

Center for Strategic and International Studies

“Post-Summit Press Conference Call”

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COLM QUINN: Welcome, everyone, to today's press call on the Trump-Kim summit. I'm Colm Quinn. I'm a director in our external relations team.

I want to thank you all for taking time out of an extraordinarily busy time for everyone. And if any of you are down at the Mall for the Caps' parade, we do just ask that you mute your side of the line.

Let me walk you through briefly the run of show. We're first going to hear from Victor Cha, our Korea chair and senior adviser. We'll then hear from Bonnie Glaser. She's head of our China Power Project and senior adviser for Asia. Following that, we'll hear from Mike Green, our senior VP for Asia and our Japan chair. And then we'll hear from Sue Terry, who's our senior fellow and our Korea chair, before moving to Q&A.

I just want to add that we are recording this call, and we'll also be providing a transcript right after. And AT&T will be handling the queueing for Q&A. Just follow their instructions.

So that's it for me, and I'm handing it over to Victor to give his thoughts on the aftermath of the summit.

VICTOR CHA: OK. Thanks, Colm.

And welcome to everybody on the line. It's probably been a long day and night for everyone. I know I didn't get more than 35 minutes of sleep last night.

I guess I would start by saying that if the bar for success in this summit is war or peace, it's a pretty low bar. We got peace. So in that sense, we're certainly in a better place than we were six months ago when there was a lot of talk about preventive military attacks and armed conflict.

I think overall the optics and atmospherics of the meeting were quite good. The president and the North Korean leader appeared to have established a rapport. Initially it looked as though, in their very first encounter, that Kim Jong-un, the North Korean leader, even spoke some English to President Trump. And you all saw the body language. President Trump tried to act as though he was the uncle to the young nephew, although with Kim Jong-un you never want to be an uncle.

Overall, in terms of the results, you know, my sense is that, on particularly the denuclearization part of it, my sense is that we wanted a lot more going into this meeting in terms of specificity – first of all, some sort of commitment to complete and irreversible denuclearization; some reference to a declaration that would be verified; and some reference to a timeframe, particularly 2020, as a timeline for moving forward this denuclearization process. And, as you all know from the statement, we got none of those things. What we essentially got was a reiteration of past commitments that really didn't even meet the bar of the – previous agreements, the 2005 joint statement, in which North Korea agreed to abandon all nuclear weapons and existing nuclear programs, and return to the NPT at an early date. We got a very broad statement about denuclearization.

In terms of peace regime, it was equally broad. There was not a lot of – there was not a lot of reference in writing to what sort of peace regime we're talking about. Is it a political declaration? Is it moving to terminating the armistice? They referenced the possible normalization of relations, but no specific reference to liaison offices.

And then the odd piece of this at the very end was this reference to POW-MIA remains recovery operations, which I am quite familiar with, because when I was in government I actually did the last POW-MIA's recovery operation in North Korea in 2007. And I see this as a clear sop to the KPA, the Korea People – the Korean People's Army, and perhaps this was important for Kim Jong-n in terms of getting the military to buy into the agreement, even though the agreement was pretty broad and noncommittal.

So going forward, what I think – you know, so that's the agreement. In terms of the process going forward, I think what was produced was what we expected, which is Pompeo to lead a negotiation process to try to implement the very broad statements that were made by the two leaders. It was unusual to me that the North Koreans did not name who Pompeo's counterpart would be in those negotiations. Presumably if it were the foreign minister they would say the foreign minister, or if it was going to be Kim Yong-chol, the number two, the spy chief in North Korea, they would say that would be the spy chief. But they didn't name anybody, which I thought was quite unusual.

And while I think there's a lot of talk about how this is vague and there's no timeline, I think that there is by default a timeline based on some of the things that the president said in the press conference. In particular, he said that he would invite Kim Jong-un to the White House, and he also said that he would suspend what he called wargames or the military exercises between the U.S. and South Korea. So what that looks like to me is that Pompeo will be consulting with Seoul and Tokyo in the region later this week, and then I assume that they would start negotiations right away, because the first real test of whether there is any meat on the bones of this joint statement will be in August, when the United States and ROK will have to make the decision about whether they hold the annual military exercise in August.

I also think that a Putin meeting with Kim will drop pretty soon. Xi Jinping will probably come to Pyongyang at some point. And all of this will lead to, you know, two, maybe three out of the permanent five Security Council members probably calling for the U.N. secretary-general to invite Kim Jong-un to the U.N. General Assembly in September, which would then be the perfect platform upon which to make a trip to Washington and the White House. So my point here is that while there is no specified timeframe, I think the next real test of whether there is anything behind this very vague joint statement will come in the summer months as they try to negotiate a deliverable, you know, with these action-forcing events coming at the end of the summer.

Bonnie and others can speak about the regional reaction to it. Let me just say that in South Korea, as some of you know, there are elections in South Korea today for mayors and governors. The South Korean government seems to be very happy with what came out of the summit. I think they were probably not looking for specifics but were just hoping that it would be a good meeting between Kim and Trump. It wouldn't surprise me if a piece of the negotiation going forward also involving the South Koreans and the Chinese looked more closely at some sort of peace mechanism for the peninsula.

