



Insights

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The Summit: Conclusions and Future Predictions

A Closer Look at the Implications of the Historic Meeting Between the United States and North Korea

A discussion between Victor Cha, Senior Advisor, Teneo
and Kevin Kajiwara, Co-President, Teneo Intelligence

Kevin Kajiwara (KK):

We are here today to talk about the Summit. The historic meeting that took place on June 12, in Singapore between President Trump and Kim Jong Un. I'm joined today by my colleague and senior advisor to Teneo Intelligence, Victor Cha. For those of you who don't know Victor, he is a Teneo Senior Advisor and former National Security Council Director for Asian Affairs and deputy head of the U.S. delegation at the Six-Party Talks in Beijing.

There were some very extraordinary pictures and scenes we saw coming out of this historic meeting, which stands in stark contrast to where we were a year ago, or even just few months ago.

My first question is, was this just the most extravagant and expensive first date meet-and-greet we've ever seen or, is it what President Trump has told the country, that there's no longer a nuclear threat from North Korea so everybody can sleep well? Please give us your assessment of what happened and what we should be looking at here in the immediate term over the next couple of months.

Victor Cha (VC):

I would say that my overall assessment of this is that the Singapore summit was not a disaster, which is a good thing, because there was a lot of concern that these two actually might not hit it off, and that we could have ended up in a very bad place, with diplomacy completely foiled.

On the other hand, there was not anything really specific with regard to the U.S.'s key concern, which is denuclearization,

that came out of the Summit, or at least nothing that came out written in the joint statement that was released. So, I think that this meeting marked the start of an ongoing process, and what is not reported as much in the press is the U.S. administration's perspective that this is just that, the beginning of a process, but that they also see a finite time line to this process, even though there was none that was mentioned in any of the formal material.

Going into this summit, there were negotiating teams that were working on the ground to try to hammer out what could be the agreement between the two sides. And as one may expect, the U.S. wanted a clear commitment to a full declaration of all their nuclear weapons and a clear commitment to abandoning any nuclear weapons programs. And a commitment to a 2020 time line is what the U.S. really wanted to get. If you read the document that was produced, they've got none of those things written down; for that reason, a lot of people have called the meeting a failure, but my sense is that a lot was discussed in the course of that morning and during the leaders' lunch together. And I believe that the Americans walked away from it feeling like they got more out of this than what appears on that document. I think the U.S. is really focusing on this time line of trying to get everything done in two and a half years, around the time when President Trump's first term in office will end. And when the Americans talk about denuclearization, they are talking about North Korea abandoning all of its nuclear weapons and existing programs supporting the nuclear weapons program in a complete and verifiable way.



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For experts, the two key things that came out of the Summit were: first, this commitment to suspend U.S. military exercises as long as the U.S. and North Korea are in the process of negotiations. This was something that was a surprise to both the South Koreans and the Japanese allies - a surprise really to everybody. And of course, that raises the question of what other things President Trump might have promised in that meeting for which there are not written notes, versus what was actually written in the joint statement; the second was the supposed North Korean agreement to shut down one test site as a concession in terms of showing some restraint on the ballistic missile program. And again, that was something that was not written, but Trump said that was part of the verbal agreement in the discussions with the North Koreans.

So, there are two ways to interpret all of this: One is if we're headed down this path of where there is going to be reciprocal concessions given by one side or another, and we're going to work our way down eventually to the nuclear weapons in return for roll back of sanctions, but two-and-half years is really not a lot of time to do all that. The other interpretation is that essentially, Trump got played - that he gave Kim the company of the President of the United States, something that Kim has wanted for a long time.

So, Trump agreed to things like stopping military exercises in return for vague promises of denuclearization in the future and shutting down one missile test engine site, which sounds good, but really doesn't mean a whole lot.

Where we are now with North Korea is certainly better than where we were a year ago in terms of peace versus war. I think we will probably see in the next six months or so whether there is really anything behind this very vague agreement.

The first real test of whether progress is being made will come in August, because August is really the next set of annual military exercises that the U.S. and the Republic of Korea (ROK) do. And the U.S. and the ROK will have to make a decision in August about whether to suspend those or not.

In addition, it's likely that António Guterres (current Secretary-General of the United Nations) will invite Kim Jong Un to address the General Assembly in September, and that would then provide a platform for a trip to Washington, provided there's been some progress over the summer months.

Right now, Secretary of State Mike Pompeo is engaged in consultations with Seoul, Tokyo and Beijing, and I imagine that right after that, he will be starting negotiations with the North Koreans to start implementing the agreement between the two sides.

