



NUCLEAR WEAPONS AND RUSSIAN-NORTH KOREAN RELATIONS



FOREIGN POLICY RESEARCH INSTITUTE



All rights reserved. Printed in the United States of America. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission in writing from the publisher.

© 2017 by the Foreign Policy Research Institute

COVER: Russia and DPRK Flags, Istock by Getty Images



FOREIGN POLICY RESEARCH INSTITUTE

MISSION

The Foreign Policy Research Institute is dedicated to bringing the insights of scholarship to bear on the foreign policy and national security challenges facing the United States. It seeks to educate the public, teach teachers, train students, and offer ideas to advance U.S. national interests based on a nonpartisan, geopolitical perspective that illuminates contemporary international affairs through the lens of history, geography, and culture.

EDUCATING THE AMERICAN PUBLIC: FPRI was founded on the premise that an informed and educated citizenry is paramount for the U.S. to conduct a coherent foreign policy. Today, we live in a world of unprecedented complexity and ever-changing threats, and as we make decisions regarding the nation's foreign policy, the stakes could not be higher. FPRI offers insights to help the public understand this volatile world by publishing research, hosting conferences, and holding dozens of public events and lectures each year.

PREPARING TEACHERS: Unique among think tanks, FPRI offers professional development for high school teachers through its Madeleine and W.W. Keen Butcher History Institute, a series of intensive weekend-long conferences on selected topics in U.S. and world history and international relations. These nationally known programs equip educators to bring lessons of a new richness to students across the nation.

TRAINING THE NEXT GENERATION: At FPRI, we are proud to have played a role in providing students – whether in high school, college, or graduate school – with a start in the fields of international relations, policy analysis, and public service. Summer interns – and interns throughout the year – gain experience in research, editing, writing, public speaking, and critical thinking.

OFFERING IDEAS: We count among our ranks over 120 affiliated scholars located throughout the nation and the world. They are open-minded, ruthlessly honest, and proudly independent. In the past year, they have appeared in well over 100 different media venues- locally, nationally and internationally.

TABLE OF CONTENTS

iii	About the Authors
v	Executive Summary
viii	Foreword
1	Introduction
3	Chapter 1: From Joseph Stalin and Kim Il-sung to Vladimir Putin and Kim Jong-un
15	Chapter 2: Russia-North Korea Economic Ties: Is There More Than Meets the Eye?
30	Chapter 3: Russian Assessments of North Korea's Conventional and WMD Capabilities
49	Chapter 4: Moscow's Diplomatic Game on the Korean Peninsula
64	Chapter 5: Can Russia Play a Role in Resolving the Korean Crisis?

ABOUT THE AUTHORS

Artyom Lukin is Associate Professor and Deputy Director for Research at the School of Regional and International Studies of Far Eastern Federal University in Vladivostok. He received his Ph.D. in Political Science from Far Eastern State University in 2002.

Ilya Dyachkov is Associate Professor at Moscow State Institute of International Relations (MGIMO). He is also Senior Expert at the MGIMO-based ASEAN Centre. In 2015, he was awarded a Ph.D. in History from MGIMO University. Dyachkov's research focuses on the Korean peninsula nuclear issue, and security and nuclear non-proliferation in Northeast Asia.

Andrey Gubin is Associate Professor at the School of Regional and International Studies of Far Eastern Federal University in Vladivostok. He received his Ph.D. in Political Science from Khabarovsk Polytechnical University in 2004.

Leonid Kozlov is Associate Professor at the School of Regional and International Studies of Far Eastern Federal University in Vladivostok. He studied history at Yaroslavl Pedagogical University and received his Ph.D. in Political Science from Khabarovsk Technical University in 2003.

Andrei Lankov is currently Professor at the College of Social Studies at Kookmin University in Seoul. He is also Director of Korearisk.com group. He received his Ph.D. in History from Leningras State University in 1989. His major research interest is North Korean history and society.

Georgy Toloraya is Director of Asian Strategy Center at the Institute of Economy of Russian Academy of Sciences and Professor at Moscow State Institute of International Relations (MGIMO). He also serves as Chair of Regional Programs at the Russkiy Mir (Russian World) Presidential Foundation and CEO of Russian National Committee on BRICS Research. Toloraya is a former Soviet/Russian diplomat. He served two postings in North Korea (1977-1980 and 1984-1987) and was Deputy Chief of the Russian Embassy in South Korea (1993-1998). He served as the Deputy Director of the First Asian Department at the Ministry of Foreign Affairs (1998-2003) and Consul General of Russia in Sydney (2003-2007).

Tamara Troyakova is Associate Professor and Head of International Studies Department at the School of Regional and International Studies, Far Eastern Federal University. She earned her Ph.D. from the Institute of General History of the Academy of Sciences of the USSR in Moscow in 1978. Her research is focused on the Russian Far East and its external relations.

Igor Tolstokulakov is Professor at the Department of Korean Studies, School of Regional and International Studies, Far Eastern Federal University in Vladivostok. He is also Director of FEFU's Center for Korean Studies. He holds a Ph.D. in History Sciences (2000, Institute of History, Archaeology & Ethnography of Far Eastern Peoples, Far Eastern Branch of Russian Academy of Sciences) and Doctor of Sciences in History (2010, IHAE FEB RAS).

Liudmila Zakharova is Senior Researcher at the Center for Korean Studies of the Institute of Far Eastern Studies of Russian Academy of Sciences (IFES RAS) in Moscow. She earned her Ph.D. in Economic Studies from the IFES RAS in 2011.

EXECUTIVE SUMMARY

Since the late 19th century Russia has been a major stakeholder in Korean affairs, at times exercising critical influence on the peninsula. The unfolding crisis over Pyongyang's nuclear and missile programs may significantly raise Russia's profile on the peninsula.

WHAT IS RUSSIA'S LEVERAGE WITH THE NORTH?

