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TRANSCRIPT

Event

The Capital Cable

Emergency Episode: What's Happening with Korea? Military Exercises, Kim Jong-un and Iran

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FEATURING

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The Honorable Mark Lippert: Next on the CSIS Capital Cable, President Trump tweets military exercises, Kim Jong-un, Iran implications. All that coming to you next on the 140th and special installment of The CSIS Capital Cable.

(Music.)

All right. Good afternoon to those of you in Washington, D.C. Good middle of the night to those of you in Korea. And good day to those of you around the world. Welcome to the 140th and special CSIS – rather, special installment of the CSIS Capital Cable. I am Mark Lippert, your host and moderator. This week – or, this episode, rather, on the Capital Cable, President Trump tweets: Military exercise implications between the U.S. and the South Koreans. Iran sanction enforcement issue seems to be at hand. And of course, implications with possible summitry regarding President Trump and Kim Jong-un. All of which are great topics of discussion. And we have a very special panel lined up here for you, on very short notice, to speak to you today on these topics.

Let me bring them in one by one. First, Syd Seiler. Everybody knows Syd. He's with CSIS now, but 40 – nearly 40 years in the U.S. intelligence community, including CIA, DNI. He's done it all. He's also worked in diplomatic roles at the State Department and policy roles at the NSC. Syd, welcome to the show.

Sydney Seiler: Welcome for the invitation. Thank you for the invitation

Hon. Lippert: All right. Outstanding.

All right, next up, Andrew Yeo. Andrew, of course, Dr. Andrew Yeo over at Brookings, Catholic University, and a long-time, well-published academic on all things South, North Korea, peninsula, East Asia, all of that good stuff. Andrew, welcome back to the Capital Cable.

Andrew Yeo: Thanks for having me back here, Mark.

Hon. Lippert: All right. Outstanding.

And last, but certainly not least, Dr. Victor Cha, resident CSIS geopolitical cone leader, president, university professor at Georgetown, Defense Policy Board under President Joe Biden, National Security Council under George W. Bush, and a whole host of other accolades, awards, accomplishments, and grumbling about the New York Giants. Victor, welcome back to the show.

Victor Cha: Great. Great. Thanks for organizing this, Mark, on such short notice.

Hon. Lippert: All right. Outstanding. Thirty minutes. We're going to get in and out. And I'm going to start with you, Victor. Right to it. What is going on? Tell us what's happening. And start to unpack this for us, please.

Dr. Cha: Right. So the United States and South Korea have major military maneuver exercises around this time of year, every year. They're the biggest exercise that the two allies hold. And President Trump tweeted on Truth Social, was it yesterday or last night, that he has instructed Pete Hegseth to scale down the exercises, for a couple of reasons. One, he said that they are unnecessarily provocative to North Korea. And, two, he said that the North Korean leader Kim Jong-un has been very respectful and peaceful during President Trump's second term in office. In addition to that, there was a dig at South Korea where he said that South Korea was not willing to help the United States on Iran.

And so this is not something that is unusual. We have seen the president use military exercises as a tool in the past, the U.S.-ROK military exercises as a tool in the past. But clearly, in addition to the rhetorical and social media statements about an enthusiasm to meet with Kim Jong-un, this is really the first concrete action he's taken to try to entice Kim, and he's used the timing of these exercises as the – as the way to do it.

Hon. Lippert: All right, Victor. Just one quick follow up before I go to Andrew. So then your read is this has little to do with Iran and more to do with North Korea summitry. What do you make of the next move, then, in terms of Kim Jong-un response to President Trump, possible summitry in the fall, and then of course the reaction in South Korea? Because, obviously, taking a dig at the South Koreans, especially on the heels of being called a model ally recently by the Trump administration, is quite a, I guess, 180-degree turn in a very short time. Victor, back to you.

