This is the published version:


Available from Deakin Research Online:

http://hdl.handle.net/10536/DRO/DU:30018080

Reproduced with the kind permissions of the copyright owner.

Copyright: 2008, The Authors
The Rise of China and South Korea: Sunshine and Beyond

David Hundt

School of International and Political Studies, Deakin University, Melbourne

While China’s re-emergence at both the regional and global levels has attracted much attention, a less discernible development has been South Korea’s bid to adopt a more robust foreign policy. For the decade following the establishment of bilateral relations with the mainland in 1992, South Korea viewed China as a valuable partner that could facilitate its foreign policy goals. Although differing in ambition and capacity, in several respects—their preferred methods of resolving the North Korean nuclear crisis, their expanding trade and investment, and their scepticism about Japanese intentions—the regional perspectives of China and South Korea proved to be highly complementary. However, closer ties with China complicate Korea’s relations with the United States, whose regional leadership China is beginning to challenge. In light of the adverse impact of the rise of China on the Korea–US alliance and other developments (notably the dispute involving the Goguryeo kingdom), South Korea’s views of China have cooled. This paper traces the Korean debate about the rise of China and its implications.

Introduction

The Korean Peninsula has long been a venue and object of rivalry among the great powers of the Asia–Pacific.¹ China and Japan, Korea’s neighbours to the east and west respectively, have used the peninsula to launch bids for regional dominance on numerous occasions over the millennia. In more recent times, the peninsula served as one of the main theatres of the Cold War. Both the United States and the Soviet Union succored client states on the peninsula after 1945, setting in train the division of Korea that endures to this day. The peninsula has consequently witnessed the emergence of great powers, the most recent of which is China. A complication surrounding the ‘rise of China’ is its impact on the extant regional order, whereby the United States—an extra-regional power—exercises leadership by dint of its decades-long system of bilateral alliances. This ‘San Francisco system’ of alliances includes the mutual defence treaty signed with the Republic of Korea (ROK, South Korea) in 1953.

The ROK is one of the most successful third-wave democracies that emerged in the 1980s. South Korea also has, over the past four decades, recorded some of the most rapid and sustained rates of economic growth in the world. Moreover,

¹ I am grateful to two anonymous reviewers for their suggestions on how to improve this paper.
the South has developed substantial soft power resources via its filmmakers and television producers. These elements of Korean society accord with the ‘package’ of values that the US has promoted since the end of World War II. However it is a final component of the ROK’s quest to join the ranks of the world’s foremost states—an independent foreign policy—that has caused some disquiet in Washington. In particular the pursuit of what Kim Dae-jung termed the Sunshine Policy has put strain on the US alliance.

The Sunshine Policy set aside the political differences between the Koreas. An article of faith—and indeed a founding principle of the ROK’s Constitution—was to deny the North’s existence as a separate state and as a mode of political organisation that was distinct from the South. For this reason Bruce Cumings has argued that Kim has done ‘more to change policy toward the North than any previous South Korea or US president’. The Sunshine Policy’s focus was on achieving reconciliation as a preparatory step to national unification. As such it emphasised re-establishing personal ties, especially among families separated by the civil war, as well as investment by the South in North Korea. Roh Moo-hyun, with just months remaining in his term as president, restated his view of the Sunshine Policy in late 2007: ‘We do not want to achieve unification through absorption of the North; neither do we consider it feasible’. Roh, along with his successor, Lee Myung-bak, committed the ROK to the goal of aiding the North’s economic recovery—a stance at odds with previous governments’ pursuit of total victory over communism. While Lee has attached stronger conditions to humanitarian aid and demanded greater transparency about the North’s use of nuclear power, the Sunshine Policy has become the mainstream of South Korea’s approach to its northern counterpart.

