time of crisis on the Peninsula.

III

At this juncture, as so often in the past, serious people around the world are calling to "bring North Korea back to the table" to try to settle the DPRK nuclear issue. However, seeing the DPRK for what it is, rather than what we would like it to be, should oblige us to recognize two highly unpleasant truths.

First, the real existing North Korean leadership (as opposed to the imaginary version some Westerners would like to negotiate with) will never willingly give up their nuclear option. Never. Acquiescing in denuclearization would be tantamount to abandoning the sacred mission of Korean unification: which is to say, disavowing the DPRK's raison d'etre. Thus submitting to foreign demands to denuclearize could well mean more than humiliation and disgrace for North Korean leadership: it could mean delegitimization and destabilization for the regime as well.

Second, international entreaties—summitry, conferencing, bargaining, and all the rest—can never succeed in convincing the DPRK to relinquish its nuclear program. Sovereign governments simply do not trade away their vital national interests.

Now, this is not to say that Western nonproliferation parlays with the DPRK have no results to show at all. We know they can result in blandishments (as per North Korea's custom of requiring "money for meetings") and in resource transfers (as with the Clinton administration's Agreed Framework shipments of heavy fuel oil). They can provide external diplomatic cover for the DPRK the nuclear program, as was in effect afforded under the intermittent 2003–07 Six Party Talks in Beijing. They can even lure North Korea's interlocutors into unexpected unilateral concessions, as witnessed in the final years of the George W. Bush administration, when Washington unfroze illicit North Korean overseas funds and removed Pyongyang from the list of State Sponsors of Terrorism in misbegotten hope of a "breakthrough." The one thing "engagement" can never produce, however, is North Korean denuclearization.

Note, too, that in every realm of international transaction, from commercial contracts to security accords, the record shows that, even when Western bargainers think they have made a deal with North Korea, the DPRK side never has any compunction about violating the understanding if that should serve purposes of state. This may outrage us, but it should not surprise us: for under North Korea's moral code, if there should be any advantage to gain from cheating against foreigners, then not cheating would be patently unpatriotic, a disloyal blow against the Motherland.

Yes, things would be so easier for us if North Korea would simply agree to the deal we want them to accept. But if we put the wishful thinking to one side, a clear-eyed view of the North Korea problematik must be resigned to the grim reality that diplomacy can only have a very limited and highly specific role in addressing our gathering North Korean problem.

Diplomacy must have some role because it is barbaric not to talk with one's opponent—because communication can help both sides avoid needless and potentially disastrous miscalculations. But the notion of a "grand bargain" with Pyongyang—in which all mutual concerns are simultaneously settled, as the "Perry Process" conjectured back in the 1990s and others have subsequently prophesied—is nothing but a dream.

It is time to set aside the illusion of "engaging" North Korea to effect nonproliferation and to embrace instead a paradigm that has a chance of actually working: call this "threat reduction." Through a coherent long-term strategy, working with allies and others but also acting unilaterally, the United States can blunt, then mitigate, and eventually help eliminate the killing force of the North Korean state.

IV

In broad outline, North Korean threat reduction requires progressive development of more effective defenses against the DPRK's means of destruction while simultaneously weakening Pyongyang's capabilities for supporting both conventional and strategic offense.

A more effective defense against the North Korean threat would consist mainly, though not entirely, of military measures. Restoring recently sacrificed US capabilities would be essential. Likewise more and better missile defense: THAAD systems (and more) for South Korea and Japan, and moving forward on missile defense in earnest for the USA. It would be incumbent on South Korea to reduce its own population's exposure to North Korean death from the skies through military modernization and civil defense. DPRK would be served notice that 60 years of zero-consequence rules of engagement for allied forces in the face of North Korean "provocations" on the Peninsula had just come to an end. But diplomacy would count here as well: most importantly, alliance strengthening throughout Asia in general and repairing the currently frayed ROK–Japan relationship in particular. Today's ongoing bickering between Seoul and Tokyo reeks of interwar politics at its worst; leaders who want to live in a postwar order need to rise above such petty grievances.

As for weakening the DPRK's military economy, the foundation for all its offensive capabilities: reinvigorating current counterproliferation efforts, such as PSI and MCTR, is a good place to start. But only a start. Given the "military first" disposition of the North Korean economy,[5] restricting its overall potential is necessary as well. South Korea's subsidized trade with the North, for example, should come to an end. And put Pyongyang back on the State Sponsors of Terrorism list—it never should have been taken off. Sanctions with a genuine bite should be implemented—the dysfunctional DPRK economy is uniquely susceptible to these, and amazing as this may sound, the current sanctions strictures for North Korea have long been weaker than, say, those enforced until recently for Iran. (We can enforce such sanctions unilaterally, by the way.) And not least important: revive efforts like the Illicit Activities Initiative, the brief, but tremendously successful Dubya-era task force for tracking and freezing North Korea's dirty money abroad.

Then there is the China question. Received wisdom in some quarters notwithstanding, it is by no means impossible for America and her allies to pressure the DPRK if China does not cooperate (see previous paragraph). That said: China has been allowed to play a double game with North Korea for far too long, and it is time for Beijing to pay a penalty for all its support for the most odious regime on the planet today. We can begin by exacting it in diplomatic venues all around the world, starting with the UN. NGOs can train a spotlight on Beijing's complicity in the North Korean regime's crimes. And international humanitarian action should shame China into opening a safe transit route to the free world for North Korean refugees attempting to escape their oppressors.

If North Korean subjects enjoyed greater human rights, the DPRK killing machine could not possibly operate as effectively as it does today.[6] Activists will always worry about the instrumentalization of human rights concerns for other policy ends—and rightly so. Today and for the foreseeable future, however, there is no contradiction between the objectives of human rights promotion and nonproliferation in the DPRK. North Korea's human rights situation is vastly worse than in apartheid South Africa—why hasn't the international community (and South Korean civil society) found its voice on this real-time, ongoing tragedy? The Office of the UN High Commissioner on Human Rights has already prepared a comprehensive Commission of Inquiry on the situation in the DPRK[7]: let governments of conscience seek international criminal accountability for North Korea's leadership.

Many in the West talk of "isolating" North Korea as if this were an objective in its own right. But a serious DPRK threat reduction strategy would not do so. The North Korean regime depends on isolation from the outside world to maintain its grip and conduct untrammeled pursuit of its international objectives. The regime is deadly afraid of what it terms "ideological and cultural poisoning": what we could call foreign media, international information, cultural exchanges, and the like. We should be saying: bring on the "poisoning"! The more external contact with that enslaved population, the better. We should even consider technical training abroad for North Koreans in accounting, law, economics, and the like— because some day, in a better future, that nation will need a cadre of Western-style technocrats for rejoining our world.

This brings us to the last agenda item: preparing for a successful reunification in a post-DPRK peninsula. The Kim regime is the North Korean nuclear threat; that threat will not end until the DPRK disappears. We cannot tell when, or how, this will occur. But it is not too soon to commence the wide-ranging and painstaking

international planning and preparations that will facilitate divided Korea's long-awaited reunion as a single peninsula, free and whole.

Notes

[1] Mr. Eberstadt holds the Henry Wendt Chair in Political Economy at the American Enterprise Institute (AEI) and is Senior Adviser to the National Bureau of Asian Research (NBR). He is also a founding board member of the US Committee for Human Rights in North Korea. The views expressed here are solely his own. These remarks are an extended and updated version of an essay published in National Review.

[2] Cf. Nicholas Eberstadt, The End of North Korea (AEI Press, 1999).

[3] For penetrating discussions of North Korea's ideology, see B. R. Myers, The Cleanest Race (Melville House, 2010) and B. R. Myers, North Korea's Juche Myth (Sthele Publishers, 2015).

[4] For background on North Korean negotiating behavior, see Chuck Down's classic study Over The Line: North Korean: Negotiating Strategy (AEI Press, 1998). Although published nearly two decades ago, its depiction of the DPRK's approach is still absolutely up to date.

[5] Students of North Korean affairs will note that the concept of "Military First Politics" (in Korean, Songun Chongchi) arose under the rule of "Dear Leader" Kim Jong Il, who died in 2011, and that "Dear Respected" Kim Jong Un has promoted his own "Byungjin Line" (parallel development of military and civilian economies) since his father's death. This is true—but there should be no doubt that military first politics remains absolutely current and continues to be extolled constantly in North Korea's state media. Between January 2012 and January 2017, items in Pyongyang's official Korea Central News Agency (KCNA) mentioned "songun" over 4,700 times. Derived from NK NEWS Database of North Korean Propaganda, http://www.nknews.net/search.php?newQueryButton=%3C%3C+New+Query (January 30, 2017).

[6] For a detailed exposition of the North Korean state's apparatus of human rights denial, see two seminal reports by Robert M. Collins for the US Committee on Human Rights in North Korea: Marked for Life: Songbun, North Korea's Social Classification System (HRNK 2012), https://www.hrnk.org/uploads/pdfs/HRNK—Songbun—Web.pdf (January 30, 2017), and Pyongyang Republic: North Korea's Capital of Human Rights Denial (HRNK 2016), https://www.hrnk.org/uploads/pdfs/Collins—PyongyangRepublic—FINAL—WEB.pdf (January 30, 2017).

[7] UN Human Rights Office of the High Commissioner, "Report of the Detailed Findings of the Commission of Inquiry on Human Rights in the Democratic People's Republic of Korea," A/HRC/25/CRP.1, February 2, 2014, http://www.ohchr.org/EN/HRBodies/HRC/CoIDPRK/Pages/CommissionInquiryonHRinDPRK.aspx (January 30, 2017).

The CHAIRMAN. Thank you, sir. Thank you very much.

Mr. Snyder?

STATEMENT OF SCOTT SNYDER, SENIOR FELLOW FOR KOREA STUDIES AND DIRECTOR OF THE PROGRAM ON U.S.-KOREA POLICY, COUNCIL ON FOREIGN RELATIONS, WASHINGTON, DC

Mr. SNYDER Mr. Chairman, committee members, thank you for the opportunity to appear before you today. I find much with which I agree in the opening statements of Senator Corker and Senator Cardin.