Dr. Cha: And as you know well, that would not be unusual for President Trump. I think there's a narrative out of the Pentagon that calls South Korea and Israel model allies because of the amount they do on defense spending, a percentage of GDP on defense spending, which they wish the NATO allies would also do. But the president has his own narrative, and I think a big part of that is that South Korea is a rich nation; it can handle its own defense. These exercises are very expensive. And so, to the extent that this is about South Korea, I think it's about those two things: South Korea can manage its own defense, at least in Trump's mind; and that these things are really expensive to do.

And in terms of what the reaction will be from North Korea – you know, Syd and Andrew can also talk about this – I'm sure it's a message that's been heard because he's broadcasting it around the world, everybody's talking about it, but I don't think the North Koreans are going to respond right away. I think they're going to – they're going to bide their time and wait a little bit.

Hon. Lippert: All right. Outstanding. Thanks, Victor, for that great analysis.

Andrew, your take on the aforementioned events.

Dr. Yeo:

Sure. Thanks, Mark. And you know, when CSIS first contacted me this was supposed to be an emergency meeting, and I do think it's important to talk about some of these issues because there's some, maybe, misinformation that's being spread. And you know, I'm here actually at my brother's. A shout-out to my sister-in-law for letting me use her space here.

But you know, when I first saw this tweet, the first reaction was like, what the heck? You know, it's mind-boggling to see that the president is, you know, giving a solid to our adversaries, and it's like you've forgotten who our allies and who our – who our adversaries are.

But at the same time, as Victor mentioned, it was very clear that he's once again messaging his desire to meet with Kim Jong-un, to have engagement with North Korea. But this time it's different, and the reason why I think there's so much media attention is because he said that he would – he would reduce or limit joint military exercises with South Korea, which are seen as extremely important.

And they're even more important – what was strange is that USFK, you know, the public affairs – you know, the person in charge of public affairs, he came out explaining why we do these exercises and that they're even more important because of what North Korea has been learning on the battlefield from its experience on the Ukraine front – how it's picked up new battlefield tactics, new technology such as drone warfare. So it means that the U.S. and South Korean militaries have to be prepared for, you know, this new upgrade, I think, in the North Korean military. So I am pretty sure the U.S. and South Korean militaries, and even the Pentagon, were probably caught off-guard from this tweet.

So, again, I think this is why it's news. It's become news because we see that these exercises were being planned. It's something that's important for the defense of South Korea, but also in the U.S. interest as well. And then to see the president say that, well, you know, why are we doing these, they're so expensive, and to say that he's ordered for them to reduce the joint military exercises.

And so this has had repercussions because, you know, the past week I've been hearing about, you know, the Asia pivot is dead; the U.S. is leave – the last aircraft carrier in the region is now leaving for the Middle East. And so that kind of resonates with those who think that, you know, the U.S. is no longer – you know, there's a credibility or commitment problem within the region, within Asia. So it can stir up rumors on that front. Also questions about commitment to South Korea.

But on the flip side, you know, the – you know, President Lee Jae-myung, you know, he has been interested in engaging with North Korea. And it's – you know, it's a card that certainly Lee Jae-myung would welcome, if there's a way for the U.S. and North Korea, Kim and Trump, to meet. And that's something that Kim has said. You know, he criticized the Ulchi Freedom exercises last week, that this is really offensive to the region, that it's destabilizing. And now it looks like, you know, with Trump saying that he – that these are going to be scaled back, it looks like maybe he's listening to Kim. And, you know, the hope is perhaps for Trump that maybe this time Kim will bite.

So, tactically, if you want to give Trump – or, if you think that there's some kind of master plan behind this, is this for the U.S. and President Trump to try to reengage Kim again, but offer something in addition to just a Truth Social post? So tactically, if Kim then comes to the table because of this initiative, you might give President Trump some credit. But at a strategic level, I think there's a lot that's being risked and a lot that could be lost. So I'll stop there. Maybe Syd and others want to weigh in. But back to you, Mark.

Hon. Lippert: All right. Thanks, Andrew.

