

Center for Strategic and International Studies

ROK-U.S. Strategic Forum 2019 The Pursuit of Peace Amidst Changing Regional Dynamics

“Session II: Recasting and Forecasting of the Peace Building Process on the Korean Peninsula”

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Host:

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Location: 2nd Floor, CSIS Headquarters, Washington, D.C.

**Time: 2:00 p.m. EDT
Date: Monday, June 24, 2019**

*Transcript By
Superior Transcriptions LLC
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MARIE DUMOND: Our next session, “Session II: Recasting and Forecasting the Peacebuilding Process on the Korean Peninsula” will begin soon, so if you could please begin taking your seats. We would also like to announce our next winners for today’s door prize. Our coffee mugs for our 10-year anniversary, Diane Seeger (sp), Monet Stokes (sp), and Sing-ha Lee (sp). You can collect your door prize on the first floor at the next break.

With that, I would like to turn the Ambassador Cho, the former chancellor of the Korea National Diplomatic Academy, and former ambassador to Myanmar and Malaysia.

BYUNGJAE CHO: Thank you. Thank you very much. Hello, ladies and gentlemen, welcome all of you to this second session of today’s conference. The agenda item we have here is, as you can see, recasting and the forecasting of the peacebuilding process on the Korean Peninsula. Actually, the Session I was supposed to cover the alliance and the denuclearization issue, and in the second session you were supposed to discuss the peacebuilding process.

However, I think, under the very, very active leadership of David Nakamura – David Nakamura, the White House correspondent, I think the first session panel has covered almost all of the issue related with the denuclearization, and current ones particularly. The president’s recent visit to Pyongyang, and also President Trump’s upcoming visit to Osaka and the following visit to Seoul, and all the issues which might be issued from that visit.

So for me to ask how we can differentiate this session, session two, from the session one. So my idea is I’ll ask our four prominent – our experts here to put the peacebuilding process in the context more – rather than on specific issue by issue, but in a more broader context in the sense that – to see what happened, particularly after the Hanoi summit, and where we are now. And in view with these upcoming events, and with last week’s Xi Jinping’s visit to Pyongyang and the President Trump’s tour to Osaka and Seoul, and what we can expect from this event. So with this in mind, I think let’s try to see what happened, and where we are, and what we can expect for the upcoming several weeks’ time.

So we have – for this panel discussion, we have four prominent experts. We have – just to my left side we have Dr. Paik Haksoon. He’s now currently leading the Sejong Research Institute, and he is one of the most prominent North Korean specialists in Korea. And he studied in Seoul, of course, but he has gone his Ph.D. at the University of Pennsylvania.

Next to him we have Sue Mi Terry – Dr. Sue Mi Terry. You know her. She’s been here with CSIS since 2017. And before that, she was with the Central Intelligence Agency as a Korea analyst. And also, she has been working at the NSC, reporting quiet extensively on Korea and Japan, and was handling affairs, and so on. So real specialist on North Korea.

And we have a special panelist here, Ramon – Dr. Ramon Pacheco – Professor Ramon Pacheco. He is a Korea chair at Institute of European Studies at the Free University of Belgium. Actually, Korea Foundation has three Korea chairs. Now this one is the first one, CSIS Korea Chair. It was set up in 2009, as you know. And the Korea Foundation is going to have another one in the United States in Los Angeles in RAND Corporation very soon. And outside the United States they have one in Belgium. That is IES-VUB, is what Dr. Ramon Pacheco has. And also he’s teaching at King’s College, London. And so we can expect that in our discussion of denuclearization issue – the peacebuilding issue on the Korean Peninsula some inputs from the European Union perspective.

And lastly, Dr. Park Jiyoung, again a very special input for this discussion. She's now currently a senior research at Asan Policy Institute in Seoul. Very interestingly, she is a nuclear scientist. She studied nuclear engineering and has got a Ph.D. at the University of Michigan. Currently she's handling the policy issues related with the nuclear views, but her major is nuclear engineering. So she's a real expert on this nuclear issue.

So that our panel. And then we will proceed in this way. First, I think we will give each expert about five or 10 minutes to make a presentation on their own. As I said, I mean, what happened, particularly after Hanoi summit, and where we are now, and where we are expected to be going, focusing on these questions – about five or 10 minutes, but not more than 10 minutes. After that, then there will be some exchanges with questions and answer session.

So we can start.

HAKSOON PAIK: Thank you.

MR. CHO: Ok. Dr. Paik, you go ahead, please.

MR. PAIK: Thank you, Ambassador Cho. I'm very privileged to be here with you to share with you some of my thoughts on what we are going to – what we are trying to achieve on the Korean Peninsula. Peace agreement and denuclearization, two of the most difficult conundrums of our time. And we have very frustrating period since Hanoi not to have any resumption of working-level negotiation between the United States and North Korea. But we have a very exciting week ahead, fully expecting some good thing could happen. And so, you know, but before I go – before I proceed, let me – let me share with you what we are really trying to achieve at this critical juncture of history in the Korean Peninsula.

I would ask you to recall what happened in 2017, particularly in the second half of that year, and also in the first days of 2018. There was heightened threat of war – not a simple threat of war, but an egregiously heightened threat of war, nuclear war in a sense. And both leaders of the United States and North Korea, of course, you know, Kim Jong-un initiated first, saying that I have a nuclear button on my desk. And Donald Trump responding by saying: I have a bigger one, a powerful one – more powerful – powerful, and it works. At that moment, particularly those people living in the Korean Peninsula, you know, were totally frustrated. And those remarks by the leaders, who just treated nuclear weapons just like a, you know, playthings children, you know, play with. And there formed, at least tenuously and dramatically, a consensus among people that, you know, this – never again. Enough is enough.

