

## **“It’s Complicated”: Making Sense of China’s Relationships with the Two Koreas**

**Panel:** Session 2 (Violet/Cosmos)

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**Organizing Institution:** Korea Economic Institute (KEI)

**Speakers:** Abraham Kim, KEI  
Nicholas Hamisevicz, KEI (moderator)  
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### *Panel Short Summary*

Madeleine Foley, Carnegie Endowment for International Peace  
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China’s relationships with both Koreas have grown increasingly complex, due to growing commercial interests among them. Moreover, North Korea’s continued military adventurism has undermined China’s efforts to balance its interests on the Korean Peninsula. Pending leadership change in all three countries presents opportunities for a reimagined engagement strategy, but intensifies existing security and economic challenges. Moving forward, China must reconcile its political, economic, and security interests in North and South Korea with its ultimate goals of promoting peace, stability and economic growth in the region.

Dr. John Park contrasted the engagement policies of South Korea and China of the past decade. He argued that South Korea’s Sunshine Policy attempted to economically engage North Korea, but it ultimately failed to incorporate North Korean firms into the South. On the other hand, Beijing pursued its own “Sunshine Policy” with the North, but allowed for reciprocal economic expansion into mainland China. China favors a “two party” approach, referring to the Communist Party in China and the Worker’s Party in North Korea as an alternative to the Six Party Talks.

Dr. Liu Qun emphasized China’s main goals for the Korean Peninsula are denuclearization, stability, and eventual reunification. Significant challenges remain, however. Since Sino-South Korean normalization, North Korea has pursued its own interests irrespective of China’s desires. Dr. Liu also asserted that the main obstacle to successful

engagement is North Korea's perceptions of insecurity. Therefore, the failure of the Sunshine Policy was not the policy itself, but the lack of consistent security guarantees made to North Korea. Prescriptions for the future include a renewed policy of engagement among the incoming leaders of all parties, and a coordinated effort to assuage North Korea's security concerns.

Dr. Kim Hankwon analyzed China's policy toward the Koreas through the lens of South Korean public opinion, citing three limitations to deeper engagement. First, South Koreans do not understand New China's pragmatic approach to North Korea. Second, responding to perceived U.S. and allied efforts to contain its rise, China has split its attention between the Koreas and other regional powers Japan, Philippines and Australia. Finally, China seeks a Korean policy consistent with existing multilateral and trilateral policies on territorial disputes and migration. Dr. Kim concluded that South Korea and China should focus on common, long-term interests including stability, denuclearization and unification of the Peninsula.

Dr. Abraham Kim argued that three factors will further complicate China's relationship with the two Koreas. First, Kim cited intransigent interests between China and its partners. China's patronage of North Korea, motivated by a desire to maintain stability on the Peninsula, has drawn criticism from the U.S. and key trade partner, South Korea. Second, he asserts that the three countries pursuing their own interests to stabilize the Peninsula in fact makes the region more unstable. North Korea takes advantage of this dynamic. Finally, South Korea views China as a valued economic partner but also a future competitor. This is further compounded by the growing strategic rivalry between the United States and China.

In the years ahead, common economic goals and divergent strategic interests will continue to complicate the relationship between China and the two Koreas.

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