In my statement I argue that the window of opportunity to achieve North Korea's peaceful denuclearization may have closed, and that Kim Jong-un has decided, based on lessons from Iran, Iraq, and Libya, that North Korea must be too nuclear to fail wherever he intends to threaten the United States with a direct nuclear strike capability, a development that would heighten the risk and likelihood of military conflict.

My recommendations are designed to minimize the risks of miscalculation on both sides, and I have focused on ways of avoiding unintended consequences arising from some of the steps that we must take to address North Korea's nuclear challenge.

To minimize miscalculation and underscore the urgency of the North Korea issue, I recommend that the President appoint a senior and trusted special envoy to comprehensively mobilize U.S. Government resources, strengthen alliance solidarity with South Korea and Japan, separate the North Korea issue from other contentious issues in the U.S.-China relationship, and ensure that we can back our words toward North Korea with credible actions.

As North Korea attempts to underscore that time is not on the side of the United States through its provocations and crisis instigation, the United States must avoid falling into the traps of acquiescence to a nuclear North Korea of premature unilateral military actions that might help North Korea to break U.S. alliances.

The United States must strengthen alliance cohesion while preparing for North Korea instability. General Mattis' decision to visit U.S. allies in South Korea and Japan later this week, as his first foreign destinations following his assumption of office, sends a badly needed message of assurance and resolve to our allies at a time of transition and uncertainty in both Washington and Seoul.

While China's cooperation is necessary to place needed pressure on North Korea, we must also recognize that North Korea lives in the space created by Sino-U.S. strategic mistrust. This means that China's inadequate enforcement of sanctions will never meet U.S. expectations due to differing American and Chinese strategic interests on the peninsula. An unintended consequence is that North Korea's supply chain has become embedded in illicit Chinese procurement networks. While continuing to pressure China to enforce sanctions, the United States will have to use secondary sanctions on Chinese partners of North Korea if it hopes to stop North Korea's nuclear and missile parts procurement.

Tougher sanctions are also necessary to block North Korea's nuclear missile development, but an unintended consequence of sanctions is that they reinforce the isolation and opacity that have enabled the Kim regime to survive by bolstering unity among North Korean elites. I recommend that we erode Kim Jong-un's internal support base by making the argument that North Korean elites can have a better future outside the regime than in it, and by increasing the incentives and pathways for them to exit North Korea. We should prioritize eroding the regime's isolation by promoting information inflow and oppose transparency by supporting and publicizing the powerful indictment of the Kim regime's human rights practices contained in the report of the U.N. Commission of Inquiry of Human Rights in North Korea.

Thank you.

[The prepared statement of Mr. Snyder follows:]

THE PREPARED STATEMENT OF MR. SCOTT SNYDER

EXECUTIVE SUMMARY AND RECOMMENDATIONS

• There is a rising danger of miscalculation on the Korean peninsula today. Kim Jong Un is emboldened by North Korea's nuclear and missile weapons development and believes that a new U.S. administration will acquiesce to the existence of a nuclear North Korea. The Trump administration must work urgently to define terms of engagement with North Korea and strengthen international coordination to reverse North Korea's nuclear weapons program.

• The window of opportunity to achieve North Korea's peaceful denuclearization may have closed. Because Kim Jong Un clings to the North Korean nuclear program both as an internal justification for his rule and as a deterrent against perceived external threats, he will not willingly give it up.

• At present, there is no viable intersection of interests between the United States and North Korea. North Korea has decided based on lessons from Iran, Iraq, and Libya that it must be too nuclear to fail, while the United States cannot accept the global security risks of allowing a totalitarian, nuclear North Korea to defy the NPT, proliferate, or pursue nuclear blackmail against its neighbors.

• The most realistic U.S. strategy for countering North Korea's exploitation of geostrategic divisions and halting its sprint toward nuclear development is to close

the gaps with allies and neighbors of North Korea. Comprehensive, omni-dimensional U.S.-Republic of Korea (ROK) and U.S.-Japan alliance-based political and military coordination are critical to deterring North Korea and assuring allies, not least because a North Korean strategic goal is to break U.S. alliances.

• North Korea lives in the space created by Sino-U.S. geostrategic mistrust. The United States should work with China where possible, but cannot allow China to prevent the U.S. from taking necessary unilateral self-defensive measures to reverse North Korea's nuclear development. Despite a shared interest in denuclearization of the Korean peninsula, Washington and Beijing have differing interests and priorities regarding regional stability and the preferred end-state and orientation of a unified Korea that inhibit China's full cooperation to pressure North Korea.

• Appoint a senior envoy for North Korea who reports directly to the president as a way of signaling the urgency of the North Korea issue, mobilizing bureaucratic and political support to maintain steady focus and follow-through on a time-consuming and urgent issue, and separating the issue from the already overloaded agenda in Sino-U.S. relations.

• Promote internal debates among North Korean elites over the costs of North Korea's nuclear development as a way of bringing Kim Jong Un to realize that nuclear development puts his regime's survival at risk. The United States should support efforts to highlight to North Korean elites the costs of and alternatives to North Korea's nuclear development while providing incentives and pathways to encourage them to abandon Kim Jong Un's nuclear policy.

• Maintain diplomatic dialogue with North Korea in order to spell out clearly the parameters for managing the relationship, objectives of U.S. policy toward North Korea, and expectations for North Korean behavior while strengthening deterrence and applying international pressure to reverse North Korea's missile and nuclear weapons development.

CONFRONTING THE NORTH KOREAN THREAT: REASSESSING POLICY OPTIONS

Mr. Chairman and members of the committee, I am honored to have the opportunity to appear before you to discuss challenges to U.S. national security by North Korea's missile and nuclear weapons development. I shared in advance with the Committee a recent Council on Foreign Relations-sponsored Independent Task Force report, titled "A Sharper Choice on North Korea: Engaging China for a Stable Northeast Asia," that addresses many of the issues you wish to explore in some detail, and I respectfully request that the report be submitted for the record.

A nuclear North Korea defies U.S. global security and nonproliferation interests. Its leader Kim Jong Un also continues to threaten nuclear strikes on the United States. Despite this, North Korea's nuclear and missile development remains unchecked. The United States must make it an urgent priority to prevent North Korea from making a strategic miscalculation based on its recent technical achievements.

North Korea has intensified its efforts during 2016 to improve its nuclear and missile capabilities. This reflects Kim Jong Un's commitment to a policy adopted in 2012 that simultaneously pursues nuclear and economic development. The significance of this policy is that it has made nuclear weapons acquisition a source of domestic legitimacy for the Kim Jong Un regime.

Exacerbating the situation is Kim Jong Un's belief, based on lessons from Iran, Iraq, and Libya, that his only sure means of survival is to be "too nuclear" to fail. Because Kim Jong Un has tied his legitimacy to the country's nuclear and economic development, I am pessimistic that external pressure alone can bring about North Korea's peaceful denuclearization and integration.

While the Obama administration asserted that North Korea faces a "strategic choice" and that it must return to the path of denuclearization, North Korea has sought to force a different strategic choice on the United States: America's acquiescence to North Korea as a nuclear state. And as the Kim Jong Un regime continued to test and advance its nuclear and missile capabilities, North Korea both argued and demonstrated that time is not on the side of the United States.

In so doing, North Korea is seeking to divide the United States and its allies. It is exploiting growing doubts in South Korea about the reliability of U.S. commitments to the defense of allies against a nuclear-capable North Korea, while taking advantage of China's prioritization of North Korea's stability and survival as an even higher national interest than North Korea's denuclearization.

The North Korean nuclear challenge is fundamentally a collective action problem. Although a nuclear North Korea defies the interests of its neighbors and the world, it exploits deeper sources of mistrust and geopolitical division through the threat of instability. Thus, for the United States to address this national security challenge, it must pursue a strategy that "minds the gaps" by relying on coordination

with South Korean and Japanese allies, cooperation to the extent possible with China and Russia, and holistic implementation of diplomatic, informational, military, and economic tools. A persistent challenge for U.S. policymakers is how to apply the right mix in degree and character of these tools to not only deter North Korean aggression, but also to bring about North Korea's change in direction and support the full integration of North Korea into the international community.

The best U.S. option to counter North Korea's nuclear development will be to lead a comprehensive and coordinated strategy designed both to prevent North Korea's further nuclear development and to take measures designed to induce debate among North Korean elites that economic opportunities and long-term prospects for survival will be denied to North Korea as long as Kim Jong Un holds tight to North Korea's nuclear arsenal. At the same time, the United States must guard against the failure of these efforts to enhance political and security coordination with its allies to respond to a possible conflict or contingency involving North Korea.

Before the Obama administration took office in 2009, North Korea under an ailing Kim Jong Il took advantage of the U.S. presidential transition in an attempt to break out of Six Party denuclearization talks and to achieve recognition as a nuclear weapons state. On January 17, 2009, North Korea asserted that it would no longer pursue the Six Party "action for action" formula whereby North Korea would denuclearize in exchange for economic assistance, diplomatic normalization, and peace talks with the United States,instead insisting that the U.S. abandon its "hostile policy" and normalize relations with a nuclear North Korea as a prerequisite to arms control talks and possible mutual denuclearization. This breakout strategy included an April 2009 "satellite launch" and its second nuclear test. The bulk of the Obama administration's first term was devoted to efforts to use diplomatic persuasion to convince North Korea to return to the status quo ante that had existed under Six Party Talks, including the securing of a freeze on North Korean nuclear and missile tests and a commitment to return to denuclearization talks, but these efforts failed when the North Koreans abandoned the February 29, 2012 "Leap Day Agreement" with North Korea and pursued further satellite launches and nuclear tests.

During 2012 and 2013, as Kim Jong Un moved to consolidate his power, North Korea abandoned the pretense of ambiguity surrounding his nuclear program by declaring North Korea's nuclear development as a major accomplishment of his father and grandfather, adding North Korea's nuclear status to the constitution, threatening a nuclear strike on the United States, conducting an additional ballistic missile launch in December of 2012 and a third nuclear test in January of 2013, and adopting an overt policy of simultaneous nuclear and economic development in April 2013. The Obama administration responded by insisting in direct talks that North Korea make a "strategic choice" to return to denuclearization, but failed to mobilize the necessary economic or political pressure to convince Kim Jong Un that he indeed faced a strategic choice.