So we tried to deal with the fundamental question of how to make it – how to make it not happen again. And so we were almost resolved to deal with the root cause of the problem – OK, how to dismantle the Cold War structure, long overdue, Cold War structure, seven decade long. More than seven decade long Cold War structure on the Korean Peninsula. Otherwise, it would repeat again and again. And so that's what we're trying to achieve. But how? Of course, through peace agreement and denuclearization.

And we – I want to make a few points. Number one, we have to have a third summit – United States and North Korea. But the third summit should absolutely be a success, otherwise there will be a – you know, serious setbacks and also backlashes, and which we don't want to see again. And another

point I'm trying to make is that we have to – we have to be very careful about policies and strategies basically based around human psychological calculation and structure. We had, you know, in those days of, you know, the Soviet-United States rivalry in the Cold War era we had strategy like M-A-D, MAD, mutually assured destruction. But, you know, it was based on human psychology. And we were not totally assured about safety. So we tried to have a physical protection of ourselves against the threats from coming the other side. So we had, you know, Star Wars, SDI, and now missile defense.

And so – you know, for instance, questions like: What if North Korea decides to lift its self-imposed moratorium on nuclear and ballistic missile testing? Will we think of maximum pressure, North Korea, you know, as the most effective policy tool, even to the point where we, you know, unconsciously regard it as the objective of our policy, like it or not. And then North Korea – what if North Korea, you know, decides to lift the sanctions – lift the moratorium, as I mentioned? And another point I'm trying to share with you is that South Korea should not be sidelined from much.

As you all know, South Korea played a, you know, brilliant role in mediating and facilitating the process of the direct talks between the United States, North Korea, and South Korea is structurally sidelined to a significant extent. And, you know, the United States is our ally and North Korea is our – you know, our Korean, you know, brethren. And so, you know, both sides should not – should not sideline us, South Korea, which initiated this whole process of peace after the totally unforgivable heightened threat of war on the Korean Peninsula, as I mentioned, in 2017.

And another concern I have in the United States White House is that to what extent President Trump authorized the opposition from the hardliner advisors, or to what extent he is overridden by hardliner advisors. We heard about snapback idea proposed by Donald Trump in Hanoi, as exposed by North Korean side, Choe Son-hui. And we have Iranian, you know, case, most recently of a few days ago. And, you know, United States decided to use military option to Iran, but president cancelled it at the last moment. So what's happening here? And that's one of the great concerns.

Let me – I don't know how many minutes I'm –

MR. CHO: Oh, you have four more minutes.

MR. PAIK: Oh, four more minutes.

In order to make the third summit, U.S.-DPRK summit a total success – absolute success – I think we have to deal with the outstanding mismatches we experience in Hanoi. One of the most, you know, difficult problems that we deal with North Korea is sanction – understanding the concept of sanction and the understanding of effectiveness of sanction as a policy tool. North Korea regards – consistently has regarded sanction not as a given and take item in negotiation. They regard it as a precondition for beginning a real give and take deal, because sanction is regarded as something that reveals true intention of the United States toward North Korea. Sanction is regarded by North Koreans as a symbol of trust, symbol of accepting so-called peaceful coexistence of the United States with North Korea.

If, you know, that is not challenged by the United States in their use of continuing negotiations, that's something North Koreans always have said. And so that's something – the one – the important, you know, thing we can do is to bring sanction into the category of give-and-take deal, make it a give-and-take item, not a precondition. But what have we done about this? I think inevitably there has to be sanction relief as an expression of America's good, real, you know, lack of hostility toward North

Korea, accepting a peaceful existence with North Korea. And we don't know exactly to what extent we have to relieve sanction, to suspend sanction, to exempt sanction. But without that, I think North Korea, you know, would be giving us a very hard time.

Another point with regard to resuming the third summit has to be – also has to do with what happened in Hanoi. We do have a full account of exactly what happened over there. We are getting, you know, pieces – and these pieces of information from the United States and from North Korea. But even that, I don't think South Korean government has full account of what exactly happened – why and what – why and how did the summit stall that way, because of what process, what path, you know, they did – they had in Hanoi, for instance. And finally, let me – let me share with you the photo of Kim Jong-un reading president Trump's letter, sent to him.

Many, you know, people, particularly those reporters in the press, wanted to read as much as possible out of the photo, which appeared on the front page of Rodong Sinmun on 23rd. And they zoomed in on the, you know, backside of the letter, and identifying how many paragraph are there, how many – why, you know, last two parts are thick lettered. And just before thick letter signature of the president. And so – but I paid more attention to the – to the working conference table Kim Jong-un was sitting at. There was at least – you know, there was indications there were six – at least six people sitting together. Maybe the photo was taken before, you know, the discussion among the six, or after the six – after the discussion session among the six.

And so we all know that, you know, there is a criticism and reports from the U.S. government officials involved in the Hanoi negotiation, and also reporters from various in the press that North Korean negotiators Kim Yong-chol and Kim Hyuk-chol just dealt with all other issues except for denuclearization, which they did not try to get into because it belongs to the authority of the final decision of the supreme leader himself. But North Korea has its own – as long as I know, and the U.S. exposed publicly – that he has – Kim Jong-un has his own version of national security council. And the photo we saw, you know, definitely is an indication of the inner circle of discussion, of how to interpret Donald Trump's letter and how to respond to that.

Let me close by saying that definitely Foreign Ministry people much have in there, Ri Yong-ho and Choe Son-hui. You know, I don't think it was official NSC meeting, you know, inner circle meeting how to deal with the United States. So the United States experts – (inaudible). Thank you.