Let me come back with one follow-up. I'm going to table the really interesting strategic discussion for a second and just drill deep a little bit on South Korean reaction, because at its core – let's talk about the alliance and then move out. Under President Trump 1.0 and Moon Jae-in, another progressive president, we had similar machinations around exercises. And that seemed to be OK for the alliance at the time, or at least palatable to the South Koreans. Do you see this situation differently this time around, with respect to domestic implications in South Korea? Or is it mainly on the risks that seem to be greater this time around on the strategic context? We'll stop there, Andrew.

Dr. Yeo: I think there are different implications, because domestically, I think, North Korea is in a different place from where they were in 2018 and 2019. And I do think North – excuse me – South Koreans do feel nervous about North Korea's building capabilities, especially when the U.S. is – you know, when President Trump has talked about pulling back. Again, I do think that it could create a lot of nervousness and anxiety among the South Korean population. So there are implications, I think, for domestic politics. And I think for Trump to raise this now, I think it could bring some bigger concerns with the alliance.

And I know this is a different tangent, but there's already been a lot of news or, you know, media attention to the alliance on the economic front, because of pressure from the White House on trade, on the Coupang issue about the U.S. – about South Korean government targeting U.S. companies, about an investment package for the \$200 billion not coming in quick enough. There's

already been – there's already pressure there. And so you're adding now this piece on the security front, that the U.S. – that the president wants to scale back joint exercises. I do think that there's going to be a bit of nervousness, especially from South Korean conservatives, on what direction the U.S.-South Korea alliance is going to head from here.

Hon. Lippert: All right. Outstanding, Andrew. Thanks for that. You clearly got my questions in advance, because I was going to juxtapose or at least weave in the trade and investment issues, commercial issues, as well. So, you know, I guess I don't know who sent them over to you, but you clearly –

Dr. Yeo: My apologies to preempt you, Mark. (Laughs.)

Hon. Lippert: No, it's outstanding. All right –

Dr. Yeo: I didn't get questions, but, yeah, we can bring them up again, too.

Hon. Lippert: (Laughs.) All right. Outstanding.

All right. Syd, your take. Thank you.

Mr. Seiler: So I feel very fortunate to actually have been in Korea in 2018 when sacrifices were put up on the altar in the name of trying to demonstrate that the U.S. didn't have a hostile, aggressive policy, to elicit some type of restraint on missile launches and nuclear testing, and finally to kind of lay the groundwork for proving to the North Koreans more strategically that we are sensitive to their security concerns. Of course, it didn't gain us that much at the time, but I don't think we lost that much at the time either.

It was a shocker to pull down an exercise. We'd done it before with Team Spirit. But we did go ahead with, what we called at the time, combined command post training exercises. It allowed the command to exercise key elements, not everything. And everything was scaled down. There was an entropy somewhat in readiness, but it was not that which put, you know, at risk our deterrence towards North Korea. So I don't think this is cataclysmic in terms of the exercises. Frankly, you know, it looks like the ongoing Ulchi Freedom Shield exercise is going to go on as planned, and that a scaling back in scope and volume and messaging of these going forward will be considered afterward.

As far as will this advance anything with North Korea, the number-one question I think we have to ask is, does this come within the context of some type of ongoing preparations for contact, that this is just some initial signaling that we're ready to come to the table and talk to North Korea somewhat on their terms? It doesn't appear to be that way. While the message itself is very consistent with what we were expecting, going back to

even before Victor's piece on a cold peace. You know, signals going back to last year that Donald Trump would be looking for a way to engage Kim. This is simply consistent with that.

Again, the timing, I think, doesn't always work out the way the president otherwise would intend. If we had coordinated this with the ROK, there was a joint release, we could have spun this so much better in terms of the great concession we were making. That said, the president has done this. I don't know that he's got high expectations it'll work, but it was an expression of what he felt we needed to do on the North Korea issue at this time, given now a year and a half standoff under the Trump administration, four years standoff under Biden. So it's time to get things – attempt to try to get things going again.