So, overall, I think the joint statement was less specific than many people expected, particularly in terms of denuclearization. We ended up where my team (Teneo Intelligence) and I initially predicted, with some very broad statements about denuclearization and a peace regime, followed by a high-level negotiation process that would take place to try to implement that.

It is notable that the North Koreans did not name who Pompeo's counterpart would be in these negotiations. With that, there is a slight bit of uncertainty, and that's not comforting, because ideally, we would like it to be the number two guy in North Korea, the fellow who came to meet Trump in the White House a couple of weeks ago. It could be the Vice Marshal, Ri Yong-ho. But if it's for North Korea, if it's the foreign ministry, they don't have as much influence as someone like General Kim Yong-chol, the former spy chief - he would certainly have more influence. Or if they dropped it another level to Kim Kye-gwan, who is First Vice Minister (he was the lead negotiator 10 years ago when we did the Bush-era agreement), if they drop it down to that level, that would be a strong signal that the North Koreans are stalling.

One other bit that I would say here is that the North Koreans have now started reporting to their own people about the meeting with pictures and everything else. The domestic narrative is, as one might expect, not focused on denuclearization. I don't think it's mentioned at all in the domestic narrative or, if it is, it is very obliquely. The narrative

is instead focused on the United States suspending the military exercises as a concession to a stronger North Korea and a stronger Kim Jong Un.

Going forward, I suspect that Xi Jinping (General Secretary of the Communist Party of China) will do his reciprocal visit to Pyongyang as he promised to do, probably fairly soon, to get a briefing face-to-face on the summit meeting with Trump. And I'm sure Putin will get involved in one way or another. There are some media reports that he has already invited Kim Jong Un to Moscow in September, but it wouldn't surprise me if there was a meeting before that, again, to get a briefing from the North Koreans about what happened in Singapore.

The Trump agreement is much less specific than any of the agreements that preceded it on North Korea and on Iran. But in this administration, there's only one person that makes North Korea policy, and that's the President. And he has put a great deal of faith in very personal diplomacy with this leader. And there's some logic to that in the sense that the only person who makes a decision in North Korea is the North Korean leader, who seems to believe that this sort of personal relationship building and frequent meetings between the U.S. and North Korean leader will reduce the security threat to the United States.

And so, what it looks like we're moving towards is really more of a managing of this problem, rather than a real effort to try to end it, to try to remove every nuclear weapon from North Korea, that's at least the way it's looking now based on the President's tweets, announcing that he's already solved this problem, which he posted right after he got off the plane from Singapore, despite the fact that not a single nuclear weapon or anything has been verified or removed from the country. The fact that he tweeted out a statement like that makes one believe that he really thinks that this threat can be managed through diplomacy and through good leader-to-leader interaction.

So North Korea is the one place in the world that the U.S. administration seems to be practicing diplomacy, compared to everywhere else that the Trump Administration is operating; the results of this strategy are still very unclear, but I think we will learn more in the next three to five months.

KK:

On that penultimate point you just made, would you say then that there is at least a modest change in U.S. policy (and U.S. policy as defined by you is President Trump's policy) which is that now, essentially, we are accepting of a North Korean nuclear state that can be managed, as opposed to the complete, verifiable, irreversible, denuclearization of the country?

VC:

The U.S. government is never going to say that. But the fact that President Trump tweeted that the nuclear threat is gone from North Korea, that he solved it, really makes it seem like he believes that he has already moved very much in the direction of solving the issue – and of course, the U.S. will make the best effort they can to get a full declaration and get International Atomic Energy Agency (IAEA) inspectors back into the country to try and remove as much as they can, but I think President Trump believes that we can manage this relationship going forward with positive leader-to-leader, state-to-state relations and that as long as a positive narrative dominates the conversation between the two sides, the threat, regardless of how fast we are denuclearizing the country, is decreased. And again, I don't think the U.S. administration would say that publicly, but I also think it's not a position that the South Korean government would have a problem with, and it's certainly not a position the Chinese or the Russians would take issue with; Japan on the other hand, would obviously have a problem with it. But the other countries would not because I think they were always predisposed to trying to manage this problem rather than trying to solve it.

So, in the end, I don't know if I say Trump has been smart about this, and understands that CVID is difficult, so he's trying to resolve this through other means - political and diplomatic means - or whether he really believes that by leveraging the personal relationship, he can get to CVID. It's unclear which of these things Trump truly believes in. But North Korea's goal, I think, has always been the same, which is to eventually have a normal relationship with the United States, but at the same time keep their nuclear weapons, and right now, I think from North Korea's perspective, that is exactly what they're getting.

