

China and the Two Koreas: The Changing Tides of a Relationship

ABSTRACT

This article asks if a divided Korea will better serve the People's Republic of China's political and economic interests. At first glance, it may seem so. Beijing and Seoul share very strong trading ties, while North Korea presents itself as an excellent leverage against the influence of the United States and Russia in the region as well as a fellow communist nation. The need for North Korea appears to be waning, however, and as the People's Republic of China (PRC) becomes more globalized, its patience seems to be decreasing with North Korea's brinkmanship diplomacy, refusal to stop its nuclear program, and the tension that the program creates. This article identifies the changing relationships between the PRC, North Korea and South Korea, and suggests that Chinese interests in North Korea are slowly waning for more favorable outcomes with South Korea.

North Korean aggression has been a major issue in the news within the last ten years from the test of its first nuclear weapon in 2006 to the recent bombing of a South Korean island in November of 2010 (Fackler, 2010). The People's Republic of China (PRC) has been a major player in dealing with North Korea, leading talks and offering aid and political guidance in an attempt to keep communist North Korea under control. The PRC has also developed a relationship with South Korea; the two countries have been working collectively to seek talks on the North Korean uranium-enrichment program (N. Korea Ready, 2011).

In light of recent dramatic developments, this article discusses the economic and political interests that the PRC holds in both North and South Korea and identifies the PRC's slowly declining interest in maintaining a strong relationship with North Korea. I will first discuss the history of the relationship between the PRC and North Korea and determine what some of the problems are in the relationship. I will then discuss the relationship between the PRC and South Korea and show how this budding and more positive relationship may be driving a wedge further between the PRC and North Korea.

The PRC and North Korea

A solid political and military relationship between the PRC and North Korea was born from the PRC's entrance into the Korean War. Despite its warnings, on September 30, 1950, the Third Division of South Korea (the Republic of Korea [ROK]) made its official crossing of the 38th parallel in pursuit of the People's Army of North Korea (the Democratic People's Republic of Korea [DPRK]). Kim Il-sung, the Premier of North Korea, did call for Chinese involvement when the danger of defeat loomed and there was seemingly no other choice for the DPRK's leader (Tucker, 2000). Though this request was no doubt a tiny part of the decision, it was ultimately the threat to the PRC's sovereignty that influenced the next tide-turning decision of the Chinese government: four days after the breach of the 38th parallel, on October 4, 1950, Mao Zedong officially sent the order for Chinese troops to enter the fight (Summers, 1990).

In the following decades, the PRC stood strongly behind North Korea and refused to forge any type of a substantial relationship with South Korea in support of the North. The PRC is the strongest ally that North Korea has and is the only global power that really holds any leverage over Pyongyang. And while the Six-Party Talks, a forum seeking to end North Korea's nuclear program, are a constant topic on the international table, the leverage that the PRC possesses is something it would prefer to use only for political and strategic interests (Yi, 1995). Though the Six-Party Talks have been stalled since 2008 and no progress has really been made since, the PRC has been very careful about the way in which it approaches issues over the DPRK at the United Nations (UN), avoiding any involvement in the United States and the ROK's attempt to get a Security Council resolution passed condemning the DPRK's uranium-enrichment program (Hae-in, 2011). North Korea also served as an effective border militarily between the PRC and the United States troops that were stationed in South Korea, providing a substantial reason for the PRC to have an interest in the North (Shambaugh, 2003).

Since the relationship began between the two countries following the Korean War, the PRC has offered substantial amounts of aid in food, arms and fuel to North Korea (Bajoria, 2009). In 1990 alone, the PRC gave 300 million USD worth of food and oil to North Korea and has become an extremely important trade partner to North Korea (Yi, 1995). The PRC is also responsible for 90% of the energy imports into North Korea. In 2008 North Korea had 2.03 billion USD in imports and only 750 million USD in exports to China, although the trade deficit is not treated as something owed and more as a subsidy, considering that North Korea has no means to pay it back (Bajoria, 2009). North Korea, however, proves to be a useful ally despite these deficits, as it provides a buffer zone against the United States in South Korea and valuable natural resources.

The PRC has not only been incredibly supportive of North Korea in economic terms, but also in political terms; the North Korean regime can account its stability as being entirely the product of hard work from the PRC (Pollack, 2009). Perhaps the strongest tie that the PRC had with North Korea after the Korean War was political ideology. As a communist state in principle, the PRC takes pride in supporting North Korea's regime because of their similar political and ideological heritage. In fact, North Korea is the only truly strong ally that the PRC can identify entirely with (Dumbaugh, Manyin, & Nanto, 2010). Their relationship has even been described by both the PRC and North Korea as a "lips and teeth" relationship with North Korea being the lips and the PRC being the teeth (Shambaugh, 2003).

