



# WHAT'S HAPPENING ON THE KOREAN PENINSULA IN 2011?

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*The Korean Peninsula was in a tough and dangerous situation in 2010. The escalation of tensions started with the sinking of the South Korean warship Cheonan in March 2010 and continued with the Yeonpyeong Island artillery incident in November. The chaotic year, 2010, in Korea has passed and two months into the new year the confrontational relations continue. The question remains: what is the next step for North Korea?*

## No More Talks?

The year 2011 began with Pyongyang's suggestion of unconditional talks with the South. Preliminary talks aiming at setting up a high-level military meeting were held in Panmunjom on February 8 but broke down without any agreement. South Korea insisted that the high-level talks must focus on the Cheonan and Yeonpyeong incidents last year but North Korea was not interested.

Financial support and aid to North Korea have fallen to their lowest level since Lee Myung-bak took office in South Korea. His condition for aid is that it will be forthcoming only if the North shows a significant shift in its attitudes (mainly on the denuclearization issue). After the Cheonan and Yeonpyeong incidents, the South Korean public switched to support of Lee's hardline policy. According to a poll in late November, some 80% of participants said they were in favor of massive military retaliation in the case of a new attack, and a considerable minority even said that they did not mind a war. Given the South's hardline policy, combined with public opinion, requests from the North for aid will be rejected by the Lee presidency for as long as North Korea refuses to change its stance over the Cheonan and Yeonpyeong incidents.

Nevertheless, the North is unlikely to apologize for these attacks. According to the North Korean news agency (KCNA), the North Korean "military and people no longer feel any need to deal with the South" now that the military talks have broken down. Pyongyang may have decided to switch back to a policy of confrontation, and its dissatisfaction with Lee's policy will continue. Rather than demanding bilateral talks, the North will continue to warn Seoul of the consequences of its policy. The possibility cannot be excluded

that Pyongyang could find it worthwhile to test South Korea in order to increase its political leverage over Lee's policy

## What's in the Offing?

2012 will be a critical year for the Korean Peninsula. The two Koreas and the surrounding regional powers will see simultaneous power transitions. South Korea, the United States and Russia will hold presidential elections. In China, Xi Jinping is likely to take over leadership. North Korea is no exception. The transfer of power from Kim Jong Il to his youngest son Kim Jong Un is planned to be completed by 2012, the year of the 100th anniversary of the birth of Kim Il Sung. Furthermore, North Korea is under internal pressure to achieve its stated objective of becoming a "powerful and prosperous nation" by 2012. Therefore, Pyongyang needs to rapidly find a way to revive its economy for historic events next year.

However, time is running out for North Korea. The most urgent problems are the reconstruction of the national economy and improvement of people's living conditions. Although North Korea has tried to initiate economic reforms, it has met with severe challenges and impediments. As a result, Kim Jong Il's regime might well have seen financial support from South Korea, the U.S. and Japan as an efficient way to revive its economy quickly.

## A Third Nuclear Test

Pyongyang may see carrying out a third nuclear test as its best option to achieve its goals. There are several reasons that North Korea may go ahead with a test in 2011.

Firstly, any nuclear test could be intended to strengthen



Kim Jong Un's leadership credentials for the power transition, as the propaganda will present a successful nuclear test as his achievement. Therefore, North Korea is likely to launch a nuclear test in order to solidify the father-to-son succession framework before 2012.

Secondly, North Korea's intention in conducting a nuclear test would be to increase pressure on South Korea and the U.S. by showing its ability to build up its nuclear capability. In mid-November 2010, the North's significant advances in its nuclear program were shown to Dr. Siegfried Hecker, a nuclear scientist. He was alarmed when he saw 2,000 centrifuges capable of producing highly enriched uranium (HEU) that can be used in nuclear weapons. If advanced nuclear technology is successfully used in the test, North Korea could have an advantage in negotiating on its nuclear issue, as it would be more difficult to control than the old plutonium program.

Thirdly, the reason for North Korea's preference for a nuclear test rather than armed provocations against South Korea is that the South Korean public still has negative feelings about North Korea after the Cheonan and Yeonpyong incidents. In fact, after the North's provocations last year, the South Korean public has shifted to demanding that the government take more a hardline policy against the North. It seems that Pyongyang has realized that repeated armed provocations will only serve to deepen the sense of distrust and anger in the South vis-à-vis North Korea.

Finally, the first and second nuclear tests in 2006 and 2009 did not show that the North had reached a destructive and deliverable weapons level, but a third test is likely to demonstrate the significant developments it has made. Therefore, an attempt to carry out the third nuclear test, which is expected to be more powerful than the previous ones, would seek to promote internal unity for the goal of building a "powerful and prosperous nation" in 2012 amid public unrest over the current economic difficulties.

### After the Nuclear Test

If the third nuclear test is successful, there will be an additional big surprise on the Korean Peninsula. However, after a cooling-off period, the resuming of the Six-Party Talks could be considered only a method for crisis management by all participants. In the past, when North Korean actions resulted in nuclear crises and tensions were extremely high, a proposal for the Six-Party Talks was accepted. In the same way, China can be expected to play an active role in persuading other countries to attend the talks. Other parties are likely to accept such invitations, as they cannot neglect the situation any more if

they want to reduce nuclear tensions and test Pyongyang's intentions. Of course, there is no reason for North Korea to refuse to participate in the Six-Party Talks, as they also address the issue of financial support to the North. However, resumption of the talks is dependent on South Korea's participation and here the Cheonan and Yeonpyong incidents still remain as sticking points.

Nevertheless, if North Korea goes ahead with a nuclear test, it will have a more significant impact on the South Korean government than the North's past military provocations in terms of exiting from the crisis. Furthermore, it will create a division on the part of the South Korean public against the current government's policy toward the North. Although the majority still supports Lee Myung-bak's policy, there is a high expectation in the South that the government will be capable of handling the North in a way that will make it possible to avoid the brink of crisis which might have a grave impact on daily life in the South. Therefore, Lee is eventually likely to join the Six-Party Talks under internal and external pressures, although he will try to bring the issues of Cheonan and Yeonpyong to the negotiation table.

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