Apart from its United Nations Security Council veto, what makes Russia a consequential player in the North Korea drama? The Soviet Union helped create the Democratic People's Republic of Korea (DPRK). Common genesis and long-standing political ties explain some of the affinity that still exists between the two countries. While Russia's economic leverage with the North is not as substantial as the People's Republic of China's, it still can make a difference, especially as the sanctions noose on the DPRK tightens. Of special note are Russian energy exports to the North, Russia's importation of North Korean labor, and Russia's use of the North Korean port of Rajin. Russia remains the only country besides China that provides the DPRK with permanent transport and telecommunications links—via rail, air, sea, and the internet—connecting the isolated nation to the outside world. Taken together, such commercial exchanges and infrastructure links constitute significant leverage that Moscow could exercise over North Korea. Among the major players on the peninsula, Russia currently enjoys the best relations with the North, even as the DPRK's ties with its only formal ally, China, have deteriorated in recent years. Finally, Russia is a military force in Northeast Asia, which means that, in case of a North Korea contingency, Moscow has the capacity to intervene militarily, aiding or derailing moves by other players.

THE DRIVERS OF MOSCOW'S NORTH KOREA POLICY

Russia's behavior toward North Korea is defined by a complex mix of motives and interests. Moscow sees Pyongyang's nuclear and missile programs as a serious—and growing—menace to regional and global security. Moscow does not feel directly threatened by Kim Jong-un's nukes, yet the North's continued nuclear development—and the chain reaction of proliferation this may trigger in Northeast Asia and beyond—will devalue Russia's own nuclear arsenal which Moscow sees as an essential attribute of its great power status and the ultimate guarantee of national security. That said, the desire to denuclearize North Korea should be put in the context of Moscow's other strategic objectives and interests.

On North Korea, Russia has closely collaborated with China. Even though Russia's interests regarding the DPRK are not identical to China's, there is significant overlap between them. Vladimir Putin and Xi Jinping feel little sympathy for Kim Jong-un who openly defies not only Washington, but also Beijing and Moscow. However, Russian and Chinese aversion to Kim Jong-un and his nukes is eclipsed by their shared animosity to what they perceive as the U.S. pretensions to hegemony. The Russia-China collaboration in Northeast Asia is just one element of their “comprehensive strategic partnership” which, under U.S. President Donald Trump, has only grown tighter. Moscow is unlikely to do anything on the peninsula that would run against Beijing's basic security interests. The Kremlin is well aware that Korea is vital for China's security and recognizes that Beijing's stakes in the Korean

peninsula are significantly higher than Moscow's. What is expected in return is Beijing's acknowledgement of Russia's interests in the areas of paramount concern to Moscow, such as the Middle East.

Moscow could be tempted to use its leverage in the North Korea crisis as a bargaining chip vis-à-vis Washington. The Kremlin has never explicitly linked its potential assistance with North Korea to U.S. concessions on issues important to Moscow, such as Ukraine or anti-Russia sanctions. Yet, Washington can hardly expect Moscow's enthusiastic cooperation on North Korea as long as U.S.-Russia relations remain hostile, having fallen to their lowest point since the early 1980s.

Russian behavior in the North Korea crisis is also driven by the considerations of prestige and great power status. Apart from great power pride, Russia earnestly wants to be seen by the international community as a constructive and responsible player whose involvement contributes to the resolution of one of the most dangerous international crises of the modern era.

Economically, the settlement of the festering peninsula problem can potentially bring Russia sizable payoffs. If sanctions on North Korea are removed, Russia will be able to conduct full-scale commerce with its neighbor. The easing of tensions on the peninsula will also make possible the realization of the trilateral (Russia-North-South) projects that Moscow has long promoted, above all the connection of the Trans-Korean railway with Russia's Trans-Siberian rail and the construction of a Trans-Korean pipeline supplying Russian natural gas to the peninsula.

Russia's aversion to any moves that might undermine the regime in Pyongyang is explained not only by the desire to keep North Korea as a counterbalance to U.S. hegemony in Northeast Asia, but also by Moscow's normative predispositions. Russia regards the sovereign state as the primary foundation of international order and, as a matter of principle, rejects interference into internal affairs of states aimed at regime change.

Moscow seeks a multipolar balance-of-power system in Northeast Asia, with Russia as one of its key stakeholders. Russia continues to favor resumption of the Six-Party Talks, seeing them as a prelude to the establishment of a concert-of-powers type institution in charge of Northeast Asian security.

Russia does not see a swift unification of Korea as desirable or possible. Yet, in the long term, Russia would welcome the emergence of a united Korean state, provided the unified nation is not subordinate to the United States or China. In Moscow's strategic thinking, a single and fully sovereign Korea would contribute to a multipolar balance of power in Northeast Asia.

RUSSIA AS A BROKER?

The relatively small role that Russia plays on the peninsula—particularly when compared to China and the U.S.—has advantages for dealing with the North. The lack of preponderant influence is a major reason why Russia can be seen as a potential “honest broker” by North Korean leaders who are suspicious of any foreign country that has pronounced interests on the peninsula. Russia is powerful enough to be taken seriously, but it doesn't have massive vested interests there. Given the gravity of the current situation on the peninsula, the moment for Russia's involvement as an honest broker may have arrived. The potency of Russian diplomacy on North Korea will, to a large extent, hinge upon the level of personal commitment from Putin. Would he exhibit the same level of devotion to dealing with the peninsula as he has shown in the Middle East? Probably yes, but this remains to be seen.

CAN MOSCOW AND WASHINGTON COOPERATE ON NORTH KOREA?

In case of North Korea, Russia and the U.S. are parties to the most dangerous crisis since the end of the Cold War. In this standoff, Moscow and Washington are not direct opponents, but neither are they true partners. They can choose to closely cooperate in resolving the situation, or they can obstruct each other's efforts. In the latter case, the risks of miscalculation will rapidly grow, potentially leading to the danger of an armed collision of U.S. and Russian forces on the peninsula. Such a scenario must be avoided.