Hon. Lippert: All right. So good stuff there. Let me then ask you the strategic question about deterrence, credibility in the alliance, that Andrew alluded to, and also, I think, alluded to you picking up the ball on this question as well. (Laughs.) Your thoughts on that. given that, you know, you did mention we have taken down exercises in the past. Team Spirit, the biggest one. It did nothing to move the needle on negotiations, by the way. But, you know, it does come at a delicate time when we are back in the Middle East, you can argue entangled. We do have, I think, tariffs and trade and commercial issues with Korea, Japan, Southeast Asian allies, all of that up and down Asia, as opposed to where we might have been headed under different administrations. You know, talk about this in a strategic sense outside – or, I guess, with North Korea, as part of the answer here.

Mr. Seiler: I think it was evident as we moved, in particular, from Yoon Suk-yeol to Lee Jae-myung that, you know, after having four years of – five years of Moon Jae-in, and before that, two conservative leaders, Park Geun-hye, Lee Myung-bak, these are the leaders that have had to struggle with the question of how we maintain a credible deterrent while at the same time credibly remaining open to dialogue.

You got to pull out of – you know, sometimes you got to pull out of Moon Jae-in's book. Sometimes you have to pull out of Yoon Suk-yeol's book. Sometimes you have to reinforce our willingness to talk at any time, at any place, on any topic. But we also are going to have to show that we're going to conduct exercises, we're going to do extended deterrence strategic asset deployments. I think that will be the next controversial piece. Because there will be a recurring demand signal for periods of muscle flexing towards North Korea and periods of opening the door and trying to placate them.

And the challenge to deterrence going forward is how we do that with coordination and cooperation, and one voice between Seoul and Washington that, you know, enhances the deterrent over time, while at the same time –

this is what, actually, a lot of that is just a paraphrase of Victor's book and his argument he makes in Cold Peace. We've got to be able to keep a credible door for dialogue open, while at the same time maintain the necessary deterrent.

Hon. Lippert: All right. Great stuff there, Syd. Victor, back to you. You know, obviously coming in on any of these you want to, pick up the threads. But I wanted to, you know, just start putting a more of an edge on the implications for the alliance. Do you see this as, you know, a rift, a big deal, a real problem? How do you see this in terms of relations between Washington and Seoul, number one? And, number two, do you see short-term, medium, long-term implications in all of this? Or is this just kind of a passing thing – it plays to Lee Jae-myung's interest in North Korea, and the alliance will manage through this as it seemingly always does? We'll stop there.

Dr. Cha: So I think the alliance will manage through it. You know, this is clearly a rough patch. You know, the confluence of, you know, the statement about Iran, the Trade and Investment Framework frustration, and then this action – which I'm sure he did not consult with the South Koreans about this at all. (Laughs.) But, you know, the thing about Trump is it's all very transactional. So if they announce a first tranche of investments, he'll be fine, right? And the silver lining for Lee Myung-bak, Lee Myung-bak is – I mean, Lee Myung-bak; Lee Jae-myung – is also he's also very transactional. So the silver lining of this is if, like, Kim actually responds, and the U.S. and North Korea, you know, reengage in summitry, Lee Jae-myung would like that. Like, he would – he would like to see that. So I think in that sense it's transitional.

The other thing is I think that, you know, part of the reason we're seeing this now, you know, I think, again, is the timing of the exercise, and it just became a useful instrument for Trump to send a concrete message. And also, I think he just wants to get the headlines off of Iran. I hate to sound so cynical about it, but he wants to get the headlines off of Iran. All the press reporting from, like, Maggie Haberman and others, you know, in and around the White House is that Trump's tired of Iran. He's bored of it. You know, there's not a clear – there's no easy answer, so he's shifting to something else. Like, as you say, Mark, he's lifting and shifting, right? He's lifting and shifting to something else. And you know, I think as he told Lee Jae-myung on the sidelines of G-7 in Paris, like, he said at that time he was done with Iran and the next thing was North Korea. And then he posted a photo of him and Kim Jong-un at the – at the hotel in Singapore without any – without any caption.