The December 2014 Sony hack catalyzed a strong executive order from President Obama, but the U.S. government was slow to designate North Korean entities as sanctions violators, in part out of deference to the need to win Chinese cooperation in sanctions implementation. Only following North Korea's fourth nuclear test in January of 2016 and the subsequent passage of the North Korea Sanctions and Policy Enhancement Act did the Obama administration pursue sanctions implementation as an urgent priority. But the Obama administration also continued to prioritize cooperation with China over unilateral sanctions, effectively allowing China to set the pace and scope of sanctions implementation.

FOUNDATION FOR DETERRING NORTH KOREA: U.S.-ROK ALLIANCE COORDINATION

The U.S.-ROK security alliance has been the primary and essential instrument for deterring North Korean provocations and keeping the peace for decades. Effective deterrence of North Korea requires continued readiness, enhanced capabilities, and close coordination between the U.S. Forces Korea (USFK) and South Korean counterparts against asymmetric North Korean threats including cyber, nuclear, and low-level conventional provocations. U.S.-ROK defense coordination has grown in recent years with the deepening and broadening of bilateral strategic and policy dialogues on issues such as cybersecurity and extended deterrence, the development of a joint counter-provocation plan, and continued development of military planning to deal with a wide range of Korean contingencies, including instability.

General Mattis' decision to visit South Korea and Japan as part of his first overseas visit as Defense Secretary in the Trump administration is a vital signal of the priority of U.S. coordination with South Korea and a symbol of reassurance that the United States will uphold its defense commitments in Asia. The deployment of the

Terminal High Altitude Air Defense (THAAD) system in South Korea is also an important step to counter advances in North Korea's missile development. With regard to this matter, the United States and South Korea should pursue a clear stance and more solidarity in their commitment to the deployment of the system in response to Chinese pressure on South Korea to halt the deployment.

The United States and South Korea have expanded coordination over the past year to apply stronger diplomatic pressure on countries that cooperate financially and politically with North Korea. Both countries have expanded their respective unilateral sanctions designations against North Korean entities. South Korea has finally passed its own human rights law on the model of the U.S.-North Korea Human Rights Act in support of international efforts to hold North Korea accountable for human rights atrocities. The two governments have seen eye-to-eye on the importance of North Korea's denuclearization and the use of diplomatic pressure to achieve this objective. Even despite South Korea's current political vacuum, the Trump administration should maintain close cooperation with South Korean counterparts, and should prepare to work with a new South Korean government when it is elected to affirm cooperation and shared priorities between both governments. Most important will be the establishment of strong coordination mechanisms between the White House and the Blue House to manage and lead a joint political response to any possible North Korean contingencies.

Regardless of his political orientation, the next South Korean president may be interested in reopening dialogue channels with North Korea to explore prospects for enhanced inter-Korean cooperation. This desire is understandable, but it is important that the United States and South Korea be on the same page in advance of renewed South Korean diplomatic efforts to engage with the North. In addition, South Korea should adhere to the letter and spirit of UN sanctions resolutions that have circumscribed economic cooperation with North Korea until the country returns to the path of denuclearization. The United States and South Korea should work together in coordinated fashion to encourage China to pursue full enforcement of UN Security Council resolutions.

Finally, South Korea is an essential partner in strengthening information operations designed to provide alternative sources of information within North Korea. Over 30,000 North Korean refugees live in South Korea and have the best understanding of thinking inside North Korea. More importantly, a growing stream of refugees from North Korean elite classes should be mobilized to work on plans for how to integrate a non-nuclear North Korea with the outside world.

STRENGTHENING TRILATERAL U.S.-JAPAN-SOUTH KOREA COORDINATION TO ENHANCE EXTENDED DETERRENCE

The United States, Japan, and South Korea established a senior consultation mechanism in 2016 to coordinate policy toward North Korea involving quarterly meetings at the vice-ministerial level in addition to regular meetings among senior envoys to discuss North Korea. In addition, both bilateral alliances have established specialized dialogues on extended deterrence that are focused on how the United States will meet its defense commitments in response to North Korea's growing nuclear capabilities.

NORTH KOREA AND SINO-U.S. RELATIONS

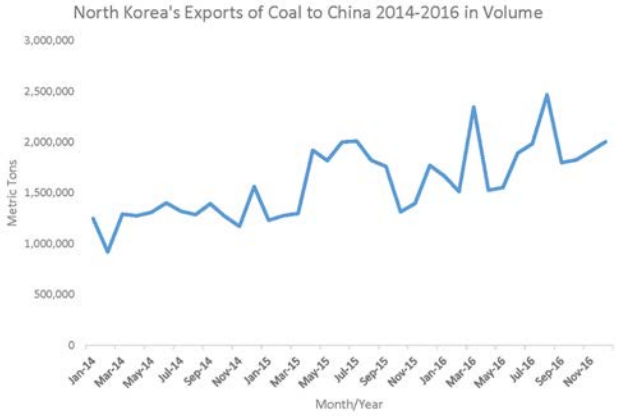
North Korea lives in the space created by Sino-U.S. strategic mistrust. The United States and China have a shared interest in a non-nuclear North Korea, but the two countries prioritize that interest differently. The United States prioritizes North Korea's denuclearization as its top priority, while China desires denuclearization, but not at risk of instability. Moreover, the two countries have differing preferred endstates for the Korean peninsula. The U.S.-ROK long-term objective is a unified democratic Korea that is a market economy and remains a U.S. ally, while China insists that a unified Korea be friendly to China and would like to see the end of the alliance. China looks at the Korean peninsula through a geopolitical lens that invariably factors in concern about a U.S. security presence located so close to China. That concern would likely be magnified if a unified Korea were to remain as a U.S. ally.

Given that China now represents most of North Korea's trade, including in food and fuel, China's cooperation is necessary for any sanctions effort to generate pressure on North Korea. However, the gap in Chinese and American strategic interests ensures that China will always try to calibrate its economic exchange with North Korea to assure stability within North Korea rather than to force Kim Jong Un to choose between survival and nuclear weapons. It is necessary for the United States to rely on cooperation with China to squeeze North Korea, but cooperation with

China alone will never be sufficient to generate the level of pressure that would likely be needed to change Kim Jong Un's mind about his nuclear weapons—if such a change of mind is even possible.

Proponents of expanded Sino-U.S. cooperation are able to point to the fact that China has agreed to an ever- tighter set of UN Security Council resolutions following each of North Korea's five nuclear tests, but China's interest in maintaining stability in North Korea will always inhibit China from cooperating sufficiently to change Kim Jong Un's mind. Instead, there is now a clear cycle of response to North Korea's nuclear tests in which China agrees to "toughest ever sanctions," but then limits the scope of the final security council resolutions or dodges full implementation.

Taking the latest example, UN Security Council Resolution 2321 passed on November 30, 2016 for the first time set quantitative limits on China's import of coal for December of 2016 at 1 million tons or $53 million, but Chinese customs data shows below that China far exceeded this ceiling, recording 2 million tons worth $168 million. The importation of coal in excess of the quantitative limits presumably occurred before China's commerce department announced a freeze on additional North Korean coal imports on December 11, suggesting that it was caused in part by anticipation of the restrictions contained in the UN Security Council resolution. Similarly, China's overall commodity imports from North Korea rose by 6 percent to $2.6 billion in 2016 despite North Korea's two nuclear tests in January and September, suggesting that China is not applying adequate economic pressure on North Korea.



Source: Chinese Customs Data



Source: Chinese Customs Data

Ultimately, the United States faces an increasingly urgent and imminent threat that is likely to require unilateral measures. To fill the gap resulting from China's continual support of North Korea, the United States should adopt secondary sanctions on Chinese entities that trade with North Korea. However, the challenge is how to pursue secondary sanctions against Chinese entities, to which China objects, while continuing to maintain necessary (but inadequate) Chinese cooperation in implementing existing sanctions resolutions.

U.S.-NORTH KOREA RELATIONS

While there is currently little prospect for denuclearization negotiations with North Korea, there are outstanding issues that would benefit from the existence of direct diplomatic dialogue between officials from the two countries. Both sides need to understand clearly the conditions and prerequisites for broader negotiations and to convey the terms of interaction, even if there is no immediate prospect for a return to negotiations. For instance, a new administration could use such talks to signal directly how it would respond in the event of a North Korean ICBM launch toward U.S. territory or that a positive and necessary step forward if North Korea wants to start fresh with a new administration would be the release of two American citizens who have now been held in North Korea for over a year.

Another challenge for the United States is how to induce an internal debate among North Korean elites about the costs of a nuclear North Korea. Sanctions alone are likely to convince North Korean elites that their only options are to unite in support of Kim Jong Un and his nuclear policy or to risk regime failure and international retribution-that is to "hang together or hang separately." For this reason, it is all the more important for senior officials around Kim Jong Un to know that there is an alternative pathway that can safeguard their survival. Given the absence of overt internal dissent within North Korea today, this strategy may also fail. But media reports of accounts by Thae Yong-ho, a high-ranking North Korean official who recently defected, suggest that dissenting opinions and discontent do exist among high-level North Korean elites. The United States and its allies should seek to communicate a clear message and guarantee to those around Kim Jong-un that there is a viable alternative path forward for North Korea if it abandons nuclear weapons and conforms to international norms, including on human rights.

The creation of such a pathway would involve three prongs: a) governmental support for an authoritative study that envisions and projects benefits for the North Korean economy and its elites that would accrue in the event that North Korea denuclearizes, b) the establishment of a more clear pathway for elite defectors from North Korea who might prefer to come to Europe or the United States versus going to South Korea, c) the establishment of a pathway for North Korean high-level de-

fectors designated by the U.S. Treasury under sanctions to receive a significant economic package if they defect while the Kim regime is still in power in Pyongyang.

The CHAIRMAN. Thank you both for your testimony.

I am going to reserve my time for interjections and turn to our distinguished ranking member, Ben Cardin.

Senator CARDIN. Thank you, Mr. Chairman.