Both the Russians and Americans share one fundamental interest: non-proliferation of nuclear weapons. As the most basic common denominator, Moscow and Washington should collaborate to prevent possible horizontal proliferation of North Korean nuclear technologies and materials, such as attempts by the North Korean regime or by its rogue individual representatives to sell nuclear components to other states or non-state actors. A mechanism of permanent U.S.-Russian consultations and exchanges on the Korean peninsula security problems needs to be established to address non-proliferation and other concerns.



FOREWORD

Paul Bracken

Framing a problem is half the battle. If you frame a problem correctly you can still get a wrong answer in your ultimate policy choice. But at least you'll be in the right ballpark. This distinction between problem framing and getting the right answer is overlooked in American security discourse and policy analysis. Strong forces push in the direction of "skip all of this problem framing stuff—just give me the answer."

For dealing with the Democratic People's Republic of Korea's nuclear weapons, this tendency is expressed by jumping to a small set of answers at the outset. The problem is clear enough: North Korea is developing nuclear weapons and the means to deliver them. Problem framing is skipped, with an unreflective leap to the answers. In this instance, there are essentially three answers: sanction Pyongyang economically until they give up their bombs. The second answer: get China to pressure them to give up the bomb. Third answer: get the United Nations to harshly sanction North Korea. Here, multilateral diplomacy gives cover to China and others to go along with the sanctions. Since they are multilateral and approved by the UN, they seem to be in the interest of mankind, good for global nuclear nonproliferation and arms control, and finally, they have the right spirit of cooperation. Thus, China won't feel it's unduly pressured by Washington. Rather, by going along with UN sanction against North Korea, China is strengthening the international community of nations opposed to nuclear war.

These three answers have two things in common. They describe a problem and jump to its solution. There is no consideration of alternative ways to frame the problem, or even to acknowledge that different frames have seriously different policy implications. What they also have in common is that all of them have been tried for many years. And none have worked. On the contrary, North Korea has accelerated its bomb program and built missiles and other delivery systems to land them on the United States, Japan, and South Korea. The North's hyperbolic rhetoric in response to all three "answers" further suggests that a policy change in Pyongyang isn't likely any time soon.

Repeatedly cycling over these three solutions to the North Korean nuclear problem masks a fundamental question. Is reversing North Korea's nuclear weapons effort the real problem in the first place? Is it what we should be focusing on? Maybe there's another issue or problem that we don't see for a number of reasons. It's difficult to reframe a problem in a fundamental way because problem frames are quite "sticky." Once you get in one, it's hard to get out. Thus, to those who advance the answer that Washington needs to pressure Beijing to crack down on North Korea the further escalation to break trade with China is clear enough. It stays "in the frame" so to speak, only requiring a double down effort to implement it.

This tendency to stay in the frame ("embargo China's exports to the United States until they're forced to crack down on Pyongyang") is why the American policy debate around North Korea is so tedious. Sticky frames lead to a "same old, same old" effect that is deadening, whether it's getting China to crack down on North Korea, or another round of pointless UN sanctions. The whole exercise is repetitive. And ineffective.

So a good question is how to break out of this bad, repetitive movie. This report offers a way. While it's hard for Americans to break out of the cycle, it's easy if we take a different perspective, a different framework. Taking a Russian view does this, automatically. Because whatever one can say about Russian views on anything these days, we can say this. They are different—and more, they are calculated, unsentimental, and politically incorrect. Each of these is a useful tonic to American strategic thinking of recent years.

The great value of this report is that it reframes the North Korea issue away from *answer finding* to *problem framing*. It does this by looking at the North Korean nuclear issue from a **Russian** viewpoint. This inevitably brings out different features of the problem, ones that are usually unrecognized in the standard American formulation. The key innovation here is that by breaking away from the traditional American view of the North Korean nuclear problem, different issues and problems surface. This report is an exercise in pattern breaking because you can't look at North Korea through Russian eyes and not discover a lot of new things that are missed by American-based answers. This breakthrough by itself makes an important contribution to the policy analysis around the North Korean nuclear issue.

This is a major accomplishment, and the report should be considered in such terms. It doesn't come up with answers that would disarm North Korea. Does anyone still believe such answers are out there? Probably not.

Looking at things through Russian eyes makes a large contribution that's rare and useful. It raises the level of discussion about an exceedingly important challenge to world order that isn't going to go away. Each chapter in this report converges to this conclusion: that the most plausible outcome is that nothing is likely to work in the short term. Therefore, North Korea will become a nuclear weapon state. Even as this is against some—or all—of the national interests of the major powers, it's the most likely outcome of current and historical trends.

This report is important because it looks at North Korea in this context. I think this is a real achievement because we better start thinking about a changed security structure in Asia. It's refreshing to read a different “take” on North Korea other than the American one.

This project raises the level of discussion on what everyone agrees is a complex subject. It's complex, as authors emphasize, because there are so many actors. This is very different from the Cold War. There were multiple actors then but, broadly speaking, there was a simplification: consider what Washington and Moscow say and ignore the others. All of the chapters in this report make clear that we can no longer do this. Moscow, Washington, Beijing, Seoul, Pyongyang, and Tokyo all matter.

Artyom Lukin and Georgy Toloraya illustrate this point in their geopolitical analysis of North Korea's nuclear effort. They focus attention on what I believe are the key issues behind American concern over North Korea getting the bomb, but they're issues that rarely surface in the American debate. The most likely outcome of a North Korean nuclear weapon effort isn't an attack on South Korea. Rather, it's a political development, such as the large scale rearmament of Japan, and, closely related, a new arms race in Northeast Asia. They point out that both of these would undercut Russia's interests since both would impact Moscow's own nuclear deterrent.