---


This paper seeks to document changing perceptions in the ROK about China’s involvement in inter-Korean relations. Opinion polls and statements by the South Korean government have generally reflected a positive view of China, but more recently China has been viewed as a possible impediment to the goal of unification. Why have suspicions about China’s intentions arisen? Are such suspicions justified, or were South Korea’s expectations of China simply too high to begin with? Does China see a unified Korea as potentially too pro-US and thus seek to support a China-leaning North? In assessing the efficacy of Sino–ROK policy coordination, this paper assumes that the two parties view the North in quite different ways. Each seeks to coax the North out of its isolation, but there the similarities end. This paper thus seeks to illustrate both the achievements and limits of policy coordination, and the options that the ROK and China have if that coordination proves ineffective.

Economic Assistance
The Sunshine Policy, as noted above, marked a break from the past for South Korea and its relations with the North. For the first time, the ROK sought to offer concessions to the North with minimal strings attached: under Kim Dae-jung, South Korea offered substantial food and energy assistance and encouraged investments in the North in order to respond to the humanitarian crisis that had engulfed the DPRK during the mid-1990s. In June 2000, Kim Dae-jung’s visit to Pyongyang for the first summit between the leaders of North and South Korea only underlined the historical significance of the Sunshine Policy.4

The unilateral concessions underpinning Sunshine were aimed at buying the trust of the North. While foreswearing the ‘unification by force’ option that had dominated previous South Korean approaches to the North, Sunshine instead sought to change the North from within. That is, instead of imposing ‘regime change’ from the outside, the Sunshine Policy sought to encourage North

---

4 Cumings, ‘Creating Korean Insecurity’, 29. Roh Moo-hyun, Kim’s successor, also visited the North for a summit late in his term in office.
Koreans to change their own government. Unsurprisingly, the Pyongyang regime was alert to the threat and denounced what it perceived as the promotion of counter-revolutionary forces.

China in contrast had, by this time, undergone two decades of self-administered Sunshine Policy, and encouraged the North to reform its economy in order to ensure that power remained in the hands of the Workers Party. Of all the surviving communist states, North Korea would seem the best suited to the ‘China model’ of cautious economic opening coupled with the retention of tight political control. China’s assistance to Pyongyang, and its attempts to have the North emulate the Chinese model, predated the Sunshine Policy by many years. Indeed, the Sunshine Policy built on China’s efforts to stabilise the North since the loss of Soviet subsidies in 1991. For instance China has supplied about one third of the energy and food imports to the North during that period. The DPRK’s dependence on China has grown even further in recent years, with Pyongyang’s share of China’s foreign assistance reaching about 40 percent in 2007. A recent study estimates that China has supplied about 50,000 tonnes of oil to the North each month on a concessionary basis.5

The loss of subsidised imports, Andrei Lankov claims, reduced industrial production to half its previous levels. Furthermore the public distribution system, which provided the North Korean populace with food supplies, became dysfunctional and forced the citizenry to turn to private markets to supplement food stocks. In response, it is estimated that China has provided about 1 million tons of wheat and rice.6

---


With wages low and basic foodstuffs not readily available, North Koreans began to surreptitiously cross the border into China in search of food, employment and money. While illegal and tantamount to treason, both governments turned a blind eye to such activity in order to alleviate food shortages. The main issue was that the cross-border flows be kept out of the limelight, and that ‘economic migrants’ not undermine morale in the North by launching audacious escapes to third countries. According to Hazel Smith, ‘cross-border illegality’ takes the form of not only economic migration, but also ‘trafficking in women, armed robbery and night-time theft, and smuggling’. Smith estimates that 30,000 North Koreans reside illegally in China.

The pragmatic element of Kim Dae-jung’s approach to the North became evident from the outset. In the wake of the financial crisis of 1997–8, the South abandoned any pretence that it could absorb North Korea, either by force or as a result of regime collapse. The ROK ruled out a ‘hard landing’ scenario and instead sought to lay the groundwork for a ‘soft landing’, which would entail the promotion of trade and investment in the North in order to reduce the future burden on a united Korea. Abetting the trans-border flows of economic migrants into China or on to third countries, the ROK calculated, would alleviate some of the pressure on the North’s economy. This, according to the results of surveys conducted into public attitudes towards aid dispensation, was a policy with growing popular support. Whereas only one quarter of the ROK’s population supported economic aid to the North in 1995, by 2007 that figure had more than doubled.