MR. CHO: Thank you, Dr. Paik. Basically what he says, that we are still not very – we have not had a full account of what happened in Hanoi, and as long as the concept or meaning of sanction is concerned that there is still mismatch between two sides, and the South Korean government's role is much more needed.

OK, after that we have Dr. Ramon Pacheco.

RAMON PACHECO PARDO: Thank you. I'll keep my initial remarks brief. Thanks, first of all, for the invitation to appear at the celebration of the 10th anniversary. When we launched the chair in Europe, we look at the website of the CSIS Korea Chair. Was it OK? This is something we cannot do? You are doing a lot of really good work. And we decided to focus more on the European component. And this is how I wanted to frame my remarks. I guess I'm more of a Korea specialist. I would consider myself – I've been working now a little bit on Europe-Korea, and what can Europe, if anything, provided to the Korean processes that we're – that we're looking at, right? Because I think

we have two processes. One of them, denuclearization and the second one reconciliation process within both Koreas.

And President Moon, you might know, he was in Europe, in the Nordics, a couple of weeks ago. And he was talking about European models of reconciliation. And I stress the S in reconciliation, right, because what we see is that in the Balkans, East and West Europe, Northern Ireland, Germany of course, all these different processes they took years if not decades to reach a satisfactory conclusion. And the Balkans raised through discussing, how could reach reconciliation after the war, so they go back to the early 1990s. And I think that, if anything, the Korean Peninsula process will be even longer in terms of reconciliation. I'm not even talking about reunification, which is a completely different issue.

So going back to your question about Hanoi, the fact that Hanoi produced no agreement – even though I think it surprised many of us – I don't think it's an obstacle that cannot be surmounted at some point. We have seen process of reconciliation in many different places in which at some points it looked like they were going to break down. You had leaders on one of the two sides that didn't want to continue the process. And what actually made the processes continuous, I think, partly what we are seeing now – the commitment from the leaders of the three main parties, right, North Korea, South Korea and the U.S. – but something that is missing.

And I think that's the second point that is quite relevant for the discussion that we're having today, that any peace in the Korean Peninsula, as was mentioned in previous panels, will need a working-level process. We need a people-to-people process. And that's something that is missing currently. I think at the inter-Korean level, we see this starting, actually, with military confidence-building measures, the talk about more people-to-people exchanges. But it is true that between the U.S. and North Korea this is currently missing.

And I think that's the greatest risk that we have at this point. Not the commitment from the leaders, but the fact that we don't have this process. You know, if at some point one of the two parties decides to defect, North Korea and the U.S., and they decide not to continue that process, this will have to be rebuilt, maybe with a new leader in the U.S. The point being that this process will need the commitment of successive leaders. And to ensure that this commitment remains in place, I think it would be very important to have the working-level process among those that don't need to be elected, for example, in the U.S. or South Korea.

There is a second component, which is a more material component. If North Korea is going to ever denuclearize, and I sit on the camp who thinks that why would Kim Jong-un denuclearize? I don't think he will. But at least he can start taking steps towards denuclearization, or meaningful steps towards denuclearization. And we can have maybe some sanctions relief. What is going to be key is the material component, the economic cooperation process. And when it comes to economic cooperation, I think the ideas that you see coming out from different places, including the current South Korean government, are actually good, the regionalization of the process.

So this talk, for example, about an East Asian railroad community, which the president, President Moon, actually has linked to the European Coal and Steel Community set up in the 1950s, this is how we reconciled in Europe, really. It was good to have all these working-level processes. It was good to have the leaders committed to the process. But once we had economic cooperation, then it became very difficult for any leader to have any sort of war, violent relationship with any other country, right? And I think that what we are trying to achieve with North Korea, which is to engage

North Korea in different economic flows – and East Asian and Northeast Asia, as we all know, is one of the most economically dynamic areas in the world, is the right approach.

And what we have seen when the U.S. has come to Europe, for example – Special Representative Biegun – and met with European leaders, this is something he has stressed, right? What can Europe contribute to the economic rebuilding or the economic development of North Korea in terms of money, but also in terms of expertise. And I think this is key if we're going to see a successful process of moving towards denuclearization, reconciliation between both Koreas, and North Korea becoming a so-called more normal country.

And the last point that I wanted to make for my opening remarks is that what we are looking at in the Korean Peninsula, I think we can all agree, is a lack of trust, right? There is a lack of trust between both Koreas, between the U.S. and North Korea. I think this is quite clear. And goes back for decades. But the international community itself has a lack of trust in North Korea. And I think this is key as well, because one thing that you see when you try to discuss these type of issues in Europe – peacebuilding on the Korean Peninsula, denuclearization of North Korea – admittedly from policymakers what you get is but how will you trust Kim Jong-un? He – North Korea has already signed similar agreements in the past. He obviously wants to keep the nuclear weapons, for his own security. How can you trust him?

And I think what we have to see here, going back to your question about Hanoi and the process moving forward, is that we have to build trust on the North Korean regime. And it think on this particular issue, North Korea obviously has to change its behavior. But more important, that he will have to start with the U.S. and South Korea trying to understand better North Korea. And I think this is something that may be, again, missing so far from the process, because it's a top-down approach. And this trust-building process will involve what I have mentioned before, but also might involve, once we have a third summit, subsequent meetings between the different leaders, trying to understand each other a little bit – a little bit better.

And this is something that I think in Europe we successfully have been doing over the decades. But I think this is something that is missing in the case of the Korean Peninsula, and between the U.S. and North Korea. And I will leave it there for my opening remarks.

MR. CHO: OK. Thank you. Yeah, with the experience of European Union, it seems that maybe you are going back the comparison of the two different approaches of peace. One through denuclearization, so putting the emphasis on denuclearization, and then through which we can have the peace approach. And the other one is denuclearization through peace potentially, huh? So promoting peace or creating some conditions for peace. Then we can expect that at some point we can realize – we can achieve denuclearization. I think on this particular subject we can come back later.