But at the same time, I think the South Koreans and the Japanese were taken aback by the president's statement during the press conference that he was going to suspend the wargames because they cost too much money and they fly bombers six hours from Guam, which uses a lot of gas that costs a lot of money. My understanding is the South Koreans had very little, if any forewarning of that, and so that naturally creates concerns on the part of both allies. While they have the president on a diplomatic track trying to, you know, manage this problem without talking about armed conflict, there

is still this lurking concern that the president really doesn't value the alliances and doesn't value the commitments, the troop commitments which could certainly undercut alliance equities of Japan and South Korea if these things become negotiating chips with the North Korean leader.

So I think, Colm, I'd like to just put those points out there, and I'd be much – I'd be happy to hear what questions people might have. And I know that people are coming in and out, but I'll do my best to stay on the call to fill in any gaps.

MR. QUINN: Thanks, Victor.

I think our next – our next briefer is Bonnie Glaser. I'm not sure if she's on the line just yet. Bonnie, if you are, please let me know.

OK. I think for the – I think we do have Mike Green here. So I'm going to shift over to Mike to give his thoughts. We'll hear from Bonnie afterward.

MICHAEL J. GREEN: Hi. Mike Green. I'm senior vice president for Asia and Japan chair at CSIS, teach at Georgetown, was the senior director for Asia in the Bush administration on the National Security Council staff, and in the six-party talks and Pyongyang talks.

Well, I have to say, I've never seen anything quite like this. It is historic, that's for sure. The substance of this joint statement is what we have to go on, plus a few statements by the president. The actual substance is far less than what was in the Agreed Framework, the Clinton administration struck with North Korea in the '90s, or the Six-Party Agreements the Bush administration struck. In some ways, that may not matter, because North Korea cheated on both of those anyway.

We'll have to see in terms of denuclearization if there's more there than what we've seen so far. Secretary Pompeo is going to follow up. As Victor was suggesting, if we see a declaration from the North Koreans – something they were supposed to do but never did in the previous agreements, were they say, yup, you caught us, here's what we got – X number of missiles, the following facilities – that's the first necessary step in beginning the arduous journey of denuclearization. I don't expect it, but if that's something that materializes, that's a good sign.

I think chances are we're basically back to the same old rodeo with North Korea. The North Koreans have declared they're a nuclear weapons state in their constitution. Kim Jong-un declared that they've achieved nuclear weapon status. They have said they will completely denuclearize, but, you know, that doesn't mean much. They've said that before, and then continued to test nuclear weapons. They know that in the Non-Proliferation Treaty, the United States, Russia, China, Britain, and France all agreed to denuclearize. It's kind of the price of admission in the nuclear weapons club. I don't think it has any value.

But we'll see. It's going to be a long task, if they're willing. And we may know soon enough if they're not. You know, there's another narrative that's emerged from this summit that's separate in a way, that's really disconcerting, and that Victor alluded to. When the president of the United States announces unilaterally to the leader of North Korea that we are going to stop our military exercises with our allies, Japan and Korea, and does not first tell those allies – and I can tell you definitively he did not, they had no idea this was coming. The Pentagon didn't know this was coming. And then goes on to say that someday he'd like to get our troops out of Asia, that's an astonishing development, and

one that will add no leverage for Secretary Pompeo follow-up efforts – quite the contrary. If our alliances are getting weaker and we're not going to do military exercises, where is the pressure?

But on another level, it's a real heartwarming development for Moscow and Beijing, which have wanted to weaken American influence in Asia and globally by having our alliances unravel. And the president of the U.S. seems to be pulling the string to do that. So pretty stunning. It's possible that in the weeks ahead, the Pentagon comes back and says, well, what the president meant was we're not going to have heavy bombers in our exercises, or we're not going to escalate them because we're under a diplomatic process right now. That's possible. But we've not had a president talk about pulling the troops home in over half a century.

And at a time when the North Korean threat – completely undiminished by the way by anything we've seen – and China's military power and coercion against smaller states growing, not to mention Russian and Iran – it's really breathtaking. I think the allies are up late at night trying to make sense of this, whether it's kind of a blip because the president – (audio break) – or whether it actually represents a new direction in America strategy, they will look at this in the context of the G-7 summit in Quebec, and I think be very worried. But, again, it may just be the president, you know, sort of unscripted going off, and that in the weeks and months ahead Secretary of Defense Mattis, Secretary of State Pompeo will do their best to get us back on track with our allies, keep some economic pressure on, see what they can get out of North Korea. But pretty stunning and really unprecedented statement in the history of the U.S. and the world, since World War II.

MR. QUINN: All right, thank you very much, Mike Green.

I'm going to see if I can get Bonnie Glaser on the line. Bonnie, if you are available, please let me know.

BONNIE S. GLASER: I am.

MR. QUINN: Great. If you've got time to give us your thoughts, it'd be fantastic.

MS. GLASER: Great. So I'm just going to add to Mike's remarks – sorry to be a few minutes late – on how I think that China is looking at this summit and what is likely to follow.

The Chinese have wanted to put the issue of U.S.-South Korea military exercises on the table and were unhappy when Kim Jong-un initially announced this freeze on nuclear and missile tests, and I believe actually encouraged him when Xi Jinping met with Kim Jong-un to put this issue of the freeze of exercises back on the table. So it's a win for China to have these exercises ended.