The PRC has historically had a lot of ties with North Korea that ensured the PRC had a lot on the line as far as the stability of the Korean peninsula was concerned. But now that North Korea has become more difficult for the PRC to continue to deal with, the policy of the PRC toward North Korea has begun to change significantly. Some of the PRC's goals include maintaining stability on the Korean Peninsula as well as promoting good relations with South Korea and somehow keeping the North Korean regime alive, but North Korea's die-hard outlook on becoming a nuclear power weighs heavily on these projected goals. Some scholars went so far as to even begin discussing North Korea as more of a liability to the PRC, only causing damage to the relationship that the PRC could be having with the United States and not really possessing any positive benefits for the PRC (Kim, 2003). Pyongyang, however, knows full well the strings that are attached to the PRC and takes full advantage of it: if the PRC were to sever ties with North Korea, then there would be major crises on the Korean Peninsula, something which the PRC is

trying its best to avoid. Any type of conflict would be a grave threat to the PRC's national security and would result in a massive influx of refugees from North Korea.

With these points regarding the PRC in mind, North Korea continues to gain grounds on its nuclear program, as it seems to be the only real tool of negotiations that it has to use as leverage. The PRC must be careful in its decision-making process, continuing to support North Korea and to nurture its relationship with the United States, even though North Korea refuses to give up its nuclear program and the United States refuses to acknowledge North Korea as a nuclear power. The PRC also has to try to maintain its position as the catalyst for the Six-Party Talks aimed at denuclearizing North Korea, though the talks have come to a staggering halt and North Korea continues to work on its nuclear program (Pollack, 2009). The PRC has recently come to an interesting point in its involvement with North Korea, as North Korea continues to act belligerently and has even turned down the numerous attempts the PRC has made trying to offer guidance. Though the DPRK continues to maintain the PRC as an ally and accept aid, it has been acting like a "spoiled child," in a sense, doing much as it pleases and often disregarding any type of diplomatic help the PRC offers (Johnson & Wines, 2010).

So, what is the benefit of having a relationship at all with North Korea for the PRC? There really are no strong reasons for strengthening the relationship that outweigh having a rift drawn in the relationship, which is surely why the PRC has increased its connections to South Korea. For the PRC, a relationship with South Korea provides a better economic situation and a more effective wedge to oust U.S. influence in Asia. The dependence of North Korea on the PRC has only increased over time and frustration has begun to show in Beijing (Pollack, 2009). As the PRC becomes a more globalized country and a stronger leader in Asia, the constant weight that North Korea puts on the PRC's relationship with both the United States and South Korea is appearing to be more of a thorn in its side.

Regime change in North Korea is an important topic that has come to the attention of many global players, who assume that such a regime change could result in a complete alteration of the North Korean political system (Park, 2007). The discussion is not missed among Chinese leaders and their policy analysts, who carefully weigh the possible outcomes of a regime change. It seems that currently the potential negative outcomes of a regime change, namely war on the peninsula and an extreme wave of refugees from North Korea, far outweigh the perceived positive outcomes of a regime change. Chinese leaders see no need for massive disruptions, believing it is better to continue to support North Korea and keep the regime stable than risk open conflict (Kim, 2003).

According to K. Park (2007), a regime change would rely too heavily on the very poor economy that North Korea has, even with aid from the PRC. If its economy continues to go in the downward direction it has taken, then a complete political breakdown may be triggered anyways. There is an argument, though, that the power such an authoritarian state as North Korea possesses could curb this breakdown and that perhaps economic reform would bring about a change in the regime instead. In 1998 several reform programs were put into place and then again in 2002 several economic reforms were launched (Park, 2007). These reforms never made any real impact on the regime, and in 2009 Kim Jong-il announced his youngest son, Kim Jong-un, as his successor ("North Korean leader," 2009). A true regime change does not seem to be on

the horizon any time in the near future, and with a subdued population that has been manipulated by the government, a regime change is very unlikely to be an effective part of greater changes on the peninsula. But the debate between continuing to support the North Korean regime or adopting an extremely different policy toward North Korea is still a contentious topic among Chinese officials.