This insight seems quite plausible and raises the question of why it almost never comes up in the United States. North Korea as a nuclear weapon state would undermine U.S. interests for the same reasons. Washington doesn't want a more independent Japan or a new arms race in Asia. The United States has been in a good position in Asia since the end of the Cold War. China and Japan are historic rivals. One consequence is that American leadership has separated the two giants. As an outsider, Washington keeps the two from returning to historical antipathies. That has been good for all parties, except the North Korea regime.

Taking a Russian perspective then, as this report does, highlights how North Korea as a nuclear weapon state changes the fundamental structure of power in Asia. Their nuclear weapons program reflects larger power changes. Also, the uniqueness of Japan takes on a clarity it lacks when Tokyo is seen as an American ally that must be defended. In the Russian view, Japan is a superstate, but not a superpower. That is, Japan has the economic and technology base of power, but as yet, it hasn't taken the steps to be a superpower, one that translates this base into strategic power. It's the only country in the world like this. The interesting question raised in several chapters is whether or not this will continue. In the United States, it is assumed that it can and should continue and that the way to make sure it does is for the United States to get stronger in the region. The Russian view is to describe that this is a more complicated subject and to underscore that the last thing Moscow wants is both a rising China and a rearming Japan. Yet, as this report points out, both could develop out of a nuclear North Korea.

A Russian reframing of the North Korea nuclear problem further opens up a wide group of issues. Consider deterrence. Most American academic works on North Korea debate the eternal verities of the field: "Can North Korea be deterred, as the United States deterred the Soviet Union in the Cold War?" And a closely related verity: "Is Kim rational?" The conclusion will be that he is rational, and therefore, deterrable.

These are important questions, and they need to be asked. But here again, this report reframes the basic questions and points in a different direction. For it asks: "How does deterrence operate when the goal isn't to deter a nuclear or conventional attack, but rather to preserve, repair, or compensate for changes in a structural order that's undergoing basic change?" This is a very different question than deterrence theory poses. But if this report is an intellectual guide, and I think that it is, it's a more thought-provoking question that almost no one poses. I don't think it could ever come out of American strategic thinking, which is in an iron cage of nuclear nonproliferation and deterrence theory. But this shows the power of reframing a problem. From a Russian viewpoint, it is clear in all of the chapters that this structural issue, of how the United States can preserve a particular order in Asia, is the really interesting question.

So, here again, is the structural issue. The North Korean nuclear effort has brought about a new negotiating structure. Anyone who thinks this is a one-off forum that will be tossed aside after North Korea disarms should read this report because North Korea isn't likely to disarm. More, this new structure, with China and Russia in one camp, and the United States, Japan, Australia, and India in the other, is taking on a life of its own. Its very existence changes the geopolitical power order in Asia.

This report doesn't give "answers" as to what exactly we should do about North Korea. I would not want to brief it in the Pentagon where the audience would demand to know what can be done to get Pyongyang to give up their nuclear weapon program. But in another way, the report does give an answer. It says that North Korea isn't going to give up this program. And it says that this will lead to many geopolitical structural changes in Asia, most of which are not in the interest of Russia or the United States. Even more, it points to new largely unanalyzed issues, like how nuclear weapons function in this structural, rather than narrow deterrence, context. The report reframes how we think about North Korea and the long-term impacts of its nuclear weapons. This is quite a lot for a single report.

ABOUT THE AUTHOR

Paul Bracken is an FPRI Senior Fellow and a member of its Board of Advisors as well a Professor of Management and Political Science at Yale University. He is author of *The Command and Control of Nuclear Forces* (Yale University Press, 1983); *Fire in the East: The Rise of Asian Military Power and the Second Nuclear Age* (HarperCollins, 1999); and *The Second Nuclear Age: Strategy, Danger, and the New Power Politics* (Times Books, 2012). He is currently working on a book on stability in the second nuclear age.

INTRODUCTION

Artyom Lukin

This research project is the result of a collaborative effort by a U.S.-Russian team of researchers affiliated with the Foreign Policy Research Institute, the Far Eastern Federal University in Vladivostok, the Moscow State Institute of International Relations, and the Russian Academy of Sciences in Moscow. The project examines economic, political, and security links between Russia and North Korea. Its primary aim is to assess Moscow's stance on the North Korea nuclear and missile crisis and to explore whether Russia can contribute to its resolution.

In Western perception, the Russian Federation's relations with the Democratic People's Republic of Korea (DPRK, North Korea) are often overshadowed by North Korea's relations with the People's Republic of China (PRC). Yet, since the late 19th century, Russia has been a major stakeholder in Korean affairs, at times capable of exercising critical influence on the peninsula. The current crisis over Pyongyang's nuclear and missile programs may significantly raise Russia's profile on the peninsula. We are already observing some signs of this.

Why might Russia be a consequential player in the ongoing North Korea drama, apart from its United Nations Security Council (UNSC) veto? First, Moscow has long-standing political, commercial, and cultural links with its neighbor across the Tumangan (Tumannaya) River. While Russia's economic leverage with the North is not as substantial as China's, it is nevertheless significant enough to make a difference, especially as the sanctions noose on the DPRK tightens. Second, among the major players on the peninsula, Russia enjoys the best relations with the North, even as the DPRK's ties with its only formal ally, China, have deteriorated in recent years. This makes Russia a potential broker of negotiations to resolve, or at least de-escalate, the dangerous standoff on the peninsula. Third, Russia is a military force in Northeast Asia, which means that, in case of a North Korea contingency, Moscow has the capacity to intervene militarily, aiding or derailing moves by other players.