It's also notable that President Trump said that South Korea and China will have a role in the peace-treaty negotiations. The Chinese will certainly be reassured to hear that. It was absolutely astonishing to hear President Trump refer to these military exercises with the South Koreans as war games, as provocative, using language that is very much out of Pyongyang's playbook. And when Trump said I want to get our soldiers out, I am sure that that is music to China's ears.

So I think that this is really a win for China in many ways. When the negotiators begin to talk, as the president said, that Secretary Pompeo will be leading these talks, I think that the Chinese, whether they're at the table or not, are going to demonstrate that they continue to have influence on North Korea.

The last thing that I would say is that President Trump referred to China loosening up the implementation of the U.N. sanctions along the border. And he did so in a way that he expressed understanding for that decision by Xi Jinping, or just the fact that it is going on, and the Chinese are looking the other way, which may be just as likely. And so China is getting a pass for already stepping away from the maximum-pressure strategy.

So all around, I think that the Chinese are going to be happy with the outcome of this summit. The likelihood, of course, of a military strike has receded, and the Chinese can see that there will be a process that will go on in which their interests are less likely to be damaged, frankly, than they feared might happen a few months ago.

I would not be surprised if we see Xi Jinping going to Pyongyang soon. He's probably going to want to get a readout from Kim Jong-un himself, his impressions and his discussions with President Trump. So I think that this improvement in China's relations with North Korea will continue.

MR. QUINN: Thank you, Bonnie. Thanks very much.

We are – our next speaker is Dr. Sue Mi Terry, who's a senior fellow and our Korea chair. I believe she is running a little late. So what I might do in the meantime is just going to pause for a moment, and she should be on in just a couple of minutes.

MR. CHA: Colm, why don't you just open it for questions?

MR. QUINN: We can do that. Might get a little notes, but if there's a couple of questions that people want to go with, we can do that. And then Sue can pop in whenever she's ready.

OPERATOR: Thank you.

(Gives queuing instructions.)

And our first question will come from the line of Guy Taylor with The Washington Times.

Please go ahead.

Q: Hi, guys. Thanks so much for doing this; really salient thoughts so quickly.

My question is just to jump on what Bonnie was saying about China's view of the developments. How likely do you think it is that China will actually step further away from the maximum pressure strategy and sort of seize on the last few – these developments as an opportunity to begin really actually pushing for the removal of U.N. sanctions?

MR. GREEN: I don't know if Bonnie's still on. It's Mike Green.

You know, Napoleon had this saying that when your enemies are making a mistake, get out of their way. And I think on a strategic level that's how Beijing is viewing this. They want a seat at the table. They will, as Bonnie said, probably step up their engagement with Kim Jong-un, who was isolated and could not meet with Xi Jinping, his erstwhile ally, until the president of the United States did. But China's going to want a seat at the table. They'll step forward.

But I think on sanctions they will back off. They have an alibi now to back off. And they also are out from under the shadow of sanctions themselves because the administration's new sanctions authorities introduced in September last year would have allowed the Treasury Department to do sanctions against Chinese companies that were helping North Korea violate Security Council resolutions. That now seems unlikely. So the pressure's off China. I think they'll bring the pressure off North Korea. We already see evidence of that, refueling at sea and things like that to help the North Koreans get oil.

On the strategic level, though, the statement by the president of the United States that someday he'd like to get our troops out of Asia, that he unilaterally cut a deal with Kim Jong-un stopping our military exercises without talking to our allies, that is just music to Beijing's ears because it paints a picture of a president who is willing to cut out our allies. And the future China would like to see in Asia, quite clearly, is one where the U.S. and China cut deals without Japan, without India, without friends like Taiwan. And this creates that possibility, I think. And the reverse would be true in Tokyo, in Taipei and Seoul, in Canberra, where allies are wondering what else of our interests and our equities will the president put on the table to get a deal, not only with Kim Jong-un but maybe Xi Jinping.

So the larger geopolitical or diplomatic game that China's playing would lend the Chinese to look at this in a very positive way in terms of how much the U.S. is willing to stick with – well, what the president himself articulated, a free and open Indo-Pacific where we stand by our allies. We didn't in this case, or it certainly seems that we didn't. So I think the Chinese will view that as an opportunity. If the president suddenly reverses course and starts getting hardline on the North Koreans because they're not delivering, maybe this will all change. He does change positions, as we've seen. But for now I think the Chinese see opportunity.

Q: Thanks.

OPERATOR: Thank you.

(Gives queuing instructions.)

We have a question from George Condon from National Journal. Please go ahead.

Q: Great, thanks. I have a narrow question and a broad question.

The narrow one, the president made so much about the personal relationship with Kim, and praising him, and almost gushing about him. Is there any way of speculating whether that's in any way likely to be returned by Kim, whether that's important to him?

And, secondly, the broader question is, can you talk about whether there's any danger in basing diplomacy so much on you feel for the other person, your personal relations with them?

MR. CHA: Yeah. So this is Victor.

Yeah, I mean, I think in terms of the personal chemistry and the dynamic, you know, the two leaders hit it off. The president was very gracious. Donald Trump never has a bad meeting, so the president was very gracious. The North Korean leader, from what I could tell, was speaking Korean

honorifics to Trump, which I'm sure someone explained to him, which he probably thought was a big deal.