---


8 Lankov, ‘Staying Alive’, 16.
However the flow of migrants took on a dynamic of its own. NGOs linked to religious groups in South Korea and the US sought to expedite the flight of North Korean migrants to third countries. China had sanctioned the practice of refugees receiving asylum provided that minimal fanfare accompanied their exit—and provided that Chinese law enforcement authorities were consulted. A series of mass attempts to gain asylum occurred in the early 2000s, as North Koreans gained access to diplomatic compounds or schools operated by foreign governments in China. The PRC began a harsh crackdown, and forcibly repatriated some asylum seekers. For instance Chinese authorities repatriated about 6,000 North Koreans in the first wave of expulsions in 2000, while a second campaign, in the winter of 2002 netted over 3,200 refugees. A further sweep, in late 2003, resulted in hundreds of North Koreans being repatriated.9

The PRC, sensitive to issues of sovereignty, prevented international organisations such as the United National Human Right Commission from operating within its borders. In this sense, the limits of cooperation—and policy compatibility—became evident. For China, the issue was one of providing economic aid to a destitute neighbour and ally. Once economic migrants sought to become political refugees, China’s policy changed abruptly. For the ROK, in contrast, the matter was largely humanitarian in character, with the goal of gradually improving living standards in the North at the forefront. In turn, the logic of Sunshine Policy saw gradual change evolving within the North as a precursor to reconciliation. This made problematic China’s longstanding alliance with Pyongyang, necessarily limiting the degree of policy alignment with the ROK.

*The nuclear program*

While opposing the North’s acquisition of a nuclear capacity, Kim and his successor Roh Moo-hyun viewed inter-Korean relations and talks to rid North Korea of its nuclear weapons as two sides of the same coin. The South thus ruled out the use of force to resolve the nuclear issue, and argued that even

---

discussing such an option was detrimental to prospects for reconciliation. The ROK, backed by China, called on the surrounding powers to offer a substantial package to the North prior to the dismantlement of its nuclear programme. It adopted a position that was much closer to that of China than the US.¹⁰

The Bush administration argued that North Korea had not met its obligations to disarm under the Geneva Accords of 1994. Furthermore, Bush viewed the North’s efforts to acquire a deterrent in the context of the war on terror. Rather than entering into another round of protracted negotiations towards the North’s eventual disarmament, the administration suspended negotiations with Pyongyang on a number of fronts.¹¹ The US claimed that the North had procured a ‘highly enriched uranium’ (HEU) programme from Dr AQ Khan’s illicit supplier network. In late 2002, the Bush administration charged that, in addition to the conventional refining programme that the North had suspended and put under IAEA supervision at Yongbyon, the Kim regime was operating an HEU programme. The North initially denied the charge, and responded by reactivating its Yongbyon reactor, expelling the IAEA inspectors, and switching off the cameras that had monitored the reactor for the previous eight years. Furthermore the regime announced that it would quit the nuclear non-proliferation treaty. In early 2003 the North began to reprocess the spent fuel rods that had been stored under IAEA supervision. It also appears that the North then connected the power generation programmes at Yongbyon to the HEU reprocessing programme, giving it the capacity to produce weapons-grade plutonium.¹²

With the Bush administration’s strategic focus turning to Iraq, the problem of North Korea’s suspected weapons capacity fell primarily to South Korea and