After that, we have Dr. Park.

JIIYOUNG PARK: Thank you, Chair.

I'd like to talk about the denuclearization process, which is critical to the peacebuilding process on the Korean Peninsula. We had previously two nuclear crisis on Korean Peninsula. The first one was in 1992. And we had agreed framework between United States and DPRK after that. and by this agreed framework, the North Korean nuclear program had frozen for several years. But second nuclear crisis had come because of the uranium enrichment facilities closure. And at that time we organized

the six-party talks, but this kind of effort ended without very much significant progress towards the denuclearization.

And after 15 years, in 2017, DPRK conducted its last nuclear test, confirming its nuclear weaponization capability. And the international community once again prefers to sit on the negotiation with the DPRK. And we realized that the current situation is totally different from the first or second nuclear crisis, because North Korea has already completed their nuclear programs. And it's not possible just to simply reverse this situation. But from the first U.S.-DPRK summit, we had a little hope that it might be solved without any detailed plan or procedure. But after the second summit between the United States and the DPRK, we find out that it's not going to be work, and we need more detailed and planned procedure for the DPRK's denuclearization.

From the two summit, we realized that there is a huge discrepancy between the concept of denuclearization between the United States and DPRK. For the United States, the concept of denuclearization is just denuclearization itself, as it is. But for the DPRK, it seems that it's just freezing of detectable activities or dismantling of symbolic facilities. And this is totally different from the denuclearization what we know. So because of this huge discrepancy, we can gloss over everything at once. We should draw the bottom line and we should prepare every calculation.

So we have to think about that. What is allowed for the United States? Last month John Bolton mentioned that the president is determined that neither Iran or North Korea will get deliverable nuclear weapons. So if it's the bottom line for the United States, we are a little bit worried about the term "deliverable," because currently North Korea doesn't have deliverable nuclear weapons towards the United States. But for South Korea, North Korea already has deliverable nuclear weapons. So the – in the negotiation process, consideration about how much South Korea can tolerate about the North Koreans nuclear weapon should be a very – should be considered very importantly. And another thing that we should think about is what North Korea really wants for the negotiation and what is the most urgent thing for the North Korea?

The urgent thing is clearly the economic needs for the North Korea. And but the important thing for the North Korea is keeping their nuclear capability. So we have to think about economic needs overwhelming the importance of having nuclear capability for DPRK. How much trade-off are they ready for the negotiation? And the other thing is the international community's acceptance. We have our European colleague here. And we have to think about that the international community is ready for accept another Israel or another Iran, or maybe are we ready for having another three or four DPRKs in the near future?

If international community is not ready for accepting these kind of conditions, then we have to force DPRK to agree to the denuclearization concept. And if DPRK agreed to accept the denuclearization concept, then DPRK should commit its intention toward denuclearization. It should confirm that there is no further weapons or missile test. And it should confirm that there would be no production of fissile materials. Then commitment for the inspection, dismantlement of weapons, removal of materials, and destruction of facilities should follow – even with a plan. Even without the immediate implementation.

However, this is going to be very – a long process, and it's going to be very painful because the DPRK's nuclear program has been lasted for several decades, and they have – their capability is very diversified. They have uranium production facilities. And uranium itself – for the uranium alone they have uranium mining facilities, uranium refining facilities, uranium enrichment facilities, and have lots

of uranium-related facilities, like uranium hexafluoride production facilities, and they have already have some capability of producing the centrifuges.

For the plutonium production, they have reactors to produce the spent fuels. Also they have reprocessing plants. And they have some – the chemical production plans for the reprocessing. And for the hydrogen capability, they lithium production or tritium production facilities inside their land. So we have to identify all those facilities and have to verify if it's really dismantled or if it's really disabled for the denuclearization. So this kind of process is very long.

And we have a case of South Africa. And for South Africa, it took about two years. And they only have the four years nuclear development program. And they had only primitive uranium nuclear weapons. But for the North Korea, their capability has really diversified. And we have to make inspection over hundreds of facilities. And we have to conduct maybe thousands of interviews and documentation reviews. And because North Korea is closed society, I wonder if they can be allowed – they can allow their people get interviewed by the expert from the outside world. So we have to cautiously plan or design the denuclearization process, and it's going to be a very difficult thing.

And but even it's going to be a very long and painful process. We have to move onto the denuclearization of North Korea. And a key goal of negotiation is reducing tension on Korean Peninsula. And we have to ensure elimination of nuclear program of DPRK. And the approaches of simple maintaining dialogue or negotiation momentum should be avoided, because it's going to be a long process. And the – we have to always emphasize the importance of denuclearization. And we have to put emphasis about the U.S.-ROK alliance and have to really – and we have the same concept and common interest between the U.S. and the Republic of Korea.

And I will stop here.

MR. CHO: OK. Yes, thank you very much, pointing out that there are still significant discrepancies or divergences in the understanding of the basic concept, like even the denuclearization, and also that the denuclearization process will be very difficult, long, and quite complicated.

OK, now so how Dr. Sue Mi Terry, yes.

SUE MI TERRY: Thank you. Good afternoon. Is my mic on? I counted. I'm the ninth person out of two panels talking about North Korea. So I know this is a deadly hour for our Korean guests, so hopefully you'll get through the jet lag. And I'll just try to summarize quickly and answer your question on where we think we are, and where we are headed.

I think no matter what your view is on U.S.-North Korea, since – now it's been an anniversary since the Singapore summit. It's been a little bit over a year. We have to agree that it was disappointing outcome, right? This was not what we thought, even with the best of hopes. And we don't even have the basic agreed up on definition on denuclearization right now, as of today, after a year of – after a year has passed.