Russia's behavior in the Korean crisis is guided by a mix of motives. No doubt Moscow sees North Korea's nuclear program as a serious menace to regional and global security. In the past few months, Russia's official assessments of the North's progress in nuclear and missile technologies have visibly changed. As recently as last summer, Russian officials tended to dismiss Pyongyang's nukes as primitive and incipient; now, the Kremlin publicly acknowledges that the North Koreans "have a hydrogen bomb" and possess "medium-range missiles with a range as far as 2,700 km and maybe even more, maybe 5,000 km."¹ Moscow now believes that it will take North Korea only two to three years to build intercontinental ballistic missiles.² That said, the desire to denuclearize North Korea should be put in the context of Moscow's other strategic objectives, such as countering the military-political dominance of the United States and seeking a favorable balance of power in Northeast Asia.

1 Vladimir Putin's remarks at Russian Energy Week plenary session. Oct. 4, 2017, <http://en.kremlin.ru/events/president/news/55767>.

2 "North Korea Two to Three Years From Missile That Could Hit U.S., Russia Says" (Interview with Mikhail Ulyanov, head of the Russian Foreign Ministry's department for security affairs and disarmament), *Bloomberg*, Nov. 8, 2017, <https://www.bloomberg.com/news/articles/2017-11-08/n-korea-2-3-years-from-missile-that-could-hit-u-s-russia-says>.

In pursuing its Korea policy, Moscow closely collaborates with Beijing. The Sino-Russian “comprehensive strategic partnership of coordination” has only grown stronger during the first year of the Trump administration.³ It is on full display in the North Korea situation. Even though their interests with regard to Korea are not identical, there has been sufficient overlap for Moscow and Beijing to coordinate and to develop joint initiatives. This was demonstrated in the Russia-China statement signed during the Vladimir Putin-Xi Jinping summit in Moscow on July 4, 2017.⁴ Moscow is unlikely to take any steps on the peninsula that contradict China’s major interests. While Korea is certainly important for Russia, the Kremlin acknowledges that China’s stakes there are much higher. There might be a tacit agreement between Russia and China that Moscow defers to Beijing on Northeast Asian issues, while, in return, the Chinese recognize Russia’s leading role in the Middle East.⁵

In contrast to Russia-China cooperation on North Korea, there is little collaboration between Moscow and Washington, despite the fact that the two sides share a vital interest in maintaining the global non-proliferation regime, which Pyongyang’s expanding nuclear-weapons program calls into question. Contrary to Moscow’s initial expectations, the arrival of the Trump administration has so far only worsened U.S.-Russia relations. The toxic atmosphere of the bilateral relationship is not conducive for dialogue over North Korea, let alone coordinated action. Meanwhile, the cost of mutual misunderstanding or miscalculation over North Korea could be extremely high. There are concerns, for example, about what might happen if the U.S. intercepts North Korean intercontinental ballistic missiles (ICBMs) over the Russian Far East.⁶ What happens if Russia, possibly in coordination with China, militarily intervenes in North Korea? Historical precedents should not be forgotten. Korea is the place where Russians and Americans had their most violent direct collision ever, with Soviet and U.S. warplanes battling in the skies over the peninsula during the Korean War in 1950-53, when the Soviet Union provided air cover to North Korean and Chinese troops. Such doomsday scenarios may not seem likely at the moment, but they are not impossible and should not be ignored.

This report is mostly based on open sources in Russian, English, and Korean. The research also involved interviews and conversations with experts and other individuals who are directly engaged in Russia-North Korea relations. Some of the interviewees are named in the report, while others requested anonymity due to the sensitivity of the topic. Artyom Lukin would like to express his special gratitude to Anastasia Barannikova, a Vladivostok-based North Korea researcher, for sharing her first-hand knowledge of the DPRK and insights on North Korean strategic thinking. In the course of the project, two research trips were undertaken to the DPRK. Liudmila Zakharova went to Pyongyang in May-June 2017, and Leonid Kozlov traveled by ferry to the port city of Rajin in July 2017.

The report consists of five chapters. Chapter One provides an historical overview of the Soviet/Russian-North Korean relations from the late 1940s to the present. This chapter also evaluates how Russians and North Koreans view each other, and it assesses Russia’s soft power in the DPRK. Chapter Two investigates the economic dimension of the Russia-North Korea relationship, and it also examines North Korea’s domestic economic situation, mostly drawing upon Russian expert assessments. Chapter Three provides Russian assessments of the DPRK’s military capabilities, focusing on its nuclear and missile programs. Chapter Four analyzes Moscow’s current diplomacy on the Korean peninsula, paying special attention to Russia’s interactions with China and the U.S. Finally, Chapter Five offers some conclusions, arguing that Russia could play a significant diplomatic role in resolving the Korean nuclear and missile crisis.

3 “China, Russia to further deepen partnership amid new intl situation,” *China Daily*, July 5, 2017, http://www.chinadaily.com.cn/world/2017xivisitgermany/2017-07/05/content_30001534.htm.

4 Joint statement by the Russian and Chinese foreign ministries on the Korean Peninsula’s problems, July 4, 2017, http://www.mid.ru/en/web/guest/maps/kr/-/asset_publisher/PR7UbfssNImL/content/id/2807662.

5 Andrey Kortunov, “Pyongyang is Starts and Wins. What Can the Losers Do?” *Russian International Affairs Council*, Nov. 13, 2017, <http://russiancouncil.ru/en/analytics-and-comments/analytics/pyongyang-is-starts-and-wins-what-can-the-losers-do/>.

6 Dave Majumdar, “The One Way North Korea Could Start a War (Between Russia and America),” *The National Interest*, Nov. 7, 2017, <http://nationalinterest.org/blog/the-buzz/the-one-way-north-korea-could-start-war-between-russia-23074?page=show>.