And then the last point I'll make in the longer term is that, you know, so we put out a piece at the end of last week about revisionist Kim Jong-un, right – basically, this idea that there is a theory that could explain why Kim Jong-un would be interested not just in engaging with Trump, but also engaging with Takaichi. And that is because, you know, that Kim Jong-un is not a status quo

leader. He is always looking to take advantage of a situation. Everybody thought after COVID that Kim Jong-un would just be trying to recover from COVID. But, no, like, he sought a deal that would send his people to fight in the middle of Europe for Putin, right? Nobody would have expected that. You only think that way if you have a revisionist mindset.

And so I think he sees – he's not just satisfied with being supported by Xi and Putin right now. He sees an opportunity to try to get into a dialogue with the United States, to try to get into a dialogue with Japan. I mean, this is all hypothetical, but it's based on this notion that he's revisionist. And by the way, not engaging with South Korea at all, right – to do all these things while not engaging with South Korea at all.

So I think in the long term there could be a lot that comes from this. But we have to go into this with our eyes wide open, right, and that it's – that it's something that could affect not just the U.S.-South Korea relationship but also the Japan-South Korea relationship and the Japan-North Korea relationship.

Hon. Lippert: All right. Outstanding, Victor.

Let me just underscore one point too, it's interesting, on – that you made on North-South relations. This is very different this time around in that you basically have a South Korean president who's said the central tenet – I'm paraphrasing, maybe overstating a bit – or at least a central tenet of my North Korea policy is getting the two leaders together, right, you know, versus let's restoke inter-Korean relations, all of that. I think there's a recognition that that has changed. And so that's what, in a way to your point about the transactional nature of Lee Jae-myung, gives him more wiggle room politically. It's very interesting on the progressive side, right? Minor point, but I just wanted to get that in there.

All right. You know, last thing – I'm going to come to Andrew in – Andrew and then Syd in just a second. But, Victor, your point just on Iran – I want to put a bow on this – it sounds like you're saying this has very little, if nothing, to do with South Korea's performance on Iran, and it doesn't have anything to do with Iran; it's to get the attention focused elsewhere. Fair statement or summary of your view?

Dr. Cha: I think that's right. I mean, he's unhappy with a lot of allies on Iran, right? (Laughs.) South Korea isn't the only one. And so I don't think this was a big motivator. I think it was certainly a dig – you know, a dig at the South Koreans. But I don't think it was a big motivator of this. If anything, as we all know, he doesn't like the cost of the exercises.

You know, and he does believe that Kim Jong-un, and he said it here in the tweet, he also said it on the plane, the gaggle, as they were leaving China after his meeting with Xi Jinping. He keeps referring to how Kim Jong-un has been respectful – has been respectful to him during his second term. And I think that's clearly in reference to the fact that there's no dialogue, but they haven't really done any testing, whereas during Biden, you know, they did a ton of testing. And so I think, you know, he's always got the Biden, you know, referent in his mind. And so I think he believes that the North Koreans are sending a signal by not carrying out the same pace of weapons demonstrations.

Hon. Lippert: All right. Great stuff there, Victor. Andrew, over to you. Just your take on – really, just pull out a thread here and give, if you wouldn't mind, just your reaction on Victor's intervention, or any other threads.

Dr. Yeo: Yeah. Of course. Yeah. I was also puzzled by the Iran comment. And my guess is this was Trump's stream of consciousness about, you know, not being happy with allies contributing to opening up the Strait of Hormuz. And he probably saw a news headline about, you know, major exercises taking place between the U.S. and South Korea. I mean, again, I mentioned at the top of the podcast how there's a lot of kind of misinformation or rumors floating around. And, you know, there is argument, is he distract – is he deflecting from just the lack of success in Iran. And, you know, it could be. I don't think that's the primary reason why he posted this tweet. But it is effective. I mean, Victor said, I don't know about you, but my inbox has been pretty busy this morning. So there is media attention away from Iran and on the Korean Peninsula for today.