That said, the first panel brought this point up, we are seeing some positive momentum. We are seeing some signal – positive signal. So that's a good thing. We have at least first communication between the two leaders since Hanoi. Beautiful letter, excellent letter. And not only that, I think – not only they have exchanged letters, we have also seen – or Kim Jong-un has sent his sister to Panmunjom to send this condolence letter, meeting with the South Korean officials. And so all of this is a positive

sign. And I think Kim did tell Xi Jinping last week that he would be more patient – or he would be at least patient until the end of the year.

So with these overtures to Washington, Kim at the moment, obviously, is pursuing a diplomatic strategy that's based on a combination of charm and coercion in order to bring new life into the stalled negotiations. North Korea's testing of the short-range missiles since Hanoi are not to scrap the talks, but obviously it's to – it's designed to sort of project strength at home and designed to pressure Washington return to negotiations, to build up leverage, and reset the terms of the negotiations.

So Kim was careful to launch short-range missiles, not intermediate or intercontinental missiles. Obviously the message, though, it was a defined message that Kim was trying to send, was to Trump that North Korea can escalate. So U.S. should – it's enough is enough, back down, come back to negotiation in terms that's favorable to North Korea. Now, so contrary to what Choe Son-hui said in that – you know, she said this very ominously and this very hastily arranged press meeting briefing – a midnight press briefing, after Trump took off in Hanoi – contrary to that, what she said, Kim has not lost the will to continue the dialogue with the United States.

Kim does want to separate President Trump from his advisors. That's clear. He does want to appeal directly to President Trump. But he nonetheless wants to deal with President Trump and still – so the path to engagement and dialogue is open. And that's a positive thing. And obviously we've seen President Trump, on his part, is also interested in negotiations. This is why he played down the short-range missiles, directly contradicting his own national security advisor and Prime Minister Abe in Tokyo. So – and he wanted to – he said he's open to third summit, and so on. And so that, all of it, I think is positive.

What we have at the moment are we have both North Korean missile – at least the intercontinental and nuclear missile testing. We have a freeze on that. At the same time, we also have a freeze on U.S.-South Korea joint military exercises. They remain frozen. Secondly, we do have exchange of these letters. They are both speaking warmly of each other. And we have not returned to those days – the dark days of 2017 with the fire and fury and all of it.

So where are we with that? So I do think – given all of this, I do agree with the first panel that interim deal is possible. I think that that's certainly possible. In Hanoi, the United States was reportedly ready to grant a peace declaration to North Korea, open liaison offices with North Korea. So all of that remain in play. Those concessions were ready to be given, but not given only because I do think it was Kim's overreach. You say why did it break – I think it was Kim's overreach of demanding so much of sanctions to be lifted just for Yongbyon.

But all of this still could be forthcoming in the future. So before the end of the year obviously two scenarios are possible. First scenario is what we all talked about today, the interim deal scenario. Third Trump-Kim summit with – but I still think it's going to be a small deal. I don't think it's going to be a big deal, to be honest. But it is still a small, interim deal, since both leaders want to make this happen.

And the second scenario is the muddling through scenario without a return to dialogue. And I think we have to be careful to just all say – you know, I think what David Nakamura said, hey, so you guys all think we're going to have a summit, and everybody raised their hand. But I think we should be careful because we are dealing with an unpredictable U.S. president. And he – one thing he likes to do is to prove everybody wrong. So when all the pundits said that he was going to, you know, give into

bad deal in Hanoi, he proved us wrong. So if we actually want to have a third summit, maybe we should say maybe we don't think they can. (Laughter.)

But so I do think it is possible also, though, that – you know, that we can muddle through for some time. I don't think Kim Jong-un will return – I don't think he will break the self-moratorium that he has on intercontinental ballistic missile tests and new tests, because he did say that he's going to give Trump until end of year. He did tell President Xi that he will be patient until the end of the year.

And so if the first scenario unfolds, and I do think that Kim could offer something on the negotiating table that's Yongbyon-plus, that – you know, we don't exactly what that is. But it has to be more than Yongbyon because it didn't work in Hanoi. Maybe progress on other suspected nuclear facility. I don't think – unfortunately, I do not think Kim will necessarily agree to a timeline or a roadmap to advance the Singapore declaration. I think that's a little bit expecting too much. I certainly do not think that he's going to give a declaration of nuclear and missile arsenal, or its stockpile. But he could offer a Yongbyon-plus, because from Kim's perspective his calculation could be that it is still worth it to him, because he still gets to keep his nuclear weapons and missiles. And this is obviously – has to be for some sanctions relief.

But again, I am concerned about not necessarily getting there, because – particularly because if the Trump administration does not budget on sanctions. And right now we do have a bipartisan legislation that was just introduced recently. That under new sanctions they would cut off from the U.S. banking system any person or entity that is doing business with North Korea. And the Senate is expected to approve that. This is an amendment to the Senate's annual defense bill. So my point is there is a sort of also momentum towards not lifting sanctions. So, again, I think we have to be careful. I think these two scenarios are possible. And it all depends on President Trump, and how much he wants to have that third summit.

So if we don't have the first of the option one, I do think that Kim would have to resort to then plan B, which is a graduated escalation. And I do think we have to prepare for that. And in that second scenario, what that means is Kim will have to gradually escalate, not to violate the moratorium that he has on intercontinental ballistic missiles or nuclear tests, but he can certainly escalate. He can do, for example, a medium-range missile test over Japan, as in August, to continue to pressure the Trump administration if we don't move on the sanctions front. So – and then what will have a sort of a crescendo of provocative actions and statements closer to the end of the year. Again, which scenario will prevail will depend on President Trump and the two leaders.