FROM JOSEPH STALIN AND KIM IL-SUNG TO VLADIMIR PUTIN AND KIM JONG-UN

Ilya Dyachkov, Leonid Kozlov, Andrei Lankov,
Artyom Lukin, Georgy Toloraya, and Igor Tolstokulakov

When the Democratic People's Republic of Korea formally came into existence in 1948, few informed observers would dispute the fact that the emergence of this country was, to a large extent, a result of the Soviet social and political engineering. In August 1945, after a short, victorious campaign against Empire of Japan, the Soviet military found itself in full control of the northern half of the Korean peninsula. In this situation, Moscow was determined to ensure that this strategically important area would be run by a friendly and, preferably, controllable government. Given the circumstances of the era, such government could not be anything but Communist-dominated. In the late 1940s, Soviet nation-building efforts did not necessarily meet much local opposition. On the contrary, at the time, a significant number of Koreans welcomed the Soviet-inspired socialist experiment even though the new system had its staunch enemies as well.

Since, in 1945, North Korea had few, if any, indigenous communist activists, the future leaders of the new communist regime had to be brought there from overseas, same as in the Republic of Korea (ROK), where Syngman Rhee, who was based in the United States for many years, was installed. Some of the future DPRK leaders were ethnic Koreans from the USSR, while others came from the Korean émigré community in China. Soviet authorities, with the personal blessing of Stalin, gave a prominent role in the emerging state to 33-year old Kim Il-sung. Kim was one of the field commanders of the communist guerrillas in Manchuria in the 1930s, and in 1942-45, after fleeing to the USSR because of Japanese counter-insurgency operations, he served in the Soviet Army where he held the rank of captain.¹ Kim Il-sung and his inner circle, consisting of former Manchurian guerrillas, were strongly nationalistic, and in due time, began to see the Soviet control as excessive and annoying. Their ultimate goal was to create a Korean state which they envisioned as being both communist and nationalistic.

Throughout the Korean War of 1950-53, massive Soviet aid and limited military participation (largely air force units) played a major role in preventing the total destruction of the North Korean state, and in the first post-war years, that Soviet aid was vital for building and rebuilding the country's industrial capacity. The death of

¹ For an early biography of Kim Il-sung, see the rather old, but still valuable, study by Dae-Sook Suh. Dae-Sook Suh, *Kim Il-sung: The North Korean Leader* (New York: Columbia University Press, 1988).

Joseph Stalin in 1953 and Khrushchev's subsequent de-Stalinization policy gave Kim Il-sung an opportunity to dramatically increase his autonomy. Kim Il-sung and his supporters did not accept the policies of post-Stalin Soviet leaders. They did not embrace the attacks on a leader's personality cult, perceived the "peaceful coexistence principle" as a surrender to world imperialism, were quite eager to develop heavy and military industries at the expense of social living standards, and did not approve political or ideological relaxation.²

After a few years of skillful maneuvering, by the early 1960s, Kim Il-sung managed to significantly reduce the Soviet political influence and transformed North Korea into one of the most autonomous countries of the Communist bloc. The pro-Soviet officials were killed, purged, or exiled back to the Soviet Union, and the fate of pro-Chinese officials was similar. Soviet political and economic advisers were sent home as well. Exchanges with the USSR were dramatically cut down: in 1959-1961, North Korean students were recalled from Moscow after some of them defected and were granted Soviet asylum; the North Koreans in mixed marriages were ordered to divorce their Soviet wives; and the earlier eulogies to things Soviet in the North Korean media were replaced by the panegyrics to Korean virtues as well as with accolades to the "Great Leader" Kim Il-sung. At the same time, Kim Il-sung agreed to the Soviet proposal to sign, in 1961, the Treaty of Friendship, Cooperation and Mutual Assistance which formally made them military allies.

In the early 1960s, however, against the background of the fast developing split between the Soviet Union and China, Pyongyang sided with Beijing, so the Soviet policies of the time were sometimes criticized in the open access North Korean media. Behind closed doors, at party cadres meetings, the Soviet Union was officially described as a "revisionist country" which allegedly deviated from the only true path of progress. This crisis resulted in significant reduction of Soviet aid to North Korea.

However, the pro-Chinese orientation did not last: in 1966, the outbreak of the Cultural Revolution terrified North Korean leaders, who branded Mao's policy as "dogmatism," every bit as dangerous as Soviet "revisionism." From 1965-67 and to the late 1980s, North Koreans maintained neutrality in the ongoing Sino-Soviet quarrel while emphasizing the uniqueness and superiority of their own system. It was then that the "Juche (self-reliance) Idea," first mentioned by Kim Il-sung in passing in 1955, was re-invented and much emphasized as North Korea's peculiar and unique ideology, allegedly more advanced and progressive than both the Soviet and Chinese versions of Marxism-Leninism. The ideology of "Pyonjing" ("parallel economic and military constructon") also dates back to this period.

Throughout the 1970-1990 period, Soviet aid, while less generous than in the 1950s, was still sufficient to keep North Korean economy afloat. The Soviet Union continued to provide Pyongyang with aid for a number of reasons even though after 1955-56, relations between the two countries were never free from some level of tension, distrust, and mutual contempt. Ideological considerations played a certain role, but largely it was geopolitics that determined the Soviet approach to North Korea. First, Moscow saw the North as a useful bulwark against the U.S. military presence in Japan and South Korea. Second, aid was provided as a reward to Pyongyang for its unwillingness to side with Beijing in the intense quarrel between two Communist great powers. The exact amount of this assistance, however, cannot be determined with any certainty since in their transactions both sides used artificial prices and because the aid was very often provided indirectly through imbalanced trade exchanges, which resulted from North Korea's deliberate failure to honor its export commitments in the bilateral barter ("clearing")-based trade.³

Since the division of the Korean peninsula into two hostile political entities, Moscow had recognized the North as the only legitimate Korean state. Russia maintained an alliance with the North and treated the South as only a "territory" and a U.S. "puppet" rather than a sovereign state. That said, in the 1970s, the Soviet leadership had to

2 Balázs Szalontai, *Kim Il-sung in the Khrushchev era: Soviet-DPRK relations and the roots of North Korean despotism, 1953-1964* (Stanford, California: Stanford University Press, 2005); and Andrei Lankov, *Crisis in North Korea: the failure of De-Stalinization, 1956* (Honolulu: University of Hawaii Press, 2005).