China, who framed the matter as a technical issue of denuclearisation rather than a political issue of ‘regime change’. Both clearly stated their opposition to the North’s acquiring nuclear weapons, arguing that there was no justification for such a development. China and the ROK thus took leading roles in the Six Party Talks, which brought together the Koreas, Japan, the US, China and Russia. However talks came to a halt in late 2005 when it was revealed that, under pressure from the US Treasury, the Macao-based Banco Delta Asia (BDA) had frozen funds totalling $25 million in accounts held by the North Korean government and its trading companies. The North responded to the freezing of its funds by threatening to test, sell and use nuclear weapons. Although both China and the ROK warned the North not to make any provocative moves, it continued to try their patience by first testing missiles in July 2006, and then detonating a small nuclear device in October.13

While Chinese officials were given about 20 minutes’ warning of the test, it nonetheless caused severe embarrassment given their public statements that the North should not test a weapon. In the wake of the test, South Korea and China engaged in some of their harshest criticism of the North. Given the political and economic capital that both China and the ROK had invested in the North, finding an appropriate way in which to punish the North would be crucial. Despite the embarrassment that the test caused China in terms of its aspirations to regional leadership, the PRC was unwilling to abandon the North outright. For instance on October 24 Hu Jintao said that China had no plan to stop aid to the North, despite the nuclear test. China’s fear was that curtailing aid would increase the chances of a collapse in the North, resulting in unknowable chaos in the border region. China supported United Nations Security Council Resolution 1718, which imposed limited sanctions on the North just days after the nuclear test.14


A poll conducted in mid-2006, as speculation about a test grew, found that most South Koreans believed that the North was pursuing—or had already acquired—a nuclear capacity, but they did not consider the likelihood of a North Korean attack to be high. Instead they viewed the North’s acquisition of such a capacity to be a deterrent against an American attack and a bargaining tool. This confirms the analysis of non-traditional security experts such as Hazel Smith, who argue that Pyongyang’s acquisition of a nuclear capacity is a cheap—albeit risky—way to ward off the threat of invasion.

The South Korean public appeared to appreciate China’s efforts to dissuade the North from detonating a weapon. For instance one poll, conducted in the months following the North’s nuclear test, suggested that South Koreans viewed the US and China as equally capable of influencing world events in an effective manner. Koreans were more likely to consider the US to have a greater ‘positive influence’ in world affairs than China (35 percent as opposed to 32 percent). China, on the other hand, was seen to be the cause of fewer problems: only 48 percent of Koreans thought China had a ‘negative influence’ while a majority—54 percent—thought the US had a negative impact.

The South Korean government faced a domestic backlash following the nuclear test. The Roh government’s critics argued that the ROK had subsidised the development of the North’s nuclear arsenal through humanitarian and economic aid under the auspices of the Sunshine Policy. Conservative critics called for

---

15 Cheoleon Lee, ‘Gallup World Poll: South Korea’s Political Dilemma’ (22 September 2006), at: http://www.gallup.com/poll/24679/Gallup-World-Poll-South-Koreas-Political-Dilemma.aspx. Note: In this paper, the names of Korean and Chinese authors are presented in the format for which they have indicated a preference—which, in English-language publications, tends to be a ‘first name, surname’ order. When no preference is indicated or detectable—and when discussing political leaders—names are presented in the conventional ‘surname, first name’ order.


policy realignment, with many advocating the reversion to the ROK’s traditional hard-line approach to the North. The Roh government bowed to its critics by replacing Lee Jong-seok as Unification Minister with an official willing to take a firmer line on the North and by suspending shipments of food aid until North Korea showed signs of remorse for its actions.\textsuperscript{18}

In February 2007, China brokered an agreement for a phased nuclear freeze whereby the North would be rewarded for each step it took toward disarmament. That is, it would receive aid in return for specific actions rather than just the promise of them. The crux of the deal was that the US agreed to release the BDA funds in return for the North shutting Yongbyon (again), and declaring all its nuclear programmes and weapons caches by the end of 2007. The nuclear issue proved to be an area in which Chinese and Korean views were largely unanimous. The ROK shared China’s preference for a peaceful resolution to the crisis, even if it did complicate the American alliance.