I had one last comment on the peacebuilding process on the Korean Peninsula. I think the main difficulty will be a timeline and sequencing of that. The challenge is that the necessary condition for peace as identified by U.S.-ROK alliance and the United States are right now unacceptable to North Korea, right? Whether they are verifiable denuclearization, reducing forward-deployed North Korea forces along the DMZ. It's not – this is not what the North Koreans want. But the reverse is true as well. What the North Koreans demand for conditions for peacebuilding are not necessarily what we are ready to give. We've already suspended the U.S.-ROK joint military exercises. But we are – we're not ready to give relaxation of sanctions. We're not ready to draw our U.S. forces down, and so on. So I think that's going to be the difficulty ahead for us.

MR. CHO: Yeah. Thank you, Sue. Yeah. We've heard four panelists, just summarizing their perspectives on what has happened and where we are, and what we can expect from here. It seems that what we've seen, what we experienced in Hanoi, the result was quite very, very unexpected. So we are

seeing that it takes almost four months to see that all the dust has settled down. And just now from the middle of June we see some diplomatic activities are resuming. Some exchange of letters, beautiful letters, between Trump and Chairman Kim. And Xi Jinping's visit to Pyongyang. And next week we will see President Trump in Osaka and in Seoul. And again, having seen that what has been talked about and discussed what happened in Hanoi, we see that there is still a lot more work still we need to do.

And to move forward from here, as far as I can see, what is most urgently needed or importantly needed is to narrow the gap between the approaches between two sides. So far the major emphasis on the North Korean side is that this should be done through phased approach. That what they suggested in Hanoi and that has been adamantly refused by the United States. And that's what they've been asking the United States to reconsider by the end of this year. So on North Korean side, the phased approach is the still maintained basic position. And on the international side, on the other side, then whether we can just keep rejecting any phase by phase elements of the approach and insisting on all or nothing approach. So on this point, I think – of course, and there should be discussions between two governments. But at the same time, on this kind of level, I think we can – we may need some further exploration.

How do you – on this panel, I mean, your ideas on this issue? Some differences between two approach, one phased one?

MR. PAIK: In the morning – in the morning session, the first session, actually, Victor Cha alluded to the need to, you know, understand small deal versus big deal, particularly small deal in the context of big deal. And I think, you know, what happened in Singapore was a big deal – comprehensive package, in other words, bring all, you know, key issues and concerns from both side, and decide on how to give and take. You know, those are all big – all important items in the context of big deal. I think a small deal is a process in the context big deal. And so you know, I agree with Victor in that regard.

And what has to be done to narrow the gap, which was reviewed in Hanoi. I think, again, as I said in my presentation, there is a need to have a full account of what happened – not simply among us, but between the two negotiators, two sides as well, after, you know, a series of summits in Osaka, Hanoi, and the G-20 summit, and also President Trump's visit to South Korea. Plus, the summit talks that already happened between China and North Korea, and the exchange of letters between the leaders. I think there is ample really, you know, period of hopes for resuming, you know, dialogues between the – negotiations between the United States and North Korea.

We don't have to talk about, you know, exactly when third summit will be taking place. What is important is to begin, you know, working-level negotiations first. And that is a natural process of reaching up to, you know, summit talks. And so I'm hoping that both sides, both negotiators, you know, sit together and have a full account candidly and in a problem-solving fashion about what has to be done to understand to narrow the gap, you know, what happened, you know, at the summit.

MR. CHO: OK, thank you very much. You want –

MS. TERRY: I mean, that all sounds great. (Laughs.) I just don't know if that's realistic.

I will also just – I wouldn't necessarily characterize Singapore as a big deal. I think it was an aspirational statement. I mean, it was good that they met. I think we can now see by the fact that we

did not make any progress since Singapore that it was not really a big deal that was able to – I mean, it was not efficient. It was too vague, too aspirational. I agree that I think working level is absolutely important, I just don't think – I'm not sure if that's where Trump and Kim are at. This is why – you know, look at what Kim Jong-un has been doing. Even after the short-range missiles, he's verbally attacking Pompeo and Bolton, but want to directly deal with President Trump. So while we can say, well, this is what we want to see, I'm just not sure if that's necessarily possible.

But I do think what is possible is that because in Hanoi we just – what North Koreans were asking was just too much. It was for majority of sanctions to be lifted for Yongbyon. So we now know what – there is an interim deal to be had. Only thing that Kim has to decide is can he give up Yongbyon plus something more, so at least President Trump can say: OK, I got more out of Hanoi. And here I'm not going to give – you know, lift five UNSC resolution sanctions, but we can get some sanctions lifted. So I think there is some medium space that you could meet. But that takes the will of whether Kim and Trump wants to do that or not.

So I'm not disagreeing. I absolutely think the working level process is extremely important. We saw it in Hanoi, what happens when there is not a(n) agreement that's been worked out. I'm just not sure if that is a realistic thing to expect.

MR. CHO: And really, that is a kind of a phased approach also, right?

MS. TERRY: Yeah. Yes, it is. But you don't have to necessarily call it that, if that bothers people. (Laughs.)

MR. CHO: OK. (Laughs.)

MR. PAIK: Can I just one comment? When I talk about small deal or big deal, or if you have, you know, working-level negotiation, you know, we – the working-level negotiation is taking place in the context of, you know, having, you know, summit talks at the highest level. Not just like, you know, working-level negotiation going on without having any, you know, other goal – not, you know, reaching anywhere. And so this is different. So we have to begin working-level negotiation immediately in order to have, you know, the summit level, so that, you know, they can decide the most important, you know, breakthroughs.

MR. CHO: Dr. Park, a comment?