3 For a description of the economic relations between North Korea and the USSR, see, Natalia Bazhanova, *Vneshneekonomicheskie svyazi KNDR: v poiskah vyhoda iz tupika* (Moscow: Nauka, 1993). See, also, Georgy Toloraya, *Naridnoyzyastvennyi complex KNDR* (Moscow, USSR Academy of Science, 1984), pp.108-144. <https://yadi.sk/mail/?hash=1dRCqctL6XA57Lyldraf5VBwQyocH8z8wtXjas8GCnDhGRkiHCqAW999spyaDjeq%2FJ6bpmRyOJonT3VoXnDag%3D%3D>.

acknowledge that the DPRK had started to lag behind the Republic of Korea in economic development. Sporadic contacts between the USSR and ROK started after the Soviet-American “détente” in the early 1970s, and, later, Moscow began to view Seoul as a potential economic partner, especially with regard to the Russian Far East (RFE). However, the downing of a KAL passenger flight in the Soviet airspace in late August 1983 ruled out any possibility for an early rapprochement between Moscow and Seoul. Instead, the final major spike in Cold War tensions between the USSR and the United States, which occurred in the first half of the 1980s, led to the strengthening of Soviet-North Korean ties, with Kim Il-sung visiting Moscow twice, in 1984 and 1986. The summits with the Soviet leaders secured Pyongyang a significant amount of Soviet military assistance as well as a commitment to help North Korea in developing its civilian nuclear program. In 1985, Moscow agreed to assist the North with the construction of a 1200MW light-water reactor nuclear power plant. Yet, by the late 1980s, relations between Moscow and Pyongyang began to deteriorate again, largely due to North Korean displeasure over Gorbachev’s reforms and Soviet worries about the growing risks of nuclear proliferation activities by the DPRK.⁴ At the same time, Moscow rapidly moved toward normalization with Seoul. The Soviet Union took part in the 1988 Seoul Olympics. In 1990, Gorbachev had a meeting with the ROK President Roh Tae-woo in San Francisco that resulted in the establishment of diplomatic relations between the two countries the same year. Seoul’s agreement to give cash-strapped Moscow \$3 billion in loans (in fact, only \$1.47 billion was received), with pledges of further economic cooperation, played an important role in the Kremlin’s decision to recognize the South even at the price of offending Pyongyang.

The final collapse of the Soviet Union in 1991 and the emergence in Moscow of Boris Yeltsin’s administration, which avowed principles of liberal democracy and saw Russia as a close partner of the West, dealt a huge blow to Russian-North Korean relations. Russia came to see itself as a partner of the United States, so North Korea lost much of its erstwhile strategic value. As a result, Moscow did not see many reasons to continue to send aid and to subsidize trade with Pyongyang. Trade collapsed even before that, when, in the 1990s, the Soviets changed the trade basis from a clearing basis to a free currency one, and North Koreans chose to use their limited exchange reserves elsewhere.

In the first half of the 1990s, the newly democratic Russia essentially abandoned its longtime ally, the DPRK, and shifted priority to the ROK. In November 1992, Yeltsin and Roh Tae-woo held a summit in Seoul, signing a framework treaty on the basic principles of bilateral relations. In June 1994, President Kim Young-sam visited Moscow. Commercial exchanges registered rapid expansion, with Russian military hardware supplied to the ROK for debt compensation. At the same time, economic and military ties between Russia and the North dropped to almost zero. Direct trade between the two countries decreased dramatically from \$2.2 billion in 1992 to a mere \$83 million in 1995 (a 25-fold decrease in three years).⁵

Moscow saw the DPRK as a totalitarian pariah state with no future. Many decision-makers in Moscow, despite experts’ advice to the contrary, believed that North Korea was close to collapse and had nothing against the absorption of the DPRK by the ROK on South Korean terms. An additional factor in the Kremlin’s unfriendliness toward the DPRK was the fact that Pyongyang maintained active ties with the communist opposition to the Yeltsin regime.⁶ Until the mid-1990s, Moscow’s policies on issues related to the Korean peninsula aligned with—or, to put it more accurately, followed—those of Seoul, Washington, and Tokyo. This was due to several factors, such as Russia’s desire to act on the international stage in agreement with the West, its preoccupation with multiple domestic crises, and its hopes to get material benefits from South Korea in the form of preferential loans, investments and technologies.

4 Vasily Mikheev, “Russian Strategic Thinking toward North and South Korea,” in Gilbert Rozman, Kazuhiko Togo, and Joseph Ferguson (eds), *Russian Strategic Thought toward Asia* (New York: Palgrave Macmillan, 2006), pp. 191-192.

5 Liudmila Zakharova, “Economic cooperation between Russia and North Korea: New goals and new approaches,” *Journal of Eurasian Studies Volume 7*, Issue 2, July 2016, p. 152.

6 Vasily Mikheev, “Russian Policy towards the Korean peninsula after Yeltsin’s Reelection as President,” *The Journal of East Asian Affairs* 11, no.2 (Summer/Fall 1997), pp. 348-77.

During the North Korean nuclear crisis of 1993-1994, Russia mostly was a passive observer, effectively siding with the United States and even supporting the U.S. threat of imposing UN sanctions against the DPRK.⁷ In 1995, Moscow formally notified Pyongyang that the alliance treaty of 1961 committing the USSR to the defense of the DPRK had become obsolete and needed to be replaced with another treaty not containing a mutual defense clause.⁸

However, by the second half of the 1990s, concerns were increasingly raised in Moscow that the heavy tilt toward Seoul at the expense of Pyongyang only served to undermine Russia's positions in Northeast Asia without giving it any tangible benefits. Moscow was getting unhappy with fact that the four-party group, consisting of the DPRK, the ROK, the United States, and China, was emerging as the main mechanism to deal with the Korean peninsula issues—with Russia being left out. Moscow also felt that Seoul showed less interest in Russia after it had scaled down its ties with the North. Russia's new Foreign Minister Evgeny Primakov, who in 1996 replaced the pro-Western Andrei Kozyrev, made efforts to correct the policy with the aim of mending relations with Pyongyang and raising Russia's profile in Korean affairs. However, Moscow's hand was still too weak to make any noticeable impact on the Peninsula's strategic equation.