KK:

Before we get into details of the summit meeting, I want to just touch on the bottom line quickly. It's fair to say at this point that the chances of military action or something else really destabilizing happening on the peninsula are significantly less than they were perhaps late last year, or even earlier this year, and that essentially when you cut through it all, what we've gotten down to now is the freeze-for-freeze that the Chinese were suggesting and promoting all along?

VC:

I think that's right. The bottom line is yes, I think the chances of military conflict have gone down quite a bit, at least as we get through August and September, that's both on the U.S. and DPRK side, as well as the inter-Korean side.

There may still be conventional things that could happen in the West Sea between fishing boats or things of that nature, but I think in the broader scheme of things, the security threat has gone down quite a bit from where we were this time last year.

And yes, effectively we're moving to the freeze-for-freeze proposal that the Chinese made a while ago, but Trump claims he got the idea from Putin, of all people, not from Xi Jinping. And that's a whole other discussion in terms of his relationship with Putin.

But yes, we're now in the space where we're going to give diplomacy a chance. Trump greatly reduced expectations in the 48 to 72 hours before the summit with a bunch of public statements, so that this would not be perceived or written about as a complete disaster.

And all of our data research shows that when the North Korean's and the United States are in bilateral dialogue, North Korea generally just doesn't do a lot of weapons testing demonstrations that would insight political crisis.

At the same time, it wouldn't surprise me if there are information leaks or other publicly-voiced concerns that come out about North Korean proliferation, because, of

course, that's the other big threat when it comes to North Korea, whether it's with Syria or Iran. And given the direction which the Iran issue is going, there could be links that are drawn there. But overall, I think, yes, we're in a substantially different place than we were a year ago when there was a lot of concern about military action.

KK:

So, you've personally been involved in negotiations in the past with North Korea, when Kim's father was in charge, and you've alluded to this notion of a relationship between President Trump and Kim Jong Un, and specifically in the past we've approached this through the kind of military and technical and security lens, as opposed to approaching it in a way that was more understanding of the issues and paranoia that a small, weak, backwards country that's surrounded by a lot of great powers might be expected to have.

But as you pointed out, promises that have been made in the past, that were far more detailed than what's enshrined in the joint declaration here, were only followed by underground nuclear tests, expanded production of missile material, inspectors being barred, missile tests and the like -- if this strategy that the Trump administration is employing is to work, what do you, as an analyst look for from North Korea as a signal that they are acting in good faith?

VC:

What everybody agrees on is the most important would be a commitment by North Korea to a complete and full denuclearization. And we can't begin negotiating denuclearization until we know what's there. So, from the intelligence perspective, we have a pretty good idea of what's there, but that's different from getting a formal declaration from the country that can then be verified by the IAEA.

I think if the experts had had their way (the reasonable ones, not just people who are saying it must be CVID from the very beginning) I think they would have said, if you bring the two leaders together, if the U.S. President is giving Kim that

much facetime, then the minimum we should be getting out of this is a commitment to move the ball one step further from where the negotiations collapsed the last time. And where they collapsed the last time was over the declaration. We had a freeze, we had inspectors, and the next step was the declaration and that's where it broke down, because they would not give a full declaration. They give a declaration of the plutonium program, but they would not admit to the uranium program and that's where it all, in the end, broke down. So, reasonable experts would have said, we should at least get that, especially if we're giving North Korea a meeting with the President, that we should at least get that far. Of course, we didn't get that far and that's why a lot of people were upset and critical of this. And to me, that full declaration is a very important first step that would show us that they're serious this time, as opposed to not.

The other thing, that has nothing to do with the weapons, is if we see domestic changes in North Korea, particularly concerning human rights. I know President Trump didn't want to talk about human rights in the meeting with the North Korean leader, but if we see changes in the way they treat their own people, that might also be an important sign that would make any move they made on denuclearization marginally more credible, because it would look like it was embedded in a broader strategic shift towards reform and opening, but I don't expect that Trump would raise something like that.

So, it would really be the declaration first and then the invitation to the IAEA to come in and to verify suspension and then seal everything, and then provide and allow for monitoring cameras to make sure everything stayed suspended as they moved to the next stage of disablement before dismantlement. My guess is that, once Pompeo starts these negotiations again, that will be the first thing that they will be focused on trying to get. And they may never publicly agree on what the timeline is, but the two and a half years, the 2020 timeline, I'm sure is what the Trump Administration is operating on. And that doesn't mean removing everything by 2020. I think that's physically impossible unless you have 200 percent cooperation and also given the size of their program, which is much larger than Iran's program or South Africa's or any other. But I think by the end of 2020, real tangible steps that show this is moving in a direction that's not easily reversible is what I think they hope to see.