MS. PARK: Well, I don't see much difference between the big deal and the phased face-to-face approach because if we can agree with the concept of denuclearization then it doesn't matter, for me. And the first thing we have to do is to make trust building that Kim Jong-un should know that this kind of negotiation process or this kind of commitment can last through the administration to administration. If the U.S. government is changed, then it should be lasted. And if the South Korean government will change, then even the change of government doesn't harm this kind of negotiation. And we have to give that kind of trust to Kim Jong-un. And also North Korean side should give some trust that they will not reverse the negotiation as before.

MR. CHO: Yeah, you want to take just a minute?

MS. TERRY: Just a two-finger on that. Again, I just think that's – but how do we do that? How do we make Kim think that it's not going to get reversed when you have President Trump going

back on Iran? They've already experienced this after Agreed Framework from changeover from Clinton to Bush. They continually blame, you know, Bush administration coming in, the initial hardline, for things falling apart. So they've already experienced that. So they are very, very skeptical. They also see what's going on with Iran. So I absolutely take that point, I just don't know how do we then make Kim think we have different administration and it will be all good when they have history that shows them – tells them otherwise?

MR. CHO: Yeah. I think it's now time to turn to – open the floor and have some question and answers. Do you – will you make one comment?

MR. PACHECO PARDO: I will only add two points. One of them, I agree with the point of the need for us to invest in the process. I also think that it is up to North Korea to offer more, because North Korea needs the agreement. The U.S. can live without an agreement with North Korea. Nothing is really going to happen in terms of domestic politics for any president if they don't reach an agreement with North Korea. But Kim Jong-un, he has told his people: You are going to have a brighter future. There is going to be an economic process in which your lives are going to be improving, right, going back to – (inaudible) – et cetera, et cetera.

So he actually at some point – he has been a dictator, but he will have to deliver on the economic front. He is not the first authoritarian leader that has to deliver on this front. So I think that at some point he will have to offer more than what he offered in Hanoi and take less than what he was asking for in Hanoi. And if he's not willing to make that tradeoff, I think it will be difficult to reach an agreement. And the second point – I think Sue Mi raised a very important question, which is how can you make any North Korean government – Kim Jong-un – trust that the agreement will survive the current administration?

And something that I find very interesting is that – coming from the European angle, that when you meet with North Koreans and different officials – I'm not talking about refugees – North Korean officials in different settings, from their perspective the role of the international community, the European Union, the United Nations, et cetera, et cetera, would be to guarantee that the agreement might be able to continue, right? So the example of Iran is very good, because the only reason why the Iranian nuclear deal has not completely crumbled is because Europeans are trying to make it survive. I'm not saying it's going to survive, but at least the agreement is still in place, right? And the thinking in Brussels is maybe the next administration who comes to power, who knows, maybe next year, they are going to revive this agreement or use it as a stepping-stone for another agreement.

And North Koreans have actually raised that issue with Europe. Why don't you not sign the main deal, because that would be the U.S. and North Korea – and the two Koreas, maybe China as well. But you can provide some sort of guarantee that the agreement will survive over a period of time.

MR. CHO: OK. Thank you.

So just to – before opening the floor, just one question from moderator to panel, particularly to Sue and Ramon. It seems that there is a kind of a perception in – maybe even in Europe, or in the United States, that Korean government is lukewarm in denuclearization issue, really focusing more on the development of inter-Korean relations rather than denuclearization. That is not actually true. I mean, nuclear weapon in North Korea is more threatening to South Korea than to any other countries. So how do you think this – why this kind of phenomenon – perception gap occurs? And what would be the remedy to correct that? How do you think?

MS. TERRY: Well, I don't necessarily think everybody thinks that. (Laughs.) It's just that maybe the – it's not that – you know, if some people think that, I don't want to speak for folks who might think that, but it's because – not because South Korea does not care about denuclearization, but because the premium is so much on inter-Korea relationship, regardless of North Korea's behavior. But I think that's something that can be – it is a misunderstanding. I do think – you know, we had this conversation yesterday. I do think it's a misunderstanding. I do think it does – South Korea does care very much about denuclearization. So that's something that just needs to be discussed further. I think it's just if that misperception is there, it's only because we're only looking at the actions of the government, and just it's so heavily leaning towards trying to improve Korea. But I don't necessarily – you know, I think it's more of a misunderstanding. People know that.

MR. PACHECO PARDO: I think in Europe it's that people who understand that denuclearization is key for South Korea as well, and they will make that point. It is true that if you go to maybe more hawkish countries, France very clearly, they think that South Korea doesn't care about the denuclearization. That's the thinking, right? And I think this is because they focus so heavily on the nuclear issue that if you don't share the French position on this case, for example – which is denuclearization, nonproliferation, et cetera, et cetera – you are not – you don't care about nuclear weapons.

But if you go, for example, to Central and Eastern Europe, countries that used to be communist, they say, well, we understand what Korea is doing. And we understand that for South Korea denuclearization is important. But we also went through the process of trying to open up the economy little by little and the process of reconciliation that Korea is trying to achieve. So we understand why this is important for South Korea, not that denuclearization is not for South Korea, but we understand why South Korea would also emphasize this point.

I would add one thing, though, that in the case of Europe if the U.S. and North Korea reach an agreement, Europe is not going to oppose the agreement and say, no, no, no, you have to denuclearize before we remove sanctions, right? So from that perspective, if there is an agreement for North Korea to move denuclearization, I don't see any country in Europe slowing down the process or anything like that.

MR. CHO: OK. Thank you.

We have just 10 minutes now. So we will open this floor to anybody who has any questions or comments. Please raise your hand. Oh, here.

Q: Hi, I'm Bridget Coggins from the University of California and adjunct at the Korea Chair here at CSIS.

