North Korean nuclear test poses dilemmas for China

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North Korea's nuclear test on Monday has provoked a considerable political crisis in the Chinese leadership, which is scrambling to develop a response. It faces considerable pressure from the Bush administration to back tough sanctions against North Korea—a move that would further deepen the emerging rift with its long-time formal ally.

After Pyongyang announced its impending test last week, Beijing emphatically opposed such a step and supported a UN Security Council presidential statement condemning it. China's UN ambassador Wang Guangya warned in New York that "no one is going to protect" North Korea and it would face "serious consequences" if it exploded a nuclear device.

The implicit threat that North Korea could lose the support of its chief economic benefactor was underscored by the visit of Japan's new prime minister Shinzo Abe to Beijing last weekend. Abe and Chinese president Hu Jintao issued a joint statement declaring that the nuclear test was a matter of common concern.

Hu's support for Abe, who has long exploited the North Korean "threat" to justify the revival of Japanese militarism, was particularly galling for Pyongyang. North Korean officials denounced China for being "chauvinist" and declared they did not need China's protection. On Monday, North Korea gave China just 20 minutes notice of the explosion.

Only two hours later, Beijing issued an angry statement to "resolutely oppose" the nuclear test. The Chinese Foreign Ministry condemned North Korea for having "ignored the universal opposition of the international community and flagrantly conducted the nuclear test". At the same time, it appealed for restraint on all sides and a negotiated settlement to the crisis. In the UN, Chinese ambassador Wang has supported "punitive measures" against North Korea, but opposed key aspects of the draft US resolution.

China fears that the test could trigger a nuclear arms race in North East Asia, with Japan and even South Korea building their own atomic bombs. On Wednesday, Abe formally restated Japan's policy that it would not acquire a nuclear arsenal. But a discussion is underway in Japanese ruling circles about changing its stance. Just last month, former prime minister Yasuhiro Nakasone suggested that Japan should consider developing nuclear weapons. "We are currently dependent on US nuclear weapons, but it is not necessarily known whether the US attitude will continue," he said.

North Korea's nuclear test breaches Beijing's tacit understanding with Washington to keep Pyongyang from acquiring nuclear weapons if the US kept its allies—Japan and South Korea—from doing the same. As North Korea has reacted to the Bush administration's increasingly aggressive stance with its own threats, China has been engaged in a delicate balancing act. Since 2003, Beijing has strong-armed Pyongyang into taking part in six-party talks, which include the US, the two Koreas, China, Japan and Russia, in line with Washington's demands for multilateral talks.

By playing a useful function for the Bush administration, China was able to improve relations with Washington. But this tactic was always fraught with dangers. The US has exploited the North Korean nuclear program as the convenient tool for raising regional tensions and reasserting its dominant role against its rivals—particularly Beijing. From the US standpoint, the six-party talks were simply a means for bullying the other participants into taking a tougher stance against Pyongyang.

Beijing's appeal for "restraint" on all sides is a desperate attempt to prevent an open confrontation. China has sent a diplomatic mission to Pyongyang urging Kim to return to multilateral meetings. At the same time, Chinese President Hu telephoned Bush to reiterate his strong opposition to the "nuclearisation" of Korean Peninsula. With its previous diplomacy increasingly in tatters, however, China is being forced to reevaluate its strategy.

North Korea has been a convenient buffer state for Beijing over the past 50 years. After the outbreak of the Korean War in 1950, Mao Zedong sent millions of Chinese troops across the border to prevent US forces from setting up a client state on the Chinese border. In 1961, even as North Korea tended toward Moscow in the Sino-Soviet dispute, Beijing nevertheless reached a formal military alliance with Pyongyang.

Since the collapse of the Soviet Union in 1991, China has been the main economic lifeline propping up the stricken Stalinist regime in Pyongyang. Beijing provides food and oil and is North Korea's largest trading partner and investor. Chinese leaders urged North Korean leader Kim Jong-il to follow the path of "market reform" by offering cheap labour to foreign investors. South Korea's "Sunshine Policy" of economically engaging the north seemed by the end of 2000 to provide a means for easing tensions and ultimately reunifying the Korean Peninsula.

For its part, North Korea has sought a security guarantee and the normalisation of relations with the US. Pyongyang's reckless posturing has never been about waging a genuine anti-imperialist

struggle, but at pressuring the US for a deal. A day after the nuclear test, North Korea offered to abandon its nuclear weapons if the US took "corresponding measures". The Bush administration, however, has consistently ruled out any direct bilateral talks with Pyongyang to end the ongoing confrontation. In 2002, Bush effectively targetted North Korea for "regime change" by including it in an "axis of evil" with Iraq and Iran.