But longer term, you know, I agree with Victor. I think the alliance is resilient. And there are a number of ways where, you know, we can patch through this. But I do think at the end of the day – and this is a question I get a lot – is will this work? Or will Trump meet Kim? I mean, it's been the question for all of us the past year. And I still think the answer is, yes. And some say that there's no reason why Kim Jong-un would want to meet Trump because he has Russia and China now in his pocket. But on the flip side, I feel like he has nothing to lose by meeting Trump, because he has Russia and China in his pocket. And, you know, he may not need the sanctions from – he's not desperate for sanctions removal at this point, because they seem to be doing fine even with the sanctions in place. But I think for Kim it's really about reputation. It's about meeting with the U.S. president again. And so it's about reputation and status.

And there is this idea about denuclearization. You know, Victor frames it as the cold peace. But I do think if he meets President Trump and they don't mention denuclearization, it's not that the U.S. has given up on denuclearization as an end goal, but we've seen other countries – Russia now

accepts North Korean nuclear weapons. China does not use that in public. They tell us, and, you know, off – you know, privately, that they still don't think North Korea should have nuclear weapons. But they're not telling that to Kim. But if they meet the president and the president doesn't mention denuclearization, that's actually a win for Kim Jong-un, because, you know, we're getting further and further removed from this end goal of denuclearization. So I think there's still plenty of incentives for Kim to meet Trump. It's just a matter of timing and when's the most optimal timing for Kim Jong-un. Back over to you, Mark.

Hon. Lippert: Well put. Well put, Andrew.

And I think my camera has now shorted out, but we've only got a couple minutes left. So I'm going to come to Syd, but, Andrew, just to your point, just to underscore it, really appreciate the comments about the strategic and diplomatic space that Kim enjoys. And basically, this is playing with house money, if he gets to meet with the U.S. at this point in time, for lack of a better term.

All right, Syd, over to you. Implications for North Korea engagement. Where do we start? Where do we go? Is this going to work? All in two minutes, Syd. (Laughs.) So there you go.

Mr. Seiler: No, no, that's great. I agree with everything that's been said here. The challenge we face on the issue with North Korea is not can we talk to them. I do believe we can. And you've got – and I think Andrew laid out the case, as Victor did in his piece, of why some talks with North Korea – even if they go nowhere, even if they serve no other purpose than to maybe give the appearance of reduced tension, prospects for peace, desperate hope one day down the line for some utopian denuclearized world – even without that, just getting together and meeting and whole choreography of the event has an appeal, for different reasons, to both Donald Trump and to Kim Jong-un.

So I think, going back to right around the time of the election and inauguration, when asked what I thought about the prospect for – prospects for talks were, I said I think the two leaders will talk but it won't really produce anything, given where North Korea is along the trajectory. And it's only gotten – and that was, you know, really before we knew just how deep the strategic relationship with Russia would become and how much benefit it would give North Korea.

So, again, there's no motivation for North Korea to explore that path that we'd wish they would, which was areas that would at least get a slowing or a halt to the growth of the program, get some confidence-building measures moving, build some momentum towards some type of meaningful discussion on peace. I don't think it'll go that far, but I do believe that, you know, we have

laid the groundwork. It would be – it would be detrimental at this point, I think, for Kim Jong-un to not respond. That would be my closing, you know, remark.

Hon. Lippert: All right. Outstanding.

So we're going to leave it there, gavel down. Thirty-minute, action-packed special episode covered exercises, North Korea, Iran, domestic politics in South Korea and of course U.S. policy going forward. And we've solved it all here in 30 minutes, of course, here.

Thanks to Andrew Yeo, thanks to Victor Cha, and thanks to Syd Seiler for getting on on short notice, and we will see you in a couple of weeks. Stay tuned, everyone. Thanks. Bye-bye.

(END.)