I thank both of you for your observations. It is not very encouraging, your observations, but I think it is an accurate assessment.

So, I want to get to how we can change the equation for North Korea. They are not going to do it voluntarily if we continue down the current path. They are going to stay the way they are. You mentioned that we want to minimize their development of conventional and strategic weapons. That requires strengthening the sanction regime, making sure it is enforced, and moving toward secondary sanctions.

That cannot work unless China cooperates, and we have not seen China anxious to join us in tightening the economic sanctions against North Korea or tightening even their ability to be able to obtain strategic and conventional weaponry.

So how do we change the equation with China?

We also might add that we have the challenges of President Trump that, in his comments with China, he has not exactly been as warming as he has to other countries in the world.

What would you recommend? Can we change the equation for China that will make a difference to North Korea? And if so, how do we go about doing that?

Mr. SNYDER. I think this is really the nub of the challenge that we face in terms of any kind of enforcement related to the sanctions on North Korea, and it is a critical task in order to have the opportunity to change Kim Jong-un's direction, which is absolutely essential. But the problem is we need China to enforce sanctions, but they are never going to do it sufficiently to bring us to the point where Kim Jong-un is going to make that strategic decision, so we need something extra.

Senator CARDIN. Do you think we can work around China, we can do it without China?

Mr. SNYDER. No, I think we have to do it with China, but also go beyond.

Senator CARDIN. I do not follow what you are saying. Going beyond China? Tell me specifically what you mean.

Mr. SNYDER. I believe that secondary sanctions on Chinese partners of North Korea will be necessary in order to bring——

Senator CARDIN. We can do that without China's cooperation?

Mr. SNYDER. I think that we should—I think where it concerns our direct national interest, then it is going to be a necessity for us to pursue defensive measures and sanctions that are designed to stop——

Senator CARDIN. So because China is not cooperating, we are going to have to treat China as an adversary?

Mr. SNYDER. No, I want to cooperate with China, and I want to do more.

Senator CARDIN. I am not sure I exactly understand. You are saying China is not going to work with us, we are going to impose

secondary sanctions on their companies, they are going to complain about that, but we are going to do it anyway?

Mr. SNYDER. I think that where we can make a compelling case that there is a direct threat from North Korea that China is not assisting us in neutralizing——

Senator CARDIN. We have not seen this before. China has not been open to these types of suggestions in the past, at least I have not seen it. They will take it to a certain extent. They do not want to jeopardize, as they see it, the stability of the North Korean regime. So it appears to at least some of us that they are prepared to have a nuclear North Korea. So, therefore, it appears to us that they are not willing to take it to the next step.

Mr. SNYDER. I agree with that.

Dr. EBERSTADT. Senator Cardin, it is always a little bit of a headache for me to understand the Chinese government's actual calculations about the DPRK, because the government makes its relationships so very opaque with North Korea. There is very, very little transparency for outsiders. My own conclusion in trying to examine Chinese behavior with North Korea is that the Chinese government is happy to have an unhappy relationship itself with North Korea so long as the relationship is even unhappier for the United States and U.S. allies, a kind of net-net situation.

Given that, if that is correct, I think that there may be some scope for increasing penalties and disincentives for China that might make the Chinese government more interested in cooperating with us. I mean, one example is Scott Snyder was talking about secondary sanctions. We can look back at the example of what led up to the Banco Delta Asia affair. With the threat of secondary sanctions in the financial area, the Chinese government suddenly became very interested in preventing illicit money laundering with the DPRK.

There are other areas outside of sanctions that may actually help to possibly encourage Chinese performance. Reputational issues. For example, in the forum of the United Nations or other places, we can take a position which forces China into ownership, into reputational ownership for their odious support of the DPRK. China has many interests internationally, and the DPRK is only one of them.

Senator CARDIN. Thank you. I appreciate that.

I do want to just get on the record that if North Korea moves towards establishing its nuclear capacity as far as weapons, is it not more likely that the Republic of Korea and Japan may very well start to show some interest in a nuclear capacity themselves?

Dr. EBERSTADT. Very possibly so, sir.

Senator CARDIN. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, sir.

Senator Johnson?

Senator JOHNSON. Thank you, Mr. Chairman.

Dr. Eberstadt, you pretty well laid out a strategic planning process here based on the reality, establish goals and develop strategies. So the reality is pretty bleak. It has been a bipartisan failure because we have been denying reality.

I think both of you gentlemen are saying diplomacy is really not going to work. We are going to either have to defend ourselves or

we are going to have to put pressure on the elite, create pain for them because, let's face it, this regime has inflicted and is willing to inflict all kinds of pain on the general population. They just do not care because they want those nuclear weapons.

So let me start with the elite. How do we inflict the kind of pain on the elites to get them to defect, to potentially result in the fall of the regime?

Yes, Mr. Eberstadt?

Dr. EBERSTADT. Well, Senator Johnson, I think that we have a real helper in dear respected leader Kim Jong-un, who executed his uncle and showed that there was no safe space, even within the royal family, for people at the top if they crossed the supreme leader. With other purges and other executions, he may already have damaged the cohesion of the upper ranks of his regime more than we appreciate, but it is a black box, so we can only speculate about that.

Senator JOHNSON. We should probably try to create as much pain for the elites but also give them a way to escape. Does that make sense?

Dr. EBERSTADT. Absolutely, absolutely.

Senator JOHNSON. Mr. Snyder, do you agree with that assessment?

Mr. SNYDER. Yes. In fact, I advocated some measures to augment our efforts in that area in my written testimony.

Senator JOHNSON. Short of military strikes against their nuclear facilities, they are going to continue to develop their nuclear capability. They are also going to continue to develop their delivery capability. That is something we can potentially do something about. We have, to my knowledge, never knocked out one of their missile tests; correct? What is the fear? I mean, I think I know what it is, but describe our concern about doing that. Is that maybe something this next administration ought to draw a red line and say we are not going to allow you to test the capability to deliver those nuclear weapons to America?

Dr. EBERSTADT. Sir, I think the immediate fear is the city of Seoul, which is right across the border from the DPRK and is virtually undefended against artillery and weapons of mass destruction. Of course, there would be other targets as well, but that is a huge population center nearby.

In dealing with the question of shooting down a missile test, it would not be a one off. Whatever else one can say about the North Korean side, they present a rather freakish face to the world but they are not crazy and not irrational, and they give a great deal of thought to their regime's self-preservation. Everything that we do in interacting with them they themselves have gamed through 100 times. They go into great preparations, and we, I think, would need to have a comparable level of preparation and thought to each one of our moves in countering the DPRK in a strategy.

Senator JOHNSON. So again, let's go back to the reality. They are not going to give up their nuclear capability. They are going to continue to improve it, develop it. They are going to continue to improve their missile capability, and the way they improve their missile capability is they keep testing it. As long as we allow them to keep testing their missile capability, at some point in time they

will have the ICBMs or the satellite capability to load a nuclear weapon on there and threaten us.

Dr. EBERSTADT. Sir, my assessment is that the North Korean government for decades has been methodically preparing to fight and win a limited nuclear war against the United States in the Korean peninsula. I know that sounds like Dr. Strangelove. I know what that sounds like. But I believe the——

Senator JOHNSON. Let me stop you there. Are you talking about theater nuclear weapons?

Dr. EBERSTADT. A nuclear showdown with the United States in which the United States, in this hypothesis, would blink. When the United States blinks in this hypothesis, the alliance with South Korea is finished, and maybe the alliance with Japan is finished as well. Of course, this means that addressing every step of further increase in North Korean nuclear capabilities is important, but I was suggesting that we cannot do this as a one off. We have to have our plan in line to counter the next step that they will be taking.

Senator JOHNSON. But again, the reality is diplomacy will not work. Short of really the regime falling and a new regime coming in that was willing to give up nuclear weapons, is there nothing we can do to prevent them from gaining that missile capability, combined with their nuclear capability, to threaten us?

Mr. Snyder, you have 4 seconds.

Mr. SNYDER. I think the strategy would really be one that is designed to change the calculus of the leader and make him turn and change direction. So it is really, I think, a menu of economic pressures that put the survival of the regime at risk.

Senator JOHNSON. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

I think that was a great line of questioning, and I do not think any of you really think that secondary sanctions on Chinese companies is going to affect the trajectory of what is happening. So I think what you all are espousing is either some kind of kinetic intervention or regime change, and sanctions are basically a piddling effort that are not going to have the kind of impact that we would like to see. Even though we passed a very strong piece of legislation, it is piddling compared to the challenge that we have. Is that what you are saying?

Dr. EBERSTADT. No, sir. I think that sanctions are good as far as they go. It is better to have sanctions than not, and if we can have more economic pressure than we have yet put on. The history of coercive economic diplomacy, as you know, is pretty poor. Sanctions generally have not succeeded in their diplomatic objectives by the countries that have been——

The CHAIRMAN. But if we do not either pursue some kind of kinetic activity and, as you mentioned, game it out properly, or if we pursue regime change, they will, in fact, soon be able to deliver a miniaturized nuclear weapon at long distances. Is that correct?

Dr. EBERSTADT. The outside world's understanding has always been a little bit iffy about this, but that certainly would be the expectation. That certainly would be the North Korean intention, to develop this capability.

The CHAIRMAN. Senator Menendez, I filibustered long enough for you to be next in line.

Senator MENENDEZ. Mr. Chairman, I appreciate that, although I am sure my colleagues would have gone ahead.

Let me thank you for having finally a policy discussion. I appreciate that. North Korea is fitting and appropriate to be one of the first policy issues we have up because it is a real challenge to the national security of the United States and to critical allies. I was pleased to work with Chairman Gardner in the last Congress on the North Korea Sanctions and Policy Enhancement Act. I was pleased to see the Treasury Department last year impose sanctions on a Chinese industrial company for using front companies to facilitate North Korea's nuclear weapons and ballistic missile program by evading sanctions.

But it is clear, however, that much more must be done. Having caught some of the testimony in my office in-between meetings, it just strikes me the nature of your testimony and the issues we face.