I thought that Sue raised an interesting point, which was that Kim should come with Yongbyon-plus. But also Professor Park, you raised an interesting point, which is that a lot of these technical issues or things that have been suggested in the past – like full declaration – are technically absurd things that won't be offered. So have you thought at all – I mean, what advice would you give to the North Korean team about they could offer? What is Yongbyon-plus?

MR. CHO: Do you want to go?

MS. TERRY: Well, I – it could be another suspected facility, right? For example. I think it's unrealistic to expect them to give up on any part of the nuclear warheads or the missiles, which is what we would want. And I also think it would be very difficult for them – for us to get a full declaration, which is what we also want. But if they – it's sort of – you know, knowing President Trump, again, because it fell apart in Hanoi and we said Yongbyon was not enough, it's just sort of the – it's just moving it a little bit forward to show that there is, you know, there's momentum towards – like, we're interested in making a deal, right? So that's why I said – perhaps – I mean, that's – I – that's a possibility. And, again, from Kim's calculation that's OK, because he gets to keep his nuclear weapons and missiles.

MR. CHO: Yes, you want to make a comment?

MR. PAIK: Yeah. And of course, Yongbyon-plus is a good idea, but with corresponding measures from the United States. Otherwise, it will not happen. And, you know, I want to make comments on the perception you pointed out that South Koreans might have a lukewarm position on denuclearization myself. Actually, as Sue Mi pointed out, there is a huge amount of misunderstanding that's the cause, because we, Koreans, are thinking of, you know, national reunification as the ultimate goal. So nuclear North Korea is just a huge obstacle in the way to eventual national unification at a later stage. So regardless of whether a future enunciated or not, there is a consensus among Korean people, and including Korean government definitely, that, you know, there should not be a nuclear weapons – you know, nuclear North Korea in the process of national reunification.

One thing, as a Korean, to point out regarding the misperception and perception you pointed out, you know, there's a tendency among U.S. government governments, particularly among the, you know, conservative governments, that all – you know, you South Korea tried to improve relations with North Korea while, you know, North Korea is an enemy of us. We are allies. So why don't you listen to us, you know, ally's, you know, advice, not trying to do something toward the enemy? That kind of very simple dichotomy persists, in my opinion. But remember, that North Korea is our Korean nation and we have a lot of things to do. In the first place, reducing some tension, as was demonstrated in military agreement recently, and we have other things to do to reconcile between the two, you know, parts of the nation.

And so politically, economically, and let alone in the military area. So I hope Americans will be – pay more attention to the fact that we are Koreans. We have to, you know, think of – you know, South Koreans are thinking national unification eventually. So, you know, that's it.

MR. CHO: OK. Anymore question, comments? Yeah, far behind I can see one. And the next one over there in the corner.

Q: Hi. Yes. I'm Yoo Ni-kim (ph), a recent graduate of Johns Hopkins University SAIS.

And my question is related to sanctions and humanitarian assistance, which has never been mentioned throughout this session. And Dr. Sue Mi Terry, she just mentioned the possibility of sanctions relief, but at the same time she also said the new legislation, this has more strengthened targeted financial sanctions against North Korea. But also at the same time, people keep talking about the dire humanitarian situation in North Korea. And currently the U.S. sanction does not allow even humanitarian logistics access to North Korea. So what's your thought on the possibility of some sanctions exceptions of – for humanitarian needs in North Korea, or a general thought in the context of this peace movement?

MR. CHO: And let's get the last question, and after that I think the panel may respond.

Q: Doug Samuelson, InfoLogix, Incorporated. A little consulting company here in the suburbs.

What do you think about the prospects of persuading North Korea to renounce any plans to export nuclear technology or materials to other parties?

MR. CHO: Export?

MS. TERRY: So yes, good, and yes, good. I think – I think in fact the U.S. government – I think we're ready to give some sanctions relief around humanitarian aid. But that's something that I think was even considered also for Hanoi. That's not a far-fetched scenario. We understand that there is a humanitarian need. United Nations World Food Program just came with an urgent report. And I think there is a willingness for that. We just need to kind of make progress on that. And of course, what you were just saying about – you know, one of the greatest concern with North Korea is proliferation and nuclear proliferation. We know North Korea is a serial proliferator. We know they proliferated everything under the sun, except nuclear weapons. And for us to get them to say that would be important step. But, I mean, again, it's part of the whole negotiation, right?

MR. CHO: You wanted to respond on the humanitarian assistance issue?

MR. PACHECO PARDO: Yes. I mean, just last week we issued a report, the Chair together with a key part from Harvard Medical School, precisely on your point, right? What can be done under the current sanctions regime? We don't even need to remove sanctions, right? And ideas, for example, to implement a comprehensive medical program to – North Korea has a very dire situation when it comes to emergency care, right? So we have seen reports of tourists, for example, dying from accidents which in any other country in Northeast Asia this would not happen because the medical system is much more developed and urgent care is much more developed.

So, for example, in North Korea even ambulances are pretty inexistent, right? And this is something that can be done under the sanctions regime. So I fully – I fully agree with you. And I agree with what Sue Mi said. I mean, this is something the U.S. government has shown interest in this. They are not opposed to this. And if I bring the European perspective, this is an area in which you see pretty much every single European Union member state saying, yeah, this is something we should do. There is also a political component. This way, we show to the North Korean people – not to the regime, to the North Korean people – that we don't have anything against them. We don't agree with your government, but we are happy to help you out as much as necessary through humanitarian assistance.

MR. CHO: OK. Thank you very much. Time is up. And I hope that this session has been some help to raise our understanding of the situation, and together to explore how we can proceed from here. We appreciate all experts on the panel. I think we can give them a big applause. Thank you very much. (Applause.) Thank you for your attention.

(END)