WHEN 2018 DAWNED OVER the Korean peninsula, the prospects for peace looked dim. Following North Korea's sixth nuclear test on 3 September 2017, US President Donald Trump warned that ‘all options are on the table’, threatening the Democratic Republic of North Korea (DPRK) with ‘fire and fury’. On New Year’s Day, North Korean leader Kim Jong-un responded sharply: ‘The US should know that the button for nuclear weapons is on my table’.

Yet just weeks later, Kim Jong-un sent his younger sister, Kim Yo-jong, to attend the Winter Olympics opening ceremony in South Korea, where she shined alongside the determinedly dour visage of US Vice-President Mike Pence. On 27 April, Republic of Korea President Moon Jae-in met Kim Jong-un on the southern side of the truce village of Panmunjom. Their ‘Panmunjom Declaration’ announced their intent to formally end the Korean War. Less than a month later, they met again on Panmunjom’s northern half, laying the groundwork for President Moon’s historic September 2018 visit.

Kim Jong-un meets with Donald Trump in Singapore, June 2018
Photo: Wikimedia Commons
to North Korea. North–South summitry also facilitated the first-ever meeting between a sitting US president and a North Korean leader — held in Singapore on 12 June.

By September, Kim’s dance card began to fill up. President Putin issued an open invitation to visit Russia. Trump began seeking a second meeting, while Japanese Prime Minister Shinzo Abe announced he wanted to visit Pyongyang soon to ‘break the shell of mistrust’.

To many observers, China was being left behind. ‘The White House stunned Beijing’ with the Singapore summit, two US journalists with NBC News suggested. ‘Fearing a loss of influence with its often recalcitrant ally, China invited Kim to three successive summits in China, in March, May and June.’¹

Such arguments, although widely accepted among Western observers, misunderstand Beijing’s strategic priorities, ignore China’s proactive diplomacy, and vastly underestimate Chinese influence with North Korea.

China’s Priorities

Beijing has long sought to discourage Pyongyang’s pursuit of nuclear weapons while promoting regime stability, border security, and economic reforms.² Pyongyang’s efforts to bolster diplomatic ties and reduce security tensions with the US and South Korea advance these goals by reinforcing regime stability and encouraging economic reform and openness, while eroding its justifications for nuclear weapons.

More broadly, Pyongyang’s diplomatic engagement undermines the US’s justification for its military presence in South Korea, including some 28,000 US soldiers and the recently deployed Terminal High Altitude Area Defense (THAAD) missile defence system. US–North Korean rapprochement would also undermine US criticism of China’s enforcement of UN sanctions on the DPRK (North Korea), easing this reputational cost for Beijing.

Xi Jinping hardly fears a loss of influence: China has been and will remain the most important economic, strategic, and diplomatic partner for the DPRK. Despite persistent North Korean unease at the country’s extreme economic dependence upon China — a key motivator for Kim’s wider diplomatic forays — South Korea and the US remain existential threats to the DPRK regime. And that puts China in prime position for pursuing its own agenda on the troubled peninsula.
Chinese Diplomacy

Beijing’s diplomatic activism began with the ‘freeze for freeze’ proposal (see China Story Yearbook 2017: Prosperity, Chapter 3 ‘North Korea: A Year of Crisis’, pp.83–93), first announced by Foreign Minister Wang Yi 王毅 in March 2017:

China proposes that, as a first step, the DPRK suspend its missile and nuclear activities in exchange for a halt of the large-scale US–ROK exercises. This suspension-for-suspension can help us break out of the security dilemma and bring the parties back to the negotiating table. Then we can follow the dual-track approach of de-nuclearising the peninsula on the one hand and establishing a peace mechanism on the other.3

In July, Pyongyang offered its support for Beijing’s initiative.4 In August, China, joined by Russia, reiterated its proposal at UN Security Council meetings. By January 2018, the International Crisis Group had declared China’s ‘freeze for freeze’ to be ‘the most viable and realistic, if unsatisfactory, option for parallel de-escalation’.5

In support of this initiative, Xi Jinping invited Kim to Beijing in March 2018 — Kim’s first overseas trip as the DPRK’s Supreme Leader — where they pledged to retain close, high-level communication, while Xi endorsed Kim’s plans to meet with Trump. After the Panmunjom summit, Kim returned to China, meeting Xi in Dalian on 7 May, where Xi praised the recent Korean Workers’ Party statement announcing ‘the suspension of nuclear tests and intercontinental ballistic missile tests and the abandonment of the northern nuclear testing ground’.6

Following Pyongyang’s pledge, Trump fulfilled his side of the bargain, promising in Singapore that ‘we will be stopping the war games’ temporarily, describing US–ROK military exercises as ‘very provocative’.7 Beijing quickly praised his pledge, declaring: ‘the China-proposed “suspension for suspension” initiative has been
materialised and now the situation is also moving forward in the direction of Beijing’s “dual-track” approach. Kim soon returned to Beijing, where Xi praised Kim’s ‘major decision to shift the focus to economic construction’.

To encourage this shift, Xi began to loosen the purse strings. By June, Chinese flights to Pyongyang and group tours had resumed after a hiatus of several months. Customs inspections on cross-border trade eased slightly, as Beijing issued an aid shipment of fertiliser, just in time for the spring planting season.

Although Pyongyang remains reluctant to forgo its nuclear weapons program, Kim’s proactive diplomacy vindicates Beijing’s longstanding emphasis on economic development — a strategy neatly captured by Professor Gong Yutao 宫玉涛 in late 2016:

If North Korea’s economic adjustment measures can have a significant impact in improving its domestic economy, this will stabilise internal governance and increase the leadership’s confidence in their ability to ensure national security while reducing their fears of external threats. This will enhance their willingness to engage with the outside, including improving relations with South Korea and the US, leading to greater stability on the Korean peninsula, with positive implications for China’s own security.

In sum, the dramatic developments on the Korean peninsula in 2018 reveal not an erosion of Chinese influence, but rather point to the diverse means by which Beijing is increasingly able to deploy its economic power to shape its external strategic environment.