I would like to pursue one line of questioning with you, which is we have seen the impact that a robust multi-lateral and secondary sanctions regime can have in curtailing a dangerous regime's nuclear ambitions. In the case of Iran, years of targeted sanctions, particularly prohibitions on banks facilitating businesses with Iran, were instrumental in getting Iran to change its calculus and come to the negotiating table. Do you think an approach that incorporates sanctions specifically targeting Chinese banks that facilitate transactions that directly benefit North Korea's nuclear program, ballistic missile development or arms exporting would be effective? And what are your views in terms of that type of targeted sanction as it relates to China?

Mr. SNYDER. Well, Senator, I think that it is probably in the area of the next step that one would have to look at. I think that the challenge really that we are talking about when we are talking about cooperation with China and use of secondary sanctions, it is kind of like blowing up a balloon and needing to have the balloon as full as possible, and yet also requiring something additional to fill the space, some sharp instrument. So you need to fill the balloon without puncturing the balloon, and I think that secondary sanctions, if judiciously employed, can offer a deterrent effect on Chinese banks because of the reputational risk that they would incur. The challenge, of course, is at what level, and how would China respond. So finding that balance and really finding ways to target North Korean transactions without suffering collateral impacts I think is the core challenge here.

Senator MENENDEZ. Dr. Eberstadt?

Dr. EBERSTADT. Senator Menendez, I mentioned earlier in response to a question from Senator Cardin the whole example of the U.S. approach that led to the Banco Delta Asia affair. I think that was an example of how secondary sanctions against China and potentially against Chinese banks can be effective in changing Chinese policy towards the DPRK. When Chinese interests are threatened, China responds on the DPRK front. We have seen that in a separate realm in looking at THAAD, the Terminal High Altitude Area Defense question with South Korea. All of a sudden, China

got real interested, if temporarily, in North Korean economic relations.

My impression would be that such an approach could reduce North Korea's capacity, its pace, of nuclear development by reducing resources to North Korea, but it might not have any effect at all on North Korean objectives.

Senator MENENDEZ. So, even reducing the pace at this time would buy us time for other policy considerations, because the pace, it seems to me, is pretty precipitous.

Let me ask you one final thing. If President Trump indeed follows through on many of his threats to be tougher on China, what implications would a different kind of relationship with China have on our efforts to counter North Korea? Does an uncertain relationship with China, calling for more vigorous responses to Chinese aggression on the one hand, and threatening a trade war on the other, embolden North Korea? I mean, I am trying to think about that as I think about secondary sanctions, which I think actually—and it is always a question of calibration—is important. But up to now, the Chinese have not been fully engaged with everything they can do to achieve the goal that we want, which is to get North Korea to change its path.

By the same token, if we have this new relationship, challenging relationship with China, how does that affect the relationship in your views?

Mr. SNYDER. I am concerned that a more adversarial relationship with China could expand the space for North Korea to get away with a lot more. But at the same time, a certain element of conflict is going to be inevitable because the U.S. and China simply have differing strategic objectives as it relates to North Korea. We have different bottom lines.

Dr. EBERSTADT. I completely agree with Scott about the difference in U.S. and Chinese approaches to the DPRK. The North Korean government is not good at a lot of things, but one thing they are really good at is gaming other countries that they deal with and looking for spaces in which to take advantage.

I suspect that China can become a more responsible citizen in regard to North Korea, but only if it is forced to bear a reputational cost for its sponsorship of that regime.

The CHAIRMAN. Senator Gardner, just before you ask your questions, I would like to just—the U.N. Security Council has a Chapter 7 resolution against everything that they are doing. A Chapter 7 resolution is one that is obviously the strongest, and in some cases has been the thing that has been utilized relative to actual kinetic activities. But again, nothing is happening, and I personally do not think secondary sanctions are going to have an effect here. I just do not. I think it is either regime change or some other activity. It seems to me that we are on a course that is not going to be altered by sanctions, even though you guys have done an outstanding job of passing legislation towards that end. The Treasury has worked in conjunction with that to stronger enforcement.

Senator Gardner?

Senator GARDNER. Well, thank you, Mr. Chairman.

I do agree with Senator Menendez. The fact that this full committee hearing, our first time to discuss policy, is on North Korea

I think highlights the importance of this issue to the Senate and the work that we have before us over the next several years, and I thank Senator Menendez for his leadership on the issue of North Korea as we work together to try to bring some coherent policies to this denuclearization effort.

I was pleased, of course, with the committee hearing we held with the Secretary-designate, Rex Tillerson, talking about his position on North Korea and efforts to be strong and to stand up to North Korea and to fully implement the legislation that we passed unanimously through the U.S. Senate last year in regards to North Korea sanctions.

I was also pleased with the conversation that President Trump had with the acting president of South Korea, discussions fully reiterating our alliance and commitment to South Korea, as well as the conversation leading to the deployment of THAAD. I think THAAD is a very important piece of the strategic actions the United States needs to take, and I hope that that is as expedient as possible in terms of delivering, implementing, and getting the THAAD system up and running in South Korea.

I also think it is important to recognize Secretary Mattis' decision to make his first visit out of the United States to our allies in South Korea and Japan. I think that is very important and shows again the priority that we have as it relates to Pyongyang and our determination to make sure that our allies remain safe and secure and we denuclearize the peninsula.

Just an overall question. Chairman Corker brings up an interesting point about the interests or desires of China, the impact or effect of secondary sanctions. Here is an article that talks about that China unexpectedly boosted imports of coal from North Korea last month. This is even after Beijing slapped a temporary ban on shipments from its northern neighbor ahead of fresh U.N. sanctions that came into effect this month. It talks about how much coal imports increased last year despite the sanctions. The United Nations has 2270 in place that China agreed to. In late November they agreed to, I think it was 23—talking about further limiting the so-called livelihood exemption of coal.

Is China even interested in a resolution of this? Does China want the North Korean regime to remain in place? Which concerns them more, a denuclearized regime with a unified peninsula, or nuclear weapons in the hands of the DPRK? Which is the greater concern to China?

Mr. SNYDER. Destabilization is clearly the greater concern for China.

Senator GARDNER. So not nuclear weapons.

Mr. SNYDER. They, I think, are—there is a limited agreement between the United States and China on the desirability of denuclearization, but for China only within the bounds of maintaining stability.

Senator GARDNER. Dr. Eberstadt?

Dr. EBERSTADT. I agree with Scott on that. We have only China's behavior to go by since the Chinese government is so terribly opaque about its actual relationship with the DPRK. But if one tries to make sense of the behavior, it looks as if keeping a zone

of strategic defense in northern Korea would seem to be a very, very important objective to the Chinese government.

Senator GARDNER. And in that line of thinking, does China view our inability to denuclearize the regime as a way to weaken our lines with South Korea and Japan and show weakness by the United States in terms of our foreign policy? Are they more interested in that?

Dr. EBERSTADT. On the net-net basis that I discussed earlier, yes. If it is more of a problem for the United States than for China, then it would seem to be a plus in the calculus of the Chinese government, as far as I can make out.

Senator GARDNER. So recognizing that China is not necessarily interested in denuclearizing the regime, they would like to see that as long as they see this buffer in place or there is unity on the peninsula in a way that they desire, our secondary sanctions have little effect or great effect?

Mr. SNYDER. The secondary sanctions I think in some form are going to be necessary to try to hold China's feet to the fire.

Senator GARDNER. And let me just ask you this, though. There is no further action that Congress needs to take in order to apply any degree of sanctions on China or the North Korean regime, correct? The administration is fully empowered to take every sanction step necessary. There is no other authorization they need, correct?

Mr. SNYDER. I think that the legislation that you and Senator Menendez co-sponsored was quite comprehensive.

Dr. EBERSTADT. And also under the Patriot Act. I mean, the secondary sanctions in the financial system I think could be tremendously powerful.

Senator GARDNER. And so moving forward, the regime, a special envoy, or I think it was you, Mr. Snyder, that talked about the need for a special envoy, what areas should the Trump administration focus on first in terms of secondary sanctions in China?

Mr. SNYDER. The obvious sectors where China is falling short and that provide North Korea with economic sustenance are in the coal sector, and also in terms of financial access to the Chinese banking system.

Senator GARDNER. Okay, so coal and banking. We can add additional sanctions on coal—on banking, excuse me. On coal, do you believe that China will adhere to the limit they agreed to in the November UNSCR on coal and the likelihood exemption cap?

Mr. SNYDER. The initial record shows that they already failed. The problem with the statistics that we are all relying on and that I presented in my testimony is that they are official statistics provided by the government of China, and they may not include everything that goes between North Korea and China.

Senator GARDNER. So if they have already failed the most recent UNSCR in November 2016, if they have already failed, what measure can we take immediately at the United Nations? I think, Dr. Eberstadt, you talked about their reputation. What should we do at the United Nations immediately to show China that this is unacceptable?

Dr. EBERSTADT. To begin with, it seems to me that we have our priorities kind of backwards at the U.N. Security Council when we are dealing with DPRK questions. We always seem to be worried

that the Chinese government might veto something. I think we should make China veto something 20 times in a row, see how they like it the 21st time. It is the analogy to Colin Powell's "you broke it, you own it."

Senator GARDNER. I understand. Thank you.

The CHAIRMAN. Senator Merkley?

Senator MERKLEY. Thank you, Mr. Chairman.

Thank you both for your testimony.

Back in 2016, in response to North Korea's fourth prohibited nuclear test in January, and then the launch of a prohibited missile in February, there was the March resolution 2270, and it had numerous provisions, one of which was mandatory inspections of cargo passing to and from North Korea, and the second was to terminate banking relationships with North Korea's institutions.

Can you bring us up to date on how effectively either the mandatory inspections or the banking relationship ban have been enforced?

Mr. SNYDER. I think there are still some holes. I believe that there probably are still financial relationships, Chinese banks that have North Korean accounts that may be in violation of the resolution, and there are reports that there may also be shipping activity between China and North Korea involving ships, North Korean ships that cut off their navigation system and therefore are not monitored by the international community.

Senator MERKLEY. So I had heard that, in general, there had been quite a significant tightening on the banking side. While there may be still exceptions, that part had been considered to be relatively successful. Do you not share that opinion? Just a short answer. I am not looking for a full analysis of it here.