You know, so how will this be reciprocated? So, when Donald Trump goes to Pyongyang, Kim Jong-un will treat him really nicely, but he'll still keep his nuclear weapons. So yes, I mean, I think it'll lead to a nice dynamic.

The one thing I will say, I mean, you know, I don't – you know, everybody – it's easy to piss on all this stuff. The one thing I will say is that, you know, he has pierced the bubble of the North Korean leaders' isolation. And when they're isolated, there are no costs to what they do. You know, by piercing this bubble, you know, by his going to Singapore, doing the walkabout, you know, all these meetings and more meetings to come, you know, in a way, whether he's meant it or not, Donald Trump has created audience costs for the North Korean leader that he never had to bear before. Now whether he really cares about this or not, it's hard to tell. But he seems to – you know, he seems to want to be in the outside world. He seems to like it. So there is that.

And I'm sorry, what was the second part of the question?

Q: Just more generally whether there's any danger in putting so much on the personal relationship in diplomacy.

MR. CHA: I mean, it's fine – it's fine if there are personal relationships in diplomacy. Indeed, it's even required if you're talking about major agreements. But, you know, they are – one could argue they're necessary but not sufficient. I mean, that personal chemistry needs to be buttressed by serious high-level substantive negotiations that are ongoing and that are authoritative. And you know, presumably these will go forward with Pompeo. But again, it bothers me that the North Koreans did not name his counterpart and that, you know, there is no specified timeline – although I said in my remarks I think there is a de facto timeline at least through the summer and the beginning of the fall.

MR. GREEN: You know, the question of a personal relationship and whether investing in a personal relationship will pay off, I think if you ask Justin Trudeau or Emanuel Macron two months ago, it's yes, investing in a personal relationship will pay off. Maybe Kim Jong-un should call them for advice.

I think Victor's right about cost. The one positive thing you could say about the summit is that Kim Jong-un has a lot of incentive to keep this bromance going. There's not a lot of fine print in the statement. There's much less fine print than there was in the six-party talk statements or the Agreed Framework in the '90s. But Kim Jong-un now has an incentive to behave for a while and to give some symbolic gift. You know, maybe he will, as we've heard, shut down one of the rocket testing sites. It probably will not be something that's crucial to his program, but you could say that this bromance, since it gives so much to Kim Jong-un, is one he'll want to continue. He'll behave. He won't cancel out. He may give symbolic things.

But as Victor points out, he's not giving up his nuclear weapons, because to continue this he doesn't have to. He doesn't have to. The president's already made clear it's going to be a long process and the president's letter to Kim Jong-un was all about the relationship and the chemistry, not about the deliverables and the concrete steps towards denuclearization. But you could say on the positive side at least Kim Jong-un will behave a little better for a while and give maybe some smaller things, which is better than war, but it's not denuclearization.

MR. CHA: Yeah. I understand that, you know, if – I mean, the lowest bar that you can set for a summit is, well, at least it didn't take us to war. And so you can credit the summit with that. But you know, this is really – it's a band-aid, right? I mean, it's really a band-aid right now so that we don't ratchet up into crisis in the summer and then, you know, we'll see. I think by the time we get to August/September, we'll really see if there's any there there. In the meantime, I think the South Koreans are going to move very quickly. They're going to move forward very quickly to try to do more inter-Korean engagement. The fact that there was no talk about sanctions at all in the joint statement, and Trump said that they're going to continue the sanctions, signals to me that there will be liberal use of the humanitarian carveout within the U.N. sanctions regime to get aid to North Korea and then all the unreported stuff that China will do. I mean, Bonnie referred to the stuff that China will do.

MR. GREEN: Can I just say one other thing on this? I mean, Victor and all of us agree, we're in a weird place. We certainly don't expect concrete steps towards denuclearization, but maybe we'll be surprised. But we're in a better place than when we were talking about war six months ago. On the other hand, the reason we were talking about war six months ago was because the White House, the president and his team were threatening fire and fury, military strikes. There was talk in the Pentagon of a bloody nose. It was Donald Trump who put war on the table. And if you look back to January and February – a bit of an unpleasant time maybe for Victor – but in things that I said in Senate testimony, our boss John Hamre said, Victor, Sue Mi Terry and others said, most experts who follow North Korea, talk of war was not the right way to go. We didn't have the ability to locate and destroy all of the targets we needed, we didn't know where all their stuff was, and if North Korea retaliated with the echelons – we were talking tens of thousands. If they used their chemical, biological, or nuclear weapons, we're talking millions. There was not support in Congress for a military strike. (Inaudible) – Japanese put a brave face on it, but privately were urging caution.

So it is good we're not talking about war, but it's worth remember we were talking about war – the developed world was talking about war. And a lot of us at the time were saying, look, a better approach is to use the pressure that the administration built, to its credit. The September sanctions, financial sanctions, were the most sweeping ever. The implementation of a crackdown on North Korean financing around the world was going well – use all that to contain the problem, to work towards reducing the threat.