\textit{History matters}

A third touchstone in Sino–Korean approaches to the North has emerged in the form of the history dispute engulfing China and the two Koreas. The dispute erupted in 2003 between China and South Korea revolving around the historical ownership of the Goguryeo kingdom. Goguryeo is of great historical importance to Korea, being one the three kingdoms (along with Silla and Baekche) that Korean historians claim later unified and formed the Koryo dynasty in the seventh century AD. The issue stemmed from North Korea’s attempt to have Goguryeo murals listed by UNESCO as a site worthy of world heritage protection. China responded by asking UNESCO to list Goguryeo castles and tombs, thereby explicitly stating that Goguryeo belonged to China. It also launched the

\textsuperscript{18} Snyder, ‘Responses to North Korea’s Nuclear Test’, 37.
‘Northeast Asia History Project’ to head off any irredentist instincts in a united Korea that might covet the ethnic Korean regions of Manchuria.19

China claimed that the Goguryeo kingdom was but one territory that formed part of the traditional Chinese empire. In this worldview, China is a multicultural nation that has readily absorbed minority nations into its history and culture. Everything now within Chinese territory belongs to China, and every history that has evolved inside Chinese realms belongs exclusively to China. Consequently it was a cause for consternation for Koreans when China appeared to lay claim to not only Goguryeo but also the Gojoseon, Gando and Balhae kingdoms.20

The problem here is that modern conceptions of the nation-state, which imply that an autonomous state enjoys exclusive sovereignty over a fixed territory and a population sharing a common language or culture, were applied to events that took place more than two millennia ago, when borders and sovereignty were far looser concepts. Indeed, as Larisa Zabrovskaya argues, the Sino–Korean border was only formalised along its current terms early in the 20th century. As recently as the mid-19th century, the only ‘border’ between China and Korea lay in the Amnok (Yalu) and Tumen (Tuman) rivers, allowing a relatively free flow of people between the countries. It was only growing Chinese concerns about the encroachment of Russia and Japan into Manchuria that encouraged a more formal policing of the border regions.21


21 Larisa Zabrovskaya, ‘A Brief History of the Sino–Korean Border from the 18th Century to the 20th Century’, in Rüdiger Frank, James E. Hoare, Patrick Köllner and Susan Pares, eds, Korea Yearbook: Politics, Economy and Society (Leiden: Koninklijke Brill NV, 2007), 285–6. Since some sections of the rivers are shallow, until just a few years ago it was possible for North Koreans to
China’s attempts to appropriate the history of Goguryeo sparked a torrid response from South Korea, leading to a compromise whereby China agreed to publicly withdraw its claims. While not ceding any ground on the issue of historical ownership of the Goguryeo and Palhae kingdoms, China instead suggested that the history dispute be resolved through academic exchanges. One suggestion was that the kingdoms be conceived as part of a ‘shared history’ (*ilsa yangyong*) that both China and Korea could recollect in their own manner.\(^{22}\)

The incident raised doubts in South Korea about the intentions of China. Some commentators warned of China’s hegemonic ambitions in the region, arguing that the Goguryeo issue was evidence that China perceived itself as the region’s natural heavyweight and that it was insensitive to the interests of other countries.\(^{23}\) One school of thought was that China’s claims to historical ownership over the border regions presaged an intervention in North Korea in the case of regime collapse—or even a Chinese-sponsored regime change, should the Kim Jong Il government adopt policies inimical with Chinese interests.\(^{24}\)

In any case the history dispute reinforced fears in the ROK that China views itself as the region’s natural hegemon, and that China—when it deems necessary—could again override Korean interests.\(^{25}\) This has undermined confidence that China would treat the ROK as a meaningful player in Northeast Asia. Just as China has raised the emotive issue of sovereignty to justify its stance on the

---

\(^{22}\) Ha Do-hyeong, ‘Han–Jung Jeongsang Huidam-ui Seonggwa-wa Uimi (Results and Significance of the ROK–China Summit Meeting)’, *Jeongse-wa Jeongchaek (Trends and Policy)* November 2006, 12.