The one constant issue that always seems to outweigh any other deciding factor that the PRC may consider in its relationship with North Korea is the need to maintain peninsular stability. A conflict on the Korean peninsula always seems to be looming on the horizon (Yi, 1995), yet a unified Korea is not in the works as far as the PRC is concerned. A unified Korea would only increase the national security threat to the PRC, for North Korea would no longer be a buffer (Goldstein, 2007). But the PRC's patience continues to grow short with North Korea, and as the PRC increased its global trade markets during the 1990s, the amount of capital in trade between the PRC and North Korea decreased from 560 million to 486 million USD from just 1989 to 1995 (Wang, 1999).

With each North Korean nuclear test, the PRC takes a more irritated stance, such as in October of 2006 when the PRC signed onto the UN Security Council Resolution 1718 following a nuclear test by Pyongyang. This action ultimately created a large gap in the relationship between the PRC and North Korea, and forced the PRC into a new position of punishing North Korea and offering far fewer diplomatic chances. Every nuclear test conducted by North Korea appears to be a sharper jab at the PRC and its lack of control over North Korea (Bajoria, 2009).

North Korea has also been exceedingly difficult during the Six-Party Talks. The Six-Party Talks are a series of negotiations that have gone on over the past decade between the PRC, North Korea, South Korea, Japan, the United States and Russia. The aim of the talks is to get North Korea to halt and ultimately reverse and dismantle its nuclear program, and though a few small agreements have been made, the talks have not seemed to amount to much of anything. Every round that has occurred required some kind of gentle pushing on North Korea by the PRC. Though the Chinese officials were there to continue to support economically North Korea and to protect North Korea from any backlash by the United States after it had withdrawn from the Non-Proliferation Treaty (NPT), they had to apply pressure to begin the talks in 2003 (Horowitz & Ye, 2007). The Six-Party Talks and the PRC's ability to pressure North Korea into joining them without backing the unstable regime into a corner is a good example of the control that the PRC still holds over North Korea. Despite retaliation from the North Korean regime in the form of nuclear missile tests, there is still a great deal of leverage that the PRC holds.

But whether the Six-Party Talks will prove to be effective or not is another subject that is still difficult to see; the reputation of current Chinese President Hu Jintao weighs a great deal on the success of the Six-Party Talks (Pollack, 2009). Time will tell how the Six-Party Talks play out, how regime change ultimately occurs and how the already strained relationship between the PRC and North Korea changes as a result. A very different, but critical, part of the relationship between the PRC and North Korea is determined by the relationship that the PRC and South Korea have developed over the last three decades, which I will discuss next.

But the PRC-North Korean relationship is in some way beneficial to both parties, and though it has become strained, the likeliness of the PRC taking a hardlined stance toward the North had seemed poor. With the new and strong relationship that has been established between the PRC and South Korea, however, the need for North Korea to serve as a military barrier for the PRC has begun to wane heavily (Shambaugh, 2003). And the thinner the PRC's patience with an erratic and defiant North Korea becomes, the stronger the PRC's relationship with South Korea seemingly grows. Perhaps the much more stable and agreeable Republic of Korea has become the more attractive trading partner in the eyes of an economically focused PRC.

The PRC and South Korea

Since the end of the Cold War, the PRC's desire for economic power has only grown stronger; therefore, building a relationship with South Korea became more attractive. (Kim, 2003). After the Korean War, the PRC adopted a strictly "one Korea policy," and during the Cold War, the PRC refused to acknowledge South Korea in any way. In 1980 Chinese Foreign Minister Huang Hua described the policy of the PRC toward South Korea as *Guanmen Bushangsuo*, or "the door is closed but not locked." This was a rather groundbreaking statement, as it signaled that contact and the movement toward normalization between the two countries was eminent (Yi, 1995).

Toward the end of the 1980s, the PRC's attitude toward South Korea began to change drastically and small friendly actions were taken, like sending a delegation to the 1988 Seoul Olympics and inviting South Korean officials to Beijing. Then in 1990 an agreement was announced between the two countries to establish trade offices. And following the Tiananmen Square Incident, South Korea was there as a foreign investor when all others shied away from the PRC. Relations between the two countries were quickly gaining momentum when a major step came in 1991: the PRC did not veto South Korea's bid for membership in the United Nations. This was, however, done tactfully, and the PRC's position was first relayed to North Korea in an approach that allowed the North to have time to change its own policy and ultimately save face (Yi, 1995). In 2001 South Korea's largest trading partner became the PRC, surpassing the United States, while the PRC's third largest trading partner became South Korea (Shambaugh, 2003).