The president has cashed it in instead in this summit, which will make it hard to redeem again. If the North Koreans don't comply, don't denuclearize, if we don't see concrete steps early on, it will be much harder now to go back to any of that. Talk of war will be less credible, sanctions will be harder to reassemble on the international stage, China will be harder to get back on board.

The president has put in the water the scent of American alliances coming apart, of American withdrawal. We will have less leverage if we have to go back to that hard line. We probably shouldn't have talked of war in the first place. We probably shouldn't have squandered the coalition that we put together, and I think that history is kind of worth remembering because it is better we're not talking about war, but we were once talking about war, and I'm not sure it was credible at the time.

Anyway, a little bit of history. You know, we talk about the importance these days. Even six months ago matters.

Is Sue on?

MR. QUINN: Yes, Sue is here.

SUE MI TERRY: Yes, hi, I'm on.

MR. GREEN: You are up.

MS. TERRY: Oh! Well, what have you guys been talking about? I mean, I don't want to repeat myself.

MR. QUINN: Oh, just, you know, the weather, the Caps' parade, things like that.

MR. GREEN: We've talked about the allies' reaction.

MS. TERRY: I'd rather take a question because – I mean, I don't want to repeat everything that Victor and Mike said, and I'm –

MR. QUINN: That's great. That's good. We can do that. We can take the next one.

OPERATOR: Sorry, did you want to take another question?

MR. QUINN: Yes, thanks, Lisa.

OPERATOR: OK, thank you, and that comes from Michelle Nichols with Reuters.

Q: Hi. Thanks for doing the briefing.

A question for Victor: you mentioned Russia and China possibly eventually pushing Guterres to invite North Korea to UNGA – technically didn't really need an invite, but do you think that Kim Jong-un would want some sort of public declaration from Guterres saying please come to UNGA?

And also, how do you see the verification side of this playing out? What do you think we might see and what might North Korea agree to?

MR. CHA: So in your first question, you said he doesn't need an invite. I mean, on the other hand, I'm sure he would be happy to get one. This would be sort of the ultimate in the – as Sue said – the image makeover of North Korea to be standing in the U.N. General Assembly chamber address the community of nations.

In terms of verification – you know, so far what we've got from the summit and the statement is not verification. We don't have the word "verifiable" in the document, which I think we were trying to get. And, as I said, we didn't get 20/20 in the document.

But even before verification is just the issue of a complete and full declaration. I mean, this was where the last agreement in 2008 fell apart because the North Koreans refused to give a declaration – a true declaration because the next logical step was verification by the IAEA.

So, I mean, one of the things to me that is disappointing about the summit is, you know, we pushed for a meeting with the number two in the Oval Office, the president travels 10,000 miles to meet the leader of North Korea, and we couldn't get what would have been the next logical step in the

succession of agreements with North Korea, each of which have reached an endpoint, but the next agreement sort of took us to the next step. And so if you are – it's workman-like, but you know, with North Korea it's like chipping away at a mountain.

If this – you know, if the two – if the leaders had met and the purpose was to actually get to that next step, a commitment to a full and verifiable declaration, then that would have been a good sign. You know, we don't have that. And I would imagine that's going to be the number-one issue on the docket when Pompeo starts his negotiations, you know, a week from now, or two weeks from now, because we cannot negotiate over denuclearization until we know what they have. Now, we ourselves have a pretty good idea, but still the North Koreans have to fess up to that if we're – if this going to be, you know, anything near serious.

OPERATOR: And next we'll go to the line of David Smith with The Guardian.

Q: Hello. Thanks for doing this.

I'm just focused on one relatively minor detail, but I'd love your opinions on the video, it was done in the style of a movie trailer, that was played before the press conference. And President Trump said he actually showed it to Chairman Kim on an iPad. I just wondered what you think that video was trying to achieve, and how successful it was.

MR. GREEN: It's Mike. You know, sometimes it seems that Donald Trump thinks history begins when he makes first contact with an issue. And he brings to this his successes in the private sector. I think he put together big deals with very little or no money down by leveraging other people's money. In this case, he's leveraging Japanese and Korean security interests. And by showing a fancy video, as you do in real estate development, to get your investors to imagine the building or the theme park, or the complex you're going to – you're going to – you're going to build and put your name on. And it certainly has that feel.

And I think the videotape is probably something he learned to do in building Trump Towers and real estate around the world. It's what you do. You get investors excited by showing them what it would look like. It shows pretty much zero understanding of how the North Koreans think about the economy, which is, you know, at most perhaps a Potemkin village-like availability for the elite to go to McDonald and Starbucks. But basically, they want access to cash. They don't want to open up to investment, because they can't handle it. They can't handle the influences, the information, North Koreans having their own access to money and information. They want to open up enough to get the appearance and experience of being a rich country for the elite, and to get cash.

And there's no indication – in fact, the North Koreans rejected Secretary Pompeo's proposal that we would invest in North Korea. So it was, you know, Donald Trump applying what he did in business to diplomacy. It probably showed Kim Jong-un that Donald Trump wants a deal. But it's not the deal Donald Trump's thinking, I suspect.

Q: Thank you.

OPERATOR: Thank you.

(Gives queuing instructions.)

We have a question from Elias Groll with Foreign Policy.

Q: Hey. Thanks for doing this call.