\(^{23}\) See for instance Scott Snyder, ‘A Turning Point for China–Korea Relations?’ *Comparative Connections* 6, no. 3 (2004), 109–11.

\(^{24}\) Song, ‘China’s Attempt at “Stealing” Parts of Ancient Korean History’, 110.

North Korean refugees within its borders, the ROK has used the Goguryeo controversy to champion the cause of Korean sovereignty—and to remind China and other outside powers that it will not welcome a renewed bout of great power rivalry over the peninsula.

**Debating the Rise of China**

The history dispute has soured Korean opinion of China somewhat. China’s rise has caused some consternation in Korea due to an expectation that China will pay scant regard to Korean interests. For instance some scholars have detected a shift in China’s foreign policy, with the re-emergence of the notion of ‘pan-Asianism’. Herein, China would present itself as the Asian representative in a broader confrontation with the West. Implicit here would be China’s displacing Japan as the most powerful Asian state, and also displacing the US as the region’s dominant power.\(^{26}\) While less offensive to Korean sensibilities than the depiction of China as the Middle Kingdom, pan-Asianism would necessarily relegate Korea to a second-order position behind a resurgent China. Ross thus discusses Korea and Taiwan in the context of ‘secondary state alignment’, whereby small and medium powers accommodate the rise of new great powers.\(^{27}\)

According to Baogang He, accommodation includes ‘not only contact and engagement, but also recognition of and adjustment to the needs of others. In substantive terms, accommodation is more about mutual adaptation on equal terms’.\(^{28}\) And yet evidence suggests that Koreans are rethinking the place of China in the making of foreign policy, especially in terms of North Korea. In light of the history dispute, a range of other issues, previously overlooked, appeared to take on new resonance. For instance, the ‘yellow dust’ phenomenon, whereby


sands from the Gobi Desert in Northwest China blow into the Pacific Ocean via Korean and Japanese airspace, receives ample news coverage. Korean health officials have attributed incidences of respiratory disease to the dust. Likewise, an incident involving a Chinese diplomat who refused to submit to a breath test in Seoul during early 2007 has received greater coverage in light of tensions with China. Finally, the Korean press has highlighted trade disputes—stretching back as far as the ‘garlic war’ of 2000—as examples of the perils of a rising China.29

At the same time as Seoul and Beijing were trading opinions about the ownership of Goguryeo, the ROK was forced to ponder a less secure future, one in which the American alliance might be less sturdy than some Koreans would prefer. The reduction of US troops based in South Korea, which began in acrimonious circumstances in 2004, looks set to continue regardless of whether progressives or conservatives lead Korea and the US. In the context of the war on terror, the American force presence in the ROK became topical during the early years of the Bush administration. In keeping with Donald Rumsfeld’s push for a more flexible global configuration of its troops, the US sought to change the mission statement of the military presence in Korea from merely the defence of the South to a wider ‘roving commission’ throughout East Asia. The ROK opposed this reconfiguration of US military assets in East Asia, on the grounds that ‘strategic flexibility’ could well imply the use of Korea-based American forces against China in the Taiwan Strait—or against North Korea—without the assent of ROK.30

A related issue was which party—the US or the ROK—would exercise control of the Combined Forces Command (CFC). That is, would an American or Korean command Korean forces in the incidence of a conflict on the peninsula? Whereas Korea assumed peacetime control of its own forces in the 1990s, wartime control


still remains in American hands. In 2006, Rumsfeld announced that wartime control would revert to the ROK by 2009. While this was sooner than the Korean side preferred, and the date was later pushed back to 2012, even this later date was unsatisfactory for conservative Korean politicians and military officials. Both serving and retired military officers are highly critical of this stance, arguing that the reversion to Korean control is premature and detrimental to national security.\(^3^1\) In any case, Rumsfeld’s concept of flexible basing appears to have outlived his term as Secretary of Defence, as witnessed by efforts to bolster America’s offshore presence in Guam and Saipan.