Mr. SNYDER. I think there is more that can be done.

Senator MERKLEY. Okay. And Mr. Eberstadt?

Dr. EBERSTADT. I think it has only met with limited success.

Senator MERKLEY. I would love to follow up and get a better understanding of that because I think it is relevant to what we consider doing in the future.

And then the issue of coal, there were sectorial restrictions that were largely ignored under a loophole, which led to 2321 being passed late last year in November that put a hard binding cap on coal exports, which is the largest source of revenue to North Korea. I do not believe we yet know how effective that is going to be, but just looking at the December numbers, it does not look promising so far. Is that fair to say?

Mr. SNYDER. Correct.

Dr. EBERSTADT. Yes, sir. It is very curious that as China's apprehension about the prospects of implementation of THAAD in South Korea seem to be diminishing, their coal supplies to North Korea seem to be increasing.

Senator MERKLEY. Coal supplies to——

Dr. EBERSTADT. To North Korea. I am sorry, the exports.

Senator MERKLEY. It is the exports.

Dr. EBERSTADT. Yes, the trade with North Korea and coal seems to be increasing.

Senator MERKLEY. So if I was to turn to the North Korean perspective, if they are looking at U.S. intervention in Iraq back in

2003 and NATO's involvement in Libya in 2011, do either of those interventions affect their national perspective on their nuclear program?

Mr. SNYDER. I think the North Koreans have stated clearly that they have taken the Libya model from their perspective as a reason why they need to hold on to their nuclear weapons program.

Senator MERKLEY. Because Libya had voluntarily retired its nuclear program under international assurances of non-aggression, and, in fact, those assurances fell apart?

Mr. SNYDER. Well, the fact that the regime failed.

Senator MERKLEY. Yes. Mr. Eberstadt, do you share that point of view?

Dr. EBERSTADT. Libya is one of the reasons the DPRK regime explicitly points to when proclaiming its need to remain a nuclear power.

Senator MERKLEY. So we have a couple of tweets from our President regarding long-range missile tests, whether missiles would be developed. I think the tweet was, "It won't happen," and also expressing skepticism about the Chinese partnership in the sanctions. Are the tweets useful in setting out a presidential perspective, or not?

Mr. SNYDER. If I had confidence that they were backed by a whole-of-government strategy in order to be able to pursue the statements, then I would feel much better about it.

Dr. EBERSTADT. We really need a coherent strategy and a sustained strategy to make the threat smaller. I do not think we can do it with one-offs.

Senator MERKLEY. Thank you very much. I think that reinforces the point Senator Cardin was making in the beginning about a coherent strategy. Thanks.

The CHAIRMAN. Thank you so much. I do want to thank Senator Merkley. On the Libya issue, to me it is Exhibit A that the regime did not fail, we took the regime out. So they gave up their weapons of mass destruction, and what the whole world learned from that, which is why I thought it was a terrible, terrible period of time for U.S. foreign policy, they learned from that that if you get rid of your weapons of mass destruction, we will take you out, and that is what I think he has learned very well.

Senator Young?

Senator YOUNG. Thank you, Chairman.

And thank you for your testimony, gentlemen.

I just stepped back into the room. I gather one of you indicated that eroding Kim Jong-un's support base by facilitating more elite departures like those we recently saw at the embassy there at the U.K. was one tactic we should continue to exploit. Could you indicate some specific ideas that we might employ to get more of the elites who surround and support Kim Jong-un to come our way?

Mr. SNYDER. Yes. I have two specific proposals cited in my testimony related to that. One is the need for especially South Korea and others to present for discussion and hopefully for digestion by North Korean elites what an integrated North Korean economy would look like without nuclear weapons.

The fact of the matter is that this is the fastest growing economic region in the world, and they are only averaging something like

zero to 1 percent growth. The reason for the gap between the Chinese rate or the South Korean rate of growth and the North Korean rate of growth is North Korea's nuclear weapons program.

Additionally, I would propose to attach tangible rewards for those defectors who leave North Korea who have been designated under U.S. Treasury sanctions if they leave prior to the end of the Kim Jong-un regime. I think it would be a worthwhile investment to provide that personal incentive.

Senator YOUNG. Thank you.

Dr. EBERSTADT. There is a wonderful little center called the International Center for Non-Violent Resistance. The important word is "resistance." "Non-violent" is the adjective. They have been trying to develop over the years playbooks for bringing down dictatorships, and their approach focuses on different practical methods that one can exploit and widen the cleavages within authoritarian closed societies. They have a lot of suggestions for how to approach North Korea even though the idea of exploiting these fissures may still seem remote at the moment.

I would also mention, in addition to all of the sensible things that Scott has just suggested, that we focus on reunification planning as well, because the whole question of what a free and peaceful post-DPRK North Korea will look like will have a great deal to do with the behavior of people who are currently in the North Korean elite.

Senator YOUNG. So presumably focus with some measure of specificity on this sort of planning could offer some comfort to the Chinese, who have a real concern about instability in North Korea. Would you agree with that assessment?

Dr. EBERSTADT. Yes, sir. It could offer some clarity to Beijing. Certainly much of the policy would have to be based in Seoul since the ROK presumably would be the sovereign presiding over this area. We would be cooperating with that. But there are all sorts of signals that could be sent by such planning, like who is charged with crimes against humanity and who is not in a post-DPRK environment.

Senator YOUNG. Dr. Eberstadt, you mentioned THAAD and China's response and concerns related to its deployment in South Korea. Should we continue to take additional steps like that in the region until China becomes more helpful on North Korea?

Dr. EBERSTADT. I would think by all means we should be increasing the missile defense capabilities of the United States and of our allies, and I do not know that that necessarily should be a bargaining chip in negotiations with China if it concerns the security of our allies and the USA.

Mr. SNYDER. If I could add, I agree that use of missile defense should not be a tactic to try to change China's approach. It is really a self-defensive measure that is essential for us to be able to counter what North Korea is doing, and I think it is important not to send a signal that it could be used as a tactic because it actually might encourage exactly the kind of behavior that we are seeing from China to impose economic consequences on South Korea for adopting the missile system.

Senator YOUNG. I will be submitting a couple of additional questions as my time runs out here related to whether or not it serves

a national security interest of the United States to encourage additional countries in the region from developing a nuclear capability. Thank you.

The CHAIRMAN. Thank you, sir. Thank you very much.

Senator Markey?

Senator MARKEY. Thank you, Mr. Chairman.

Mr. Snyder, early last year I voted for the North Korea Sanctions and Policy Enhancement Act. I believe that sanctions can offer a path for putting pressure on North Korea to return to negotiations aimed at denuclearizing the Korean peninsula. However, at the time I also warned on the Senate floor that plans to use preemptive force against North Korea's nuclear arsenal or its leadership could drastically increase the risk of inadvertent nuclear war.

A few months ago, in September, South Korea's defense minister informed the parliament that South Korea has forces on standby that are ready to assassinate Kim Jong-un if South Korea feels threatened by nuclear weapons. As he said then, South Korea has a plan to use precision missile capabilities to target the enemy's facilities in major areas, as well as eliminating the enemy's leadership.

If North Korea fears that South Korea intends to use preemptive force to kill its leaders, that could create pressures for Kim to delegate control over his nuclear weapons to frontline military commanders. This would be a highly destabilizing step. And if North Korea believes that South Korea plans to preemptively take out its nuclear weapons, that could put pressure on Kim to use his nuclear weapons or lose them.

Mr. Snyder, can you share your view as to whether plans and statements focused on preemptive attacks against North Korea's leadership or its nuclear arsenal could actually increase the risk of nuclear escalation?

Mr. SNYDER. I think that there are inherent risks in escalation based on the strategy that North Korea is pursuing, and it is important for the U.S. and South Korea to respond in an alliance form to that growing threat.

The one area where I think I have a slight—where your statement actually differs from my expectation is that I do not believe that North Korea is a regime in which the leader is going to delegate nuclear authority. It is a regime in which Kim Jong-un is going to hold tight to that nuclear authority; and, in fact, he is using it as the basis upon which to exert and provide support and legitimation for his rule.

Senator MARKEY. Okay. So you are saying that he would never create an instruction to his subordinates that in the event that he is dead, that the nuclear weapons should then just be used to annihilate the other side. You do not believe he would ever leave instructions like that?

Mr. SNYDER. Well, to be honest, I have not contemplated, and I do not think we really have a way to know——

Senator MARKEY. In other words, a doomsday machine that he creates, that those are his instructions. You do not think he would ever do that?

Mr. SNYDER. The absence of a line of authority would open up all sorts of questions about the future of North Korea, and one of

the issues that we have to be very concerned about is the loose nukes issue.

Senator MARKEY. No, and I agree with that, but the Strangelovian doomsday machine aspect of this is very real, and I guess the larger point that I am trying to make is should we, in fact, be talking in terms of preemptive attacks against them? Do you think that is a dangerous action for the United States or South Korea to be engaging in?

Mr. SNYDER. Talking?

Senator MARKEY. About preemptive action against North Korea, assassination against him, preemptive attacks to take out his nuclear capability. Do you think that is a wise position for the United States to be supporting?

Mr. SNYDER. I support US–ROK planning in order to deal with all scenarios, but I take the point that it is probably not wise to broadcast them publicly all the time.

Senator MARKEY. Or at any time? Preemptive attempts to kill Kim Jong-un, is there any time we should be able to talk about that without fearing the law of unintended consequences being invoked?

Mr. SNYDER. The U.S. and South Korea need to manage their planning in a quiet and effective way to deal with a whole range of scenarios.

Senator MARKEY. Okay.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, sir.

Senator Shaheen?

Senator SHAHEEN. Thank you, and thank you all very much for being here this morning and for your fascinating testimony.

Observers have suggested that North Korea may soon undertake some sort of a significant activity to provoke the new Trump administration, whether that is a new nuclear test, a missile test, some sort of other attack, which is something that I have seen out there in reports. If that were to happen, what options do you think the new administration should consider in responding to that kind of an action?

Dr. Eberstadt, you can start.