I'm wondering if, Victor, you might be able to elaborate, or other folks on the call, what you're anticipating in the short term on the economic front. What kinds of moods are you expecting from the South Koreans in terms of their relationship with the North Koreans? And then what actions are you expecting on the northern border? How do you expect the Chinese to move in coming days? What are you expecting from the Russians in terms of their trading relationship with the North Koreans now in the aftermath – the immediate aftermath of the summit?

MR. CHA: So I'll just talk briefly, because I have to get off in a second, and then I'll turn it over to Sue. So I think in terms of the South Koreans, you know, as a result of the April 27th summit, they've already, like, prepositioned and started looking at Kaesong again. They can't reopen it, because it's still, as you know, under U.N. Security Council sanctions. They may try to finagle some kind of humanitarian carve out, although with Kaesong that's going to be – I mean, that's going to take a lot of imagination. Certainly, you know, food and fertilizer and rice are likely to be coming forward. I think we're seeing in commercial satellite imagery that there's already – there's, you know, ship-to-ship transfers from the Russians to the North Koreans. We're trying to get more satellite imagery at the Sino-North Korean border to get a sense of if the customs areas are now busier than they were, you know, six weeks ago.

But, yeah, so that's – I've got to run now, so I'm going to turn it back over to Colm and to Sue.

MS. TERRY: I think also what we're going to see is loosening of implementation of sanctions. We've already begun to – we saw that with China after Xi Jinping met with Kim Jong-un twice. We've been seeing reports that North Koreans' – the seafood are showing up in the Chinese markets. There are – Chinese restaurants are now reemploying North Korean workers and so on. So I think what's going to be truly difficult is to continue this on the sanctions front in terms of implementation, particularly from China and Russia.

MR. GREEN: And just quickly – it's Mike – I think you'll find the dynamic now where Russia, China and South Korea are tripping over each other trying to get in the door to be able to have the most influence in this process, with an American president who moves on his own. And to do that, they're going to have to buy Kim's good will. So there will be – there will be a lot more coming. The South Koreans will have the hardest time, because they're going to be most faithful to the law and spirit of the Security Council resolutions, as Victor pointed out.

Q: Thanks.

OPERATOR: Thank you.

We have a question from Rebecca Kheel with The Hill. Please go ahead.

Q: Hi. Thanks for doing this.

A specific question and then a broader question. The specific question is, how do you think the announcement to cancel joint military drills compares to the decision in 1994 to cancel the Team Spirit exercise? And then the broader question is, in the pre-summit briefing you did, you guys had talked

about a sort of best-case, worst-case, middle-case scenarios. On that scale, how do you think the results of the summit played out?

MS. TERRY: Well, in terms of the military exercises, I think honestly South Korea, even though we didn't consult with South Koreans, I think South Korea will be OK with the news, because they're just so, you know, out and up front about in terms of just getting – you know, making progress with North Korea. So I think it's an easier sell to South Korea.

I think Japan – I mean, I will let Mike speak to what Abe might think about this. (Laughs.) I'm sure they're more concerned coming out of Japan.

You're asking – I'm sorry, the second question. I think the medium – I think this was not the worst as I expected, because I was truly afraid that President Trump was going to conclude or agree to something like a peace treaty. But, then again – I'm sure you guys have been discussing this whole time – we really got nothing out of it. This statement was just completely aspirational. There was nothing concrete. There's no declaration.

I don't even think there's a definition, an agreed-upon definition, because I – on denuclearization – because I'm still seeing denuclearization of the Korean Peninsula versus North Korea unilaterally dismantling their nuclear-weapons program.

But what truly concerns me going forward is I keep hearing President Trump, while he's at the press conference, talking about the troops. Why does he keep talking about U.S. troops when we have not gotten a single thing out of North Korea yet? He said I want to bring our boys home. This, you know, is costly; it costs. So all of this talk is like almost conceding to North Korea without having gotten anything. So that does concern me going forward, the fact that President Trump repeatedly talks about U.S. troop presence in South Korea.

But at least as far as joint statement goes, I guess this was sort of the medium outcome. It's not the worst, because it's not agreed to a peace treaty or – you know, but it's not, you know, obviously optimal, because we didn't get any kind of concrete – anything concrete out of North Korea, including a timeline or agreeing to some sort of – you know, that they will provide a full declaration of all their nuclear program.

MR. GREEN: You know, in 1994, when we took a pause in Team Spirit, it was carefully coordinated with our allies beforehand. This came as a complete surprise to Japan and Korea and the Defense Department, and against a backdrop of the president of the United States saying that he wants to pull our troops out of Asia.

So I think it has ripple effects that are going to be felt as far away as Canberra and even in London and Bonn. And that is because the president has not moved off of this theme, that he thinks our allies are ripping us off and he wants to pull back.

The Japanese are going to put a brave face on it. Prime Minister Abe has invested a lot in his relationship with Trump. He cannot show panic. He cannot show daylight with the president, politically at home or vis-à-vis the Chinese and the North Koreans.

The South Koreans, I think, are unified in their hope for peace and in their relief at no longer be in the mode of talking about bloody nose and war and “fire and fury.” But I disagree slightly with Sue,

perhaps, because I think the South Korean public is somewhat divided, and the business community and conservatives are going to be very, very worried about this.