A peaceful resolution to the standoff with North Korea runs counter to US interests. China has already displaced the US as the largest trade partner of South Korea and Japan. The integration of North Korea into the region's dynamic economies would increase the potential for a trade bloc against the US, accompanied by demands from South Korea and Japan for the removal of US military bases. Moreover, a more stable North East Asia would allow Japan and China to tap into the vast oil and gas resources of the Russian Far East. Moscow is already using its energy reserves as a strategic weapon to cultivate closer ties with East Asia, especially China, as a counterweight to the US. The European powers are interested in establishing close trade and transport connections with East Asia via land routes. The Korean peninsula is a key corridor.

China's attempts to end the confrontation with North Korea through six-party talks have constantly run up against a fundamental problem. For the Bush administration, its constant threats against North Korea have served the very useful function of maintaining an atmosphere of tension and instability and cutting across the economic plans of its rivals. There is a parallel with Iran. Washington understands that any peaceful solution to the standoff with Tehran would economically benefit the European and Asian powers that already have significant investments in Iran.

The North Korean nuclear test has left China with a dilemma. If it fails to rein in North Korea, Beijing will increasingly be targetted by the Bush administration for supporting a "rogue state". During the 2000 US presidential election, Bush campaigned strongly on the theme that China was America's "strategic competitor". On the other hand, if it strangles the North Korean economy with sanctions, Beijing risks precipitating a political collapse with destabilising consequences, not only for the Korean peninsula, but within China itself.

There are growing signs that Beijing is distancing itself from North Korea. Following the last round of six-party talks in September 2005, China provided crucial support to US Treasury efforts to crack down on North Korea's "illicit activities" and helped force a Macau-based bank to freeze Pyongyang's assets. After the US ignored North Korea's demands to end financial sanctions, Pyongyang lashed out in July by testing a long-range missile. Like the latest nuclear test, it was a desperate attempt to seek concessions from Washington.

The rift between North Korea and China was apparent during the "missile crisis". North Korean leader Kim Jong-il refused to meet a high-level Chinese delegation sent to Pyongyang to persuade him to return to multilateral talks. Chinese officials were left cooling their heels for days waiting for an interview. China in turn responded by supporting Japan's Resolution 1695 in the UN Security Council condemning the missile tests. The relationship between the two countries, which used to be described in China as being as close as "teeth and lips," is rapidly deteriorating.

The nuclear test has provoked a debate in Chinese ruling circles. Zhang Liankui, a Chinese Communist Party Central Party School professor, told the *Financial Times* on October 9: "This is the biggest diplomatic failure since the establishment of the People's Republic [in 1949]. China is the biggest loser, as it has offended both North Korea and the US.

"It was a stupid policy for China to view North Korea's nuclear weapon as potential leverage against the US. Instead, the nuclear weapon will be mainly aimed at China," Zhang said. The nuclear weapons being referred to are not North Korea's crude bombs, but far more powerful and technically sophisticated ones that could be quickly built by Japan and South Korea.

Shen Dingli, a leading Chinese security expert from the Shanghai-based Fudan University, declared that China could not simply drop its alliance with North Korea. He told the *New York Time*s: "China must continue to look at North Korea through the prism of Taiwan. You cannot expect China to abandon its ally completely while America continues to back Taiwan and allow the independence movement to thrive there." He warned that tensions on the Korean peninsula could undermine Beijing's aim of reunifying with Taiwan and disrupt the peaceful environment needed for China's internal economic development.

A commentary in the official *China Daily* entitled "Six-Party Talks still key to Korean nuclear issue" denounced North Korea's nuclear blast. At the same time, the newspaper argued that to "side with Washington" would be wrong. "The United States' hostility towards the DPRK [North Korea] is no secret to all ... While the DPRK's nuclear test unavoidably brought a negative impact to China-DPRK ties, this however does not necessarily mean that China would abandon the traditional friendship between the two nations."

One possible way out of China's problems is very cautiously being hinted out—the possibility that Beijing may carry out its own version of "regime change" in Pyongyang. An article in the London-based *Times* commented: "For China, the arguments for squeezing out Kim [Jong-il] before rumbling [in North Korea] becomes revolt are thus becoming stronger by the day.

"Beijing has been cultivating 'interesting' generals under the cloak of prolonged military exchanges; and might even use the Dear Leader's eldest son, Kim Jong-nam, who is in Beijing, having fallen out with his father, as a pawn in a 'continuity' strategy to replace Kim with more pragmatic and pliable allies."

The article noted that such a high-risk strategy was unlikely unless the crisis worsened markedly. Having set the "regime change" precedent in Iraq, however, the US has undoubtedly encouraged other countries to consider the same means to protect their economic and strategic interests. Such methods can only lead to a further intensification of the rivalry and conflicts between international and regional powers.