The big and the difficult question, which was not answered at the meeting was in terms of sanctions lifting, because Trump would not agree to any sanctions lifting unless there's tangible progress, but then I think a lot of it comes down to how he chooses to define tangible progress. And I think for him politically, the bar is pretty low, but somebody like Bolton would be very opposed to sanctions lifting unless there were real concrete and irreversible steps being made.

KK:

Not that long ago, Kim was tied up in Pyongyang, hadn't been outside the country as far as anybody knows or met another world leader since he had assumed power. And now, just within the last couple of months, he has met President Xi Jinping twice; he's met President Moon Jae-in twice; he's met the Prime Minister of Singapore, Lee Hsien Loong; he's met President Trump; and as you indicate, he's likely to meet Vladimir Putin and maybe Shinzō Abe, and then he was also talking about meeting Bashar al-Assad.

This is one of the greatest image makeovers of all time, and it sometimes gets lost in the rest of the narrative going on. This guy is a millennial dictator who's ordered the executions of literally hundreds of people, including his own uncle and his half-brother no less, via a banned nerve agent on foreign soil in Kuala Lumpur.

When you look at the bigger picture, what has Kim accomplished here, and what will the other major powers, who have an interest in this (let's say from the perspective of China, Russia, South Korea and Japan) response mechanism be?

I was struck that almost immediately following the summit, the Chinese essentially voiced support for revising economic sanctions and I understand that they're in place for now, but it would seem like with the effective pledge by President Trump not to increase sanctions, that we've essentially seen the high watermark of maximum pressure on North Korea. So how do you see these other countries interests playing into this now?

VC:

So, one interpretation would be that the North Koreans have really figured this out because they have acquired a certain level of capability that they know national security planners in the United States have the worst-case scenario in mind.

So even though they tested on a lofted trajectory, they haven't demonstrated re-entry vehicles, but the U.S. national security planners have to assume that this is a credible homeland security threat, so the North Koreans have accomplished that.

And the North Koreans know that as long as they don't test, they're not going to incite a political crisis in the United States that calls for more sanctioning, higher levels of sanctioning, and this in turn puts more pressure on China sanctions, so for now, they're not testing.

But they used the summit to get a suspension of military exercises and then weakening pressure because the Chinese – once the U.S. decided not to do the next set of sanctions we knew maximum pressure was over because the Chinese are not going to put any pressure on, the South Korean government is now looking to give aid, not to put more pressure on the regime, so maximum pressure is over in that sense. And then the continued political meetings as the nuclear negotiations go on, will just further socialize everybody to the fact that North Korea is a peaceful nuclear weapons state, which is I think the goal that they're shooting for.

Now, obviously the South Koreans don't like that, they don't want North Korea to alter the strategic balance by being a credible nuclear weapons state, but the problem is the actions by the United States in 2017 set the bar so low for what a satisfactory negotiation would be because the alternative would then be war. So, I think for the South Koreans, while they may not be entirely happy with the fact that we may be drifting in this direction, if the alternative is war, they'll take the negotiation over anything else.

The Chinese on the other hand, are in a very good position because if the Trump-Kim engagement goes badly, then the United States needs China to put maximum pressure on North Korea. And if the Trump-Kim dialogue continues to go well, this could eventually lead to the U.S. agreeing to remove restrictions on North Korean access to the World Bank, the International Monetary Fund (IMF), and the Asia Development Bank (ADB) for the infrastructure projects that Kim was basically advertising when he met with the South Korean leader last April.

And of course, the IMF, ADB and the World Bank, I don't think they're going to go into North Korea, they may do assessments, but they're not going to go into North Korea, but the Chinese will with the Belt and Road Initiative (BRI), with BRI money. They'll go in and they'll start rebuilding the roads and the bridges and things of that nature.

So, it's a win-win situation for the Chinese. If things go badly, the United States would need China for maximum pressure, which might then reduce Trump's trade pressure on China. And if things go well, China has new BRI projects that will give them strategic influence over the Korean Peninsula for a long time.

Now in terms of the Russians, Putin I'm sure wants to meet up with Kim because he wants to talk about rail and energy; this is the thing that they have been very interested in doing for decades – linking up the entire Korean Peninsula.

The odd country out is Japan. Abe frankly needs a summit with Kim more than Kim needs a summit with Abe right now. And they're probably the least happy in all this, but they really don't have a lot of influence at this point in the process.



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