In 2003, when Roh Moo-hyun became president of South Korea, he made noises about the U.S.-Korea alliance, about criticizing the U.S. and so forth. And Moody's downgraded Korea's sovereign debt rating, and it was because of the investors' fear that the U.S.-Korea alliance might come apart, leaving South Korea exposed and much less political stability. And I think Moon Jae-in will remember that. He was chief of staff at the time. And I think this is going to unnerve the South Koreans quite a bit.

As Sue points out, they're more amenable, especially the current government, to, you know, compromising with the North than the Japanese are. But I think, you know, the way this happened, without consultation and against the backdrop of saying I want to pull out, I think is going to be pretty unsettling, not just in Northeast Asia but globally. Unless, you know, it's walked back, and we'll see what Secretary Mattis and Pompeo (read in ?) the president's view in the coming weeks. It was ad-libbed. It was – it was unilateral. It was not part of the plan. Maybe it gets walked back.

MS. TERRY: Per Mike's point, just to clarify, Mike, it's absolutely true. What I was talking about when I said they would be more amenable, I was talking about the Moon Jae-in government, the current administration, not the whole South Korean society. (Laughs.) It will be very divided. The conservatives will be, you know, freaking out about this. So I was just specifically talking about the Moon Jae-in government.

MR. GREEN: Yeah.

MR. QUINN: All right. I think we can go on to the next question.

OPERATOR: Thank you. And that comes from Howard LaFranchi with the Christian Science Monitor.

Q: Hi, yes. Thanks so much for doing this.

Mike, I guess I'd like – you used the word “weird” a couple of times describing a couple of the developments. And I'm wondering – and maybe in a weird sort of way, I'm wondering if you see that it seems that the – what was supposed to be the denuclearization summit kind of ended up being the confirmation of North Korea as a nuclear power. And I'm wondering, you know, how you see, you know, that question of North Korea's nuclear status, you know, where it comes out, you know, at the end of this.

MR. GREEN: Yeah, I think that, as a matter of declared U.S. policy, international law, Security Council resolutions, there will be no formal acceptance of North Korea as a nuclear weapons state. But the North Koreans for the time being are after a de facto acceptance of their nuclear weapons status.

Nothing has been more important to them in that context than getting a summit with the president of the United States. I was in Pyongyang in October 2002 with a delegation representing President Bush. The North Koreans confessed to us that they were secretly developing uranium enrichment, which was a violation of the agreement they had with the Obama (sic; Clinton) administration. And they told us: You have to renegotiate, basically. You have to give us more. You

have to end your nuclear umbrella, pull troops out of South Korea and Japan, end economic sanctions. And, they said, we'll only believe it when you have the president of the United States meet with the dear leader. And they thought before that, in 2000, that they might get Bill Clinton. Bill Clinton wisely pulled back, realizing how risky it was. They've been after this for some time to show their people and the world that as they have declared themselves a nuclear weapons state, far from being isolated, they've been feted by the American president and the world community.

So the signal this sends – and that, by the way, is how our allies, especially in the neighborhood, are going to – are going to look at this. South Korea maybe not as much, for the reason Sue said. The Moon Jae-in government is very hopeful. But I think the rest of the region privately – they won't – governments have learned not to publicly distance themselves from Donald Trump, but privately, I keep telling you, you don't have to scratch much beneath the surface to see that far beyond the Korean Peninsula, in Japan and Singapore and Australia, they are – they're questioning whether we have just basically handed North Korea de facto acceptance as a nuclear weapon state. Even though that's not our declared policy, even though we say we want CVID. If we don't actually hold their feet to the fire to get it, I think a lot of people – including and especially North Koreans – will argue, one, you just kind of de facto accepted them and their nuclear status.

MS. TERRY: I'm sure Victor said this. Didn't this whole – when you have been watching the last 24 hours, this whole Singapore meeting, didn't it look like a big coming out party for North Korea as the world's newest nuclear weapons state? I mean, that's exactly the narrative that they are going to say. That's the domestic narrative at least for North Korea. But even internationally, that's at least what it appeared to me. And I think that's – I think that's exactly right. I think we already – you know, we might not say it as a policy, but they are a nuclear weapons power. And we just threw a big event for Kim Jong-un. (Laughs.) And he just had a, you know, good old time the last 24 hours. So I just think, you know, it is sort of already – the world's already recognizing North Korea as a nuclear weapons state, whether we say it – say that's our policy or not. I think that's pretty clear. I mean, all the images coming out of Singapore, that's what it appears to be.

Q: All right. Thank you.

OPERATOR: Thank you. Our next question comes from Jonathan Broder with Newsweek.

Q: Yes. Again, thank you for doing this.

I'd like to just talk a little bit about South Korea. You painted a portrait I think, and correct me I'm wrong, of a country that got basically blindsided by Trump's announcement that he's going to cancel the military exercises. But yet, a country that is so eager to – for rapprochement with North Korea that they – it sounds like they're going to overlook this. Could you talk a little bit more about just the pros and cons of this agreement for South Korea?