The PRC's normalization with South Korea was an excellent strategic move, ending the hostility between the two countries and helping to build up the economic cooperation between them. This is impressive for the PRC has managed to accomplish something that no other nation has done: they built a relationship with South Korea, while keeping their waning but still existent relationship with North Korea. The advantage for the PRC in maintaining a relationship with North Korea while still developing one with South Korea is that it can flex some of its power over both North Korea and South Korea. This is a very valuable ability that no other major world power can rightfully lay claim to (Yi, 1995).

One could certainly argue that the PRC has actually shoved itself even deeper into the tangled mess that is known as the Six-Party Talks, having already established itself as the main leader of the talks and now using this newer ability to apply more pressure on the two Koreas to build a consensus between them. But now with the incredibly strong ties between the PRC and South Korea, the PRC and North Korea have lost their once strong relationship; North Korea may feel

that its own interests are now being overshadowed by South Korea. The PRC and South Korea have even begun discussing ways to deal with North Korea (Shambaugh, 2003).

Regardless of the new relationship that the PRC has established with South Korea or the still existing relationship between itself and North Korea, one strategy of the PRC is clear: a unified Korea is not in its best interest. The PRC, no doubt, has no desire for a unified Korea anytime in the near future. After establishing a relationship with South Korea, the PRC has changed its policy from one to two Koreas. Having a good relationship with both North and South Korea is an excellent strategy for the PRC; its increasing influence on South Korea is in direct relation to the United States' decreasing influence there, as the United States is being slowly edged out by the PRC (Hsieh & Lee, 2001).

Conclusion

In what direction can the PRC's stance on a unified Korean peninsula and its "two Korea policy" be expected to turn? With stable relations with both North and South Korea, the PRC can really only continue to benefit from its relationship with both. Regardless of how stable either Korea may be, the fate of the Korean peninsula, along with the distant possibility of its reunification, ultimately remains in the hands of four powers: Russia, Japan and the United States as well as the PRC. Reunification of the Korean peninsula is a goal that these powers certainly hold, but as far as the PRC is concerned, reunification will come in due time, while maintaining the status quo seems enough for now. A goal of the PRC seems to be, in fact, taking a back seat to the U.S. maintenance of the status quo on the peninsula, so that it can focus on increasing its positive relationships with both North and South Korea, and on maintaining the secure posture it has gained during the recent years (Wang, 1999).

But again, unstable North Korea continues to be an area where the PRC must keep on its toes and tread lightly. Because the instability between the two Koreas and the chance of an armed conflict remains a threat to the security of the Asian continent, reunification is certainly an important topic for the PRC. The way that the peninsula will become reunified, however, is of even greater importance. The PRC does not wish to see a reunification occurring any time soon because of the two Koreas' unstable relationship and the dangers that would result from an aggressive, conflict-driven reunification are too much of a national security threat for the PRC. Waiting for the two countries to come to terms with each other and find a peaceful, agreeable reunification on their own with no outside interference is the most attractive and safest way to bring peace to the peninsula as well as protect the PRC's national security. For now and the immediate future, the two Koreas will remain separate (Wang, 1999).

From sticking to a politically hard-line "one Korea policy," in which the PRC only recognized the Democratic People's Republic of Korea and rejected any offer of peace and normalization from the Republic of Korea, to a more economically focused relationship that developed with South Korea, the PRC's foreign policy toward the Korean peninsula has drastically changed. Now as North Korea continues to act much like a spoiled child and to disrespect the PRC by setting off nuclear tests and defying requests to enter multilateral talks, the relationship between the PRC and South Korea only grows stronger. While the PRC-South Korean relationship gains in strength, the PRC-North Korean relationship continues to weaken as PRC's patience runs thin.

Though its continued economic aid and military protection for North Korea remains firm, the PRC seems to be keeping up its harsher and less appeasing policy toward the North's actions in the Six-Party Talks and the way North Korean leaders handle themselves and their nuclear program.

In the end, a unified Korea will provide the most protection to the PRC, if it continues its solid relationships with both North and South Korea. The development of strong relationships with both Koreas is not only a good economic move for the PRC at the current time, but in the future when unification does happen, it is also a good strategic move, for the PRC will already have had a good relationship with both governments; whichever government ends up taking control, the PRC will have had a safe and stable relationship with it. So, whether the Korean peninsula remains divided or becomes unified in the near and distant future, the PRC hopes to retain its influence over the region and keep the United States' influence in Asia at bay.

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BIOGRAPHICAL NOTE

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