Dr. EBERSTADT. Well, there are all sorts of declared and undeclared actions that we could take. To mention just one, we could play "count the submarines" from North Korea. We could play a game of subtraction. This would not necessarily have to be announced. The North Korean side would know about it. It is certainly conceivable and possible. There are many other things which we could do which would not necessarily have to be——

Senator SHAHEEN. Explain a little more what you mean when you say count the submarines.

Dr. EBERSTADT. Part of the developing North Korean threat is the possibility of submarine-launched ballistic missiles which in theory could come near the U.S. and/or other places. What happens if they do not return to port? Things are very quiet out on the sea.

There are many different things which we could do, and we have a great number of options. But my point in my prepared remarks is that we need to coordinate these. We need to think about how these link together and how to make a bigger problem into a small-

er problem rather than the other way around. Some of that will involve cooperation with our allies, some of it will involve dialogue with countries that are not our allies. But the key thing that I would submit is that the North Korean government, for all of its other defects, is very, very careful in thinking about strategy and how its different actions advance its agenda, and we should be thinking about that as well.

Senator SHAHEEN. So just to pursue the issue that Senator Young was raising and that you talked about, Dr. Eberstadt, when you suggested that their fear of the THAAD system has been reduced, China has increased its co-exports. So I assume you are making the assumption that China, if they are afraid of actions that we are taking, they are more likely to take action in North Korea that we would encourage, and you have indicated that in other ways in your statement.

So should we be thinking about trying to encourage Japan and other of our allies, the Philippines, I do not know who else, others in Southeast Asia, helping them adopt similar missile defense systems? And what do we think the response from China would be to that? Would that help in terms of encouraging them to further help us to address North Korea?

Dr. EBERSTADT. Senator, in my own view missile defense wins on its own merits. As my colleague and friend Scott Snyder was saying, I too do not think it should be used as a bargaining chip in relations with other governments.

That being said, the prospect of implementing missile defense systems with robustness in Japan and ROK may indeed have an impact on China's behavior towards the DPRK and in a way which we might find positive.

Senator SHAHEEN. And do we think that China would like to see a reunited Korean peninsula? Do we think they see that as being positive in their interests?

Either one of you.

Mr. SNYDER. I do not think China would object to a unified Korean peninsula if Beijing could be assured that the Korean peninsula is going to be friendly to China. So the core issue as they look forward toward the possibility of unification is really the question of the nature of the security relationship with the United States of a unified Korea.

Dr. EBERSTADT. And a divided Korea is not at all against China's current interests. It has probably good relations with both.

Senator SHAHEEN. Right. I am out of time, but let me ask one final question, if I could, and that is that there has been the suggestion, President Trump has made the statement, as have others, that China has absolute control over North Korea. Some of the statements that you all have made in your testimony suggests that you may not totally agree with that.

Do you think if China chose to put enough pressure on North Korea that it could actually influence their ending their nuclear weapons program?

Mr. SNYDER. China's dilemma is that it has all the leverage in the world economically, but it is afraid to use it for fear that the consequences would be counter-productive to China's own national interests.

Dr. EBERSTADT. The Chinese government has a long and very bad relationship with the government in Pyongyang, and both leaderships at the moment seem to compete to see which one holds the other in lower regard.

That being said, it is very hard to imagine how the Chinese government or any other foreign government could force the DPRK to sacrifice what it regards as a vital strategic interest, which is the development of its nuclear arsenal program.

Senator SHAHEEN. Thank you.

The CHAIRMAN. Senator Gardner?

Senator GARDNER. Thank you, Mr. Chairman, again. And thanks to the witnesses for your patience and helping us understand this issue a little bit further.

Just so I am clear, where are we on a scale of zero to 100 in terms of planning for reunification of the peninsula? Are we at a 50? Are we at a 10? Are we at a 90? Where are we at?

Dr. EBERSTADT. Scott may have a different number. I would say about a 3 or a 4.

Senator GARDNER. Okay. Mr. Snyder?

Mr. SNYDER. On a scale of 100?

Senator GARDNER. Yes.

Mr. SNYDER. Yes, it is very low. I think that South Korea has done some planning of its own, but there really is not a robust alliance planning mechanism for Korean unification.

Senator GARDNER. So has China been a part of any discussion taking place on a reunification plan?

Mr. SNYDER. No. Efforts by the U.S. Government to engage with China on any aspect of change on the Korean peninsula involving instability or contingencies has, as far as I understand, not been very successful.

Senator GARDNER. We had the six-party talks. Obviously, they failed. So why have we not proceeded with greater plans for reunification on the peninsula involving all that we can to then settle on a way forward with the North Korea regime? Not with them, but basically hoisting it upon them.

Dr. EBERSTADT. I can explain some without excusing. For the long period of the Sunshine policy in the south, pro-Sunshine policymakers had the posture that such discussions or deliberations would be provocative to the DPRK regime. So they simply did not even want to be seen thinking about such questions. There has been a very reactive tendency in our approach to North Korean policy. We respond. North Korea decides; we respond. Some of us have been arguing for a very long time that we need to have a proactive strategy of threat reduction which would include reunification planning, but that has not been institutionalized in the US–ROK relationship or our relationship with other allies.

Senator GARDNER. Mr. Snyder, you talked a little bit about defectors and encouraging information to the regime, particularly the elites in North Korea. The bill that we authorized I believe authorizes $10 million to help provide additional information, ways to get information to the people of North Korea. The State Department has rolled some of that out, some of those dollars out. What more can we be doing for freedom of information to get that information

to encourage the people of North Korea to think differently about the maniac that is Kim Jong-un?

Mr. SNYDER. It is a dynamic situation, I think, because actually within the North Korean market, even information methods are evolving. There may be areas in the information penetration area that really would belong in the intelligence sphere that could be examined more carefully. Of course, there is a need, I think, to try to expand broadcasts, especially broadcasts containing South Korean content, to broader groups——

Senator GARDNER. Broadcasts—radio, television programming, all of the above?

Mr. SNYDER. Yes, I think so. I mean, taking into account that there are certain times of day that are more effective than others, all of those avenues. Actually, I think that over time we have seen proven empirical evidence that it is working.

Senator GARDNER. What about things like USB drives? There has been talk about that. Is that an effective method?

Mr. SNYDER. I think for some segments of the North Korean population, yes.

Senator GARDNER. In terms of our alliance with Japan, Korea, and the United States, what steps do we need to take to continue to increase that relationship? Obviously, Japan and Korea entered into an agreement over intelligence sharing despite some of the challenges that South Korea has seen in its government. What more can we be doing to help bolster the trilateral alliance between the three nations?

Dr. EBERSTADT. Well, Senator, the weakest link in the trilateral relationship, despite some improvements in the past year, is the ROK–Japan link. We can encourage better cooperation between Seoul and Tokyo, but we cannot command that to happen by ourselves.

The gap between the ROK and Japan is one of the opportunities for North Korea in trying to find cleavages and areas of difference with the alliance.

Senator GARDNER. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

I know Senator Cardin wanted to enter some material for the record.

Senator CARDIN. Mr. Chairman, first let me thank both of our witnesses. I found this hearing to be very informative, but certainly our options are, in some respects, very heavy. So I thank you very much for the information.

I would ask consent that a statement from former Senator Nunn be made part of our record.

The CHAIRMAN. Without objection, that will be entered.

[The material referred to above can be accessed at the following url:]

https://www.cfr.org/report/sharper-choice-north-korea

The CHAIRMAN. I just have a couple of brief questions. As I listened, short of the extreme measures of some type of kinetic activity or absolute regime change, is it even a realistic goal anymore to talk about the denuclearization of the peninsula?

Dr. EBERSTADT. It is certainly an objective that we can consider to proclaim and to attempt to further. It may have virtues in creating cohesive alliances and coalitions internationally. It may create additional pressure to allow us to create additional pressure on the DPRK. But as I mentioned in my prepared remarks, what I think we might best be served doing now is trying to focus on reducing the real existing killing force of the North Korean government.

The CHAIRMAN. Do you want to expand on that?

Dr. EBERSTADT. Sorry?

The CHAIRMAN. Would you please expand on that, the existing killing force?

Dr. EBERSTADT. Oh, yes. In my remarks, in my prepared statement which I submitted to the record, I tried to outline briefly and thematically sort of an approach which I call threat reduction. We could call it other things, I suppose. But part of it would involve increasing the effectiveness of our defenses and our allies' defenses against North Korean killing force, and another part of it would involve trying to compromise the augmentation of the North Korean government's killing force, which would have to mean pressure on the North Korean military economy, trying to strike at the cohesion of the leadership, attempt to alter China's behavior towards the DPRK, which I do not think is totally impossible, focus on human rights. We are all for human rights in North Korea, but I think a great deal more can be done for human rights in North Korea and proclaiming this as an international movement, and in preparing for reunification after the DPRK regime. I think all of those things could be helpful.

The CHAIRMAN. But it is more or less somewhat hortatory to make the statements regarding denuclearization short of some kind of extreme occurring down the road. Is that correct? Is that what I am hearing you say?

Dr. EBERSTADT. Sorry?

The CHAIRMAN. It is somewhat hortatory to be making statements that we are going to denuclearize short of some of the extremes that have been discussed?

Dr. EBERSTADT. If we were to abandon now our objective or proclamation of the objective of denuclearization of the DPRK regime, I think this could have some very important adverse consequences on the very allies that we might need.

The CHAIRMAN. I am not suggesting that—I am just suggesting that we have gotten to a point, it seems, where short of some really dramatic things occurring, they are on their way to a nuclear weapon. And we can have hearings where we talk about sanctions and all of that, but that is all we are really doing. Is that correct?

Dr. EBERSTADT. Senator, for over 20 years I have been arguing that the North Korean nuclear problem is the North Korean regime and that we will not have denuclearization until we have a better class of dictator there.

The CHAIRMAN. Senator Snyder?

Mr. SNYDER. Well, thank you for the promotion.

[Laughter.]

The CHAIRMAN. Actually, a lot of people do not view it that way, but thank you for thinking so.

[Laughter.]

Mr. SNYDER. I think denuclearization is essential to our entire alliance strategy in East Asia, so I do not see how we can abandon it. But it also does not mean that there are not other things that we can work on while we continue to insist on denuclearization as an essential objective as part of our strategy.