MS. TERRY: OK. So I think what Michael is trying to say, and I agree with him, is I do think South Korea is blinded by this. That means Moon Jae-in government was surprised by this, because we were not – this was not, you know, pre-decided or coordinated. But President Moon, you know, for the reasons I talked about earlier, because he's so committed to this process and moving the ball forward in this engagement and negotiation process, I think he will understand this. And in fact, there are other times that South Korea has floated the idea of cancelling the joint exercises, or at least suspending the joint exercises. Even last year, when all these provocations were going on.

But there's a difference between just the Moon Jae-in administration and the larger country, because the country is still very divided. There's the conservatives. They're now out of power. But they're not going to be happy with this, because they are – you know, they want to have exercises. And they are not going to be happy that this was not coordinated – this decision was not coordinated in advance. They're not happy that, you know, we got practically – the U.S. got nothing out of it, and this was just an aspirational statement. It's just that Korea is just – Korea as a society is still very divided. But that's different from the Moon Jae-in government who wants to move forward. And this would not be a hard sell to the Moon Jae-in administration, why Trump decided to cancel the joint exercises.

MR. GREEN: So, Mike again. If I could add to that. The Moon Jae-in government is a government on the left. President Moon's chief of staff, a man named Im Jong-seok, was the head of the all Korea Bolshevik student union. Several of his senior officials were student protesters in the '80s against authoritarian conservative military governments in South Korea. Their worldview was that the whole North Korea threat was just an excuse for the conservatives to repress them and prevent them from exercising freedom of speech. They came to power and learned North Korea is not the shining, misunderstood country they thought. But at some level, they still do harbor this belief that the North Korean threat's an obstacle to progressive, you know, agendas in South Korea. And so there are those in the Moon Jae-in government who, you know, would like in an orderly way to have the U.S. and North Korea not confront each other, to open up North Korea. That's for sure.

But in the South Korean public, although they're divided, the vast majority of South Koreans are strong supporters of the U.S. military presence and are deeply skeptical about North Korea. And when Kim Jong-un and – well, when Moon Jae-in, the president of South Korea, you know, was the catalyst for shifting this whole discussion from war, which all South Koreans opposed, to peace, he was the man of the hour. Now he is finding, I think, that he's not driving this train; that when President Trump said he'd like to get out of South Korea and announced, without talking to the South Koreans, we're going to stop exercises, I think it will probably show a lot of South Koreans that they're – they're not in control of their destiny anymore. They thought they were when their leader, Moon Jae-in, turned this from talk of war to talk of peace. But now they're finding, with this summit, that some of the things they need and count on, like alliance and U.S. military presence, are not as solid as they thought.

We'll have to see how the Korean media and polling goes with this. There will be some euphoria about peace, but I suspect at the same time deep anxiety about what President Trump attempts to do with our security commitment to South Korea. It'll be really interesting. It's uncharted territory. We'll just have to see where the editorials and the public opinion polls go. I think it will be mixed, but I think there will be a lot of anxiety for a lot of Koreans.

MR. QUINN: OK, I think we have time for one more question. I'm sorry for other people who have been on the line, but I do want to be respectful of our experts' time, so I can just take one more.

OPERATOR: And that comes from Zhao Frank (sp) with China Daily USA.

Q: Hi. Thank you. Thank you for doing this.

I have a question for Mike. Michael, you attended the –

MR. QUINN: Frank, Mike has just jumped off. So if there's more of a general question, or something for Sue, perhaps, that'd be great.

Q: OK, good. Is Bonnie there? Bonnie?

MR. QUINN: It looks like Bonnie has jumped off too. Sorry. People are – people are running in and out at this –

MS. TERRY: Yeah. I have to run too. So if there's a quick question, I can answer. Otherwise I have to run off.

Q: OK, a very quick question. You know, long before this summit, China had proposed a kind of dual-track approach. You know that, a dual-suspension initiative. That's an initiative that requires the DPRK to halt nuclear and missile activities in exchange for the suspension of the U.S.-ROK wargames.

MS. TERRY: Right.

Q: So do you think – what do you think is the relationship between China's proposal and the outcome of this summit? Would you comment on –

MS. TERRY: A very – yeah, I think there is a very close relationship. I'm even wondering – you know, to be honest, you know, Kim Jong-un has told Moon Jae-in a few months ago that he was OK with joint exercises. And then he went to – and met with Xi Jinping. And the second time he came back, second time after he met with Xi Jinping, he came back and that he raised it as an issue, the joint exercises.

So I think there was a conversation between President Xi and Moon Jae-in. And this ask that – not Moon Jae-in; Kim Jong-un – this ask that Kim Jong-un made to President Trump, and has even made it to the joint statement – not joint statement, but President Trump has agreed to canceling exercises. I do think this is President Xi's ask, at least in part.

So I think it's very – there's a very close relationship, to answer your question. I'm not even sure if this was entirely Kim Jong-un's idea. I suspect, actually, this was Xi Jinping's ask, because this is exactly what China wanted.

Q: OK, thank you.

MR. QUINN: OK. Well, folks, that's all we've got time for today. I'm sorry for people who were in the queue and weren't able to (meet ?) their questions.

I really want to thank you all for taking the time out of your day to participate in this call. We will be providing a transcript for this call later on this afternoon. Please check your inbox for that, and also it will be on CSIS.org.

I want to thank you all again for joining, and we will see you on the next one.

(END)