A complicating factor here is the perennially uneasy state of Japan–ROK relations. The dissolution of the USSR weakens the rationale for the American presence in Northeast Asia. At the same time the War on Terror has encouraged the US to reconfigure its forces in the region in such a way that they can react in a more flexible manner to contingencies both in the immediate vicinity and beyond. The US wants its allies to accept a larger share of the burden of ensuring regional stability. The most obvious candidate here is Japan, which has one of the biggest economies in the world yet a relatively low level of defence spending. The scale and sophistication of Japan’s military is nonetheless substantial, and Japanese forces have increasingly shed the constraints of the Peace Constitution. While the US supports the ongoing normalisation of Japan’s foreign policy, South Korea argues that Japan has yet to adequately atone for its wartime past and that it is unfit to play a bigger role in the region.

Ideally, from the US point of view, South Korea and Japan would combine to help counterbalance and indeed contain China in the region. The US expects its liberal–democratic allies to again act as a bulwark to China in the post-cold war era. However the new containment strategy contains at least two glaring shortcomings: the continuing division of the Korean Peninsula and the ongoing

enmity in Korean–Japanese relations. South Koreans are inherently suspicious of Japanese ambitions in the region. The ROK’s protestations against a ‘normal’ Japan therefore also complicate its relations with the US, which views any tensions between Japan and Korea as very much a secondary issue compared to the problem of a more powerful China.

Assessing the Sunshine Policy

Despite China and the ROK pouring so much diplomatic effort into the Six Party Talks, North Korea failed to account for its nuclear programme by the end of 2007. Talks resumed in 2008, with another round of promises that the North would account for its nuclear-related activities and definitively close its programs.

In spite of these unsatisfactory outcomes, both the conservative and progressive sides of South Korean politics remain committed to aid programs for North Korea. Regardless of the new president’s rhetoric, the architect of the Sunshine Policy predicts that it will remain the mainstream in North Korean policy. On the new president, Kim Dae-jung was recently quoted as saying: ‘Lee is also making some changes. I realize he was arguing with my policy... but I think he will come to accept it’.32

China too has a substantial investment in the North, insofar as a collapse in the DPRK would be a bad precedent for other communist states in Asia. It would also be bad policy, in that China does not want an easy or quick unification on terms favourable to South Korea and the US. China, instead, prefers a more gradual path to reconciliation that slowly leads to unification. By slowing the pace of Korean unification, the likelihood of further withdrawals of US troops from East Asia—and the scaling back of the US–Japan alliance—would increase. On the other hand, China is predisposed to Korean unification because a permanent division of the peninsula would set a bad precedent for Tibet and Taiwan. For

these reasons, China will remain heavily engaged in the North Korean affairs for the foreseeable future.

Policy coordination over the last decade between China and the ROK has proven to be effective in economic and technical matters, but comparatively less so in political ones. This is evidenced by China’s unwillingness to side with the ROK against Pyongyang, and by Chinese sensitivity about potential infringements of its own sovereignty. China’s willingness to override humanitarian concerns about the fate of refugees in the border region only underlines this tendency. Consequently policy coordination has survived to the extent that China and the ROK can each claim to be achieving their goals in terms of North Korea.

However the point may be approaching when what China views as the cautious liberalisation of the North’s economy free of political change becomes incompatible with the Sunshine Policy. Sunshine, which envisages economic openness as sewing the seeds precisely for the type of political transformation that the Chinese leadership seeks to avoid, represents regime change from within. If China proves unwilling to abet this transformation, its utility to the ROK as a diplomatic partner becomes more circumscribed. As a result the return to a US-centric foreign policy appears likely to intensify.
Bibliography


International Crisis Group, North Korea’s Nuclear Test: The Fallout (Asia Briefing no. 56, 13 November 2006).

——— After the North Korea Nuclear Breakthrough: Compliance or Confrontation? (Asia Briefing no. 62, 30 April 2007).