The CHAIRMAN. But those things are much more subversive, are they not? I mean, much more subversive than just continuing to complain about secondary sanctions not being enforced and those kinds of things. I mean, we have to be a little bit more subversive in our activities, or otherwise they are going to have a nuclear weapon.

Mr. SNYDER. As long as North Korea has a nuclear weapon, I do not see how we are going to be avoiding reaching a transformation——

The CHAIRMAN. A deliverable nuclear weapon, right?

Mr. SNYDER. Yes. Regime transformation, whether through cooperation or through other forms of challenge, is going to be the way that we have to go.

The CHAIRMAN. Well, listen, thank you. You all have been outstanding witnesses. Senators who have come by have thanked us for having this hearing with the two of you here. We thank you for what you have said and your wisdom.

The record will remain open until the close of business Friday. If you could fairly promptly answer questions, we would appreciate it. Thank you for your time.

With that, the meeting is adjourned.

[Whereupon, at 11:52 a.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

RESPONSES OF DR. NICHOLAS EBERSTADT TO QUESTIONS SUBMITTED BY SENATOR TODD YOUNG

Question. Do you believe it is in America's national security interests to oppose nuclear proliferation?

Answer. All other things being equal, a more nuclear world is potentially a more dangerous world, given the increasing potential for catastrophic miscalculation by the growing number of governments or other actors possessed of nuclear weaponry. That being said: it should go without saying that nuclear accession by some actors or governments will be very much more worrisome than for others. Nuclear accession by Switzerland and al Qaeda would have profoundly different implications for international security and human security. Part of the threat of proliferation, of course, is precisely that the North Koreas and the al Qaedas of the world tend to be attracted to nuclear weapon acquisition, and not the Switzerlands. The general blanket policy of nonproliferation has proven to be an approach to opposing the spread of nuclear weaponry that has been able to garner wide international support, even from non-democratic governments. Although this approach does not explicitly link the risks posed by proliferation to the nature or quality of governance in the would-be nuclear state, it has arguably been more effective in garnering international support for nonproliferation than any alternative approach.

Question. Do you believe our national security interests are best served by discouraging or opposing additional countries from developing or obtaining nuclear weapons? Why do you believe that?

Answer. Generally speaking, weakening of the nonproliferation regime would increase the likelihood that dangerous actors and governments would pose a new and growing nuclear threat to US national security, the security of US allies, and the security of the international community. That said, we must recognize that the na-

ture of the would-be nuclear actor or state matters greatly with respect to the security implications of any specific instance of proliferation. US security has been promoted, not compromised, by our formal and blanket opposition to international nuclear proliferation. Part and parcel of our approach to non-proliferation, of course, has been to extend a credible 'nuclear guarantee' to our allies so that these states need not contemplate the nuclear option to enhance their own perceived security.

Question. If the Japanese or South Koreans were to develop a nuclear weapon, do you believe that would be good or bad for U.S. national security interests? Why? What would be the regional impact?

Answer. This is an extremely important question—and very difficult to answer in general terms, because the implications would turn so directly on specifics. If the ROK and/or Japan were to make the decision to become nuclear weapons states, given the fact that both countries are constitutional democracies and US military treaty allies, such a development would perhaps only be imaginable if the public and the leadership of these countries had lost confidence in the US 'nuclear guarantee'. Needless to say, the circumstances which would have led to such a loss of confidence in the US security guarantee would in itself presage a more insecure and potentially unstable region. And it is easy to imagine how nuclear weapon accession by Seoul and Tokyo could contribute to a destabilizing arms race in Northeast Asia—paradoxically reducing rather than enhancing the security of both states. To date US policy has been firmly opposed to proliferation by Seoul and Tokyo, insofar as Washington has committed itself to the defense of both states through military alliances, including a 'nuclear guarantee'. If one gets into speculative exercises or scenarios where one attempts to hypothesize about 'alternative futures' in which US security were actually enhanced by the acquisition of nuclear weapon status for Seoul and/or Tokyo, the hypothesized alternative futures are ones in which US security prospects are decidedly more problematic than our actual prospects today.

Question. What are your assessments of the Proliferation Security Initiative? How could it be strengthened with respect to North Korea?

Answer. PSI is an important and innovative international collaboration, now endorsed by over 100 countries worldwide, and has demonstrated utility in countering and interdicting the illicit WMD commerce by countries and actors including the DPRK. The keys to increasing its effectiveness lie in greater cooperation among law enforcement, intelligence, and military circles internationally, enhanced resources for these efforts, and greater political leadership on the part of the governments committed to this effort. It may also be appropriate in some instances to "call out" governments that are not cooperating, or in some instances perhaps positively subverting, the PSI effort. Beijing's behavior may be particularly of interest in this respect.

Question. To what degree do you believe that North Korea and Iran have cooperated in their development of ballistic missiles? What additional measures could and should the United States and our allies take to undermine North Korean cooperation with Iran on ballistic missiles?

Answer. I have no security clearances, and rely entirely upon open sources for my information. That said: a detailed literature has documented considerable and far-reaching DPRK–Iran collaboration on Iranian missile development. We have every reason to believe this collaboration continues, and that DPRK is compensated for its "services". Moreover, news reports suggest Iranian observers have often been present in North Korea at missile launches, and even nuclear tests, begging the question of whether Iran is "outsourcing" its WMD development to North Korean territory. US intelligence can upgrade the priority accorded DPRK international WMD proliferation, including the DPRK–Iran connection. And the US might consider serving notice that its unfreezing of Iranian assets will be conditioned by any evidence of surreptitious Iran-DPRK WMD cooperation.

Question. Should North Korea be on the State Sponsor of Terrorism list?

Answer. North Korea should never have been removed from the SSOT list. There are indications that the DPRK continues to support and sponsor terror and terrorist groups internationally, including Hamas and Hezbollah. In my view North Korea should be placed back on the SSOT list.

Question. What is the likelihood of a North Korean regime collapse?

Answer. The likelihood of a North Korean regime collapse is a classic case of an intelligence "unknowable". Given the information asymmetries inherent in such a closed society governed by a totalitarian regime, it is likely that the outside world would only learn of a North Korean collapse very soon before the event, or maybe

only as the event were taking place. (The analogy here is the collapse of Eastern European and Soviet Communism.) For what it is worth: I myself anticipated a North Korean collapse in the 1990s, but my expectations were very obviously proven wrong. How close to collapse did the North Korean system veer during the era of the Great North Korean Famine and the "Arduous March"? Outsiders cannot tell today—and probably will not be able to make an informed assessment until they come into possession of the Pyongyang archives at some future date.

With these considerable caveats, I would nonetheless offer two observations about the prospect of regime collapse.

First: given the particular nature of the North Korean system, it is difficult to imagine its "evolution" or "reform". Though some eminent Asia hands, for example, at one time mused that the DPRK might be capable of mutating into something more like the authoritarian-developmental state of South Korea in the Park Chung Hee era, such a potentiality would appear ever more unlikely with the passage of time and the accumulation of evidence that the system is so highly resistant to what outsiders would consider "reform". Thus systemic change would appear increasingly unlikely to lead to a "soft landing".

Second: given that we cannot presume to anticipate the time horizon for end of the North Korean regime (or the manner of its ultimate demise) with any great accuracy, it is essential that comprehensive international preparations for a successful re-unification commence in earnest.

Question. In Dr. Eberstadt's prepared remarks, he states that the North Korean regime is "deadly afraid of what it terms 'ideological and cultural poisoning"—what we call foreign media, international information, and cultural exchanges. While we may want to isolate the regime and ratchet up sanctions as much as possible, shouldn't we be trying to get as much information to the North Korean people as possible? Is it possible to isolate the regime while simultaneously trying to expose the North Korean people as much as possible to the wider world? How should we go about doing that?

Answer. Ideally, a broad campaign for promoting what the North Korean government terms "ideological and cultural poisoning" would include exposure of the North Korean population to media, people, ideas, music, learning and training from the outside world—most especially including exposure to things South Korean, but of course including things Chinese, Japanese, American, European (including Russia within Europe), and more broadly international. Such an approach would extend far beyond broadcasting and DVD delivery into North Korea, although of course it would include such efforts. It would be beneficial if such an approach included not just the United States government's efforts, but the commitment of other governments as well—and included sustained commitments from civil society circles, not just governments. Successfully implementing such an approach would be an ambitious long-term multi-dimensional undertaking, not a "one off".

Question. What specific steps could we take to encourage elites in North Korea to defect?

Answer. Encouraging the defection of DPRK elite members—and more broadly, attempting to effect a reduction in the cohesion of the national leadership—would be part and parcel of the overall "threat reduction" strategy I mention in my prepared statement for this hearing. The specifics of this strategy—the tactics—would likely shift over time, as circumstances dictated and as opportunities presented themselves. Very broadly speaking, however, such efforts would take place against the background of political developments within the DPRK which may already be reducing leadership cohesion (viz, the killing of other members of the "royal family" by Kim Jong Un; the apparent decline in confidence in the regime's Supreme Leader; the increasingly pervasive corruption and "transactional" basis of operations under the DPRK state; mounting cynicism about the regime itself; increasing inroads by information from abroad, etc.)

International efforts to stigmatize and delegitimize the North Korean regime—for its human rights violations and crimes against humanity; its organized crime activities abroad; for its international support of terrorism; and for other shameful DPRK policies and practices—will be crucial in eroding the internal cohesion of DPRK leadership, and may materially conduce toward greater numbers of defections of key North Korean personnel as well. Some human rights groups have developed coherent strategies of nonviolent resistance that can systematically probe and widen regime fissures: even in as closed a society as North Korea, some of these techniques and approaches may already be relevant. Incentivizing members of the elite to depart could also play a role in such an overall approach. But the matter of incentivizing defections also begs a number of important questions in its own: not

least among these, how such defectors will be treated for crimes and abuses they may have committed in power, and how justice will be administered to regime elites in the post-DPRK era. These are important questions and require careful thought, both in the ROK and in the international community; they also beg the question of political consensus within and between the main governments preparing for a post-DPRK Korean re-unification.

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