With Vladimir Putin's rise to power in 2000 and Russia's recovery from the chaos of the 1990s, Moscow had more resources—and more political will—to pursue proactive and independent foreign policies. Besides, by the late 1990s, the divergence of views on some key issues between Russia and the West became obvious. Russia now felt much less obliged to defer to the West—and Seoul—on questions related to the Korean peninsula. At the same time, predictions of the imminent fall of the North Korean regime had proved to be wrong. It became clear to Moscow that the DPRK was not destined for an inevitable implosion and, indeed, could continue for quite a long time. Furthermore, with the economic situation in Russia rapidly improving, Moscow no longer needed South Korea's largesse, especially considering the disappointing fact that hopes for large South Korean investments had not materialized in the 1990s.

Moscow saw an opportunity to heighten Russia's international influence and prestige by reinserting itself into Korean peninsula politics through restoring links with the DPRK. The Putin administration judged—correctly—that rebuilding ties with Pyongyang, while preserving good relations with Seoul, would again make Russia a player to be reckoned with in Northeast Asia. The new policy manifested itself in the highest level visits. Putin went to Pyongyang in 2000, becoming the first Russian leader to visit North Korea (neither tsars nor general secretaries ever went to Korea, and Boris Yeltsin visited Seoul only), while Kim Jong-il traveled to Russia in 2001, 2002, and 2011.⁹ In 2003, Russia also became a founding member of the Six-Party Talks, reportedly at the insistence of Pyongyang, thus institutionalizing and legitimizing Moscow's role on the Korean peninsula.

During that period, Russia was careful to pursue equidistance—or equal closeness—in relations with Seoul and Pyongyang regarding security issues. Recognizing the South's concerns about the North's development of nuclear and ballistic weapons and disapproving of Pyongyang's provocative statements and actions, Moscow simultaneously pointed to the need to safeguard the DPRK's "legitimate" security interests. Russia supported United Nations Security Council sanctions punishing North Korea for its nuclear and ballistic missile program, but Moscow, along with Beijing, worked to take the edge off the sanctions as opposed to harsher measures backed by the United States and Japan.¹⁰ Throughout the 2000s, Moscow's stance on North Korea was close to Beijing's. However, that similarity was not due to Russia's subordination of its North Korea policy to China's wishes, but it rather stemmed from the convergence of interests: neither Moscow nor Beijing wanted a North Korean implosion, an outcome considered likely under stiffer sanctions.

7 Georgy Toloraya, "Koreyskiy Poluostrov i Rossiya: problemy vzaimodeystviya" [Korean peninsula and Russia: the problems of interaction], *Mezhdunarodnaya Zhizn'* [International Affairs], November 2002, http://world.lib.ru/k/kim_o_i/a9616.shtml.

8 Final Report on the Project, "Russia-Korea relations in the Architecture of Northeast Asia and the Asia-Pacific" (Gorbachev Foundation, February 2003), http://www.gorby.ru/activity/conference/show_70/view_13120/.

9 Even the pro-South tilt during the presidency of Dmitry Medvedev did not preclude his meeting with Kim Jong-il in Russia in August 2011. Symbolically, it became the last meeting with a foreign head of state for the late North Korean leader.

10 Until 2008, under the administrations of Kim Dae-jung and Roh Moo-hyun, the ROK generally sided with China and Russia, being in favor of a more accommodating approach to North Korea, whereas the succeeding conservative administrations of Lee Myung-bak and Park Geun-hye have taken a much tougher stance on Pyongyang, more in line with the U.S. position.

Moscow did not explicitly call for the continuation of the status quo on the Korean peninsula, but its emphasis on the need to seek “peaceful diplomatic solutions” to the North Korean issue in effect meant the conservation of the existing geopolitical realities and preservation of North Korea as a sovereign entity. The prevailing view in the Russian foreign policy community was that North Korean collapse would likely cause radical changes in the Northeast Asian balance of power that might be detrimental to Russia’s national interests. The proponents of this view argued that a forced demise of North Korea would essentially mean the revision of the World War II outcomes. Moscow was concerned that an isolated and weakened North Korea would be annexed by U.S.-allied South Korea, expanding the U.S. sphere of influence in Northeast Asia and probably even seeing U.S. troops arriving in North Korea. That was why Moscow needed to maintain good relations with Pyongyang, despite the eccentricity of the Kim dynasty.¹¹



Until the late 1990s, North Korean workers in Russia were mostly employed in the timber industry. This is no longer the case, with North Korean lumberjacks in Russia currently numbering just over 1,000. As a side business in one of the few logging camps left in the Russian Far East, the North Koreans collect cowberry in the forest and sell it to Russians.

Source: Dmarkitan Blog

Nonetheless, in the 2000s, Moscow’s commitment to preservation of the DPRK was not without serious reservations. At that time, it seemed quite likely that Moscow would at some point conclude that continuation of the North Korean regime was not in its interests and benefited China much more than Russia. After all, it was Chinese, not Russian, companies that enjoyed the dominant position in North Korea. Furthermore, even if U.S. troops were to be stationed in North Korea after reunification, they would be of much more concern to China than to Russia, if only because China shared a much longer border with North Korea (China’s border with North Korea is 1,416 kilometers long, while Russia’s is only 19 kilometers).

One also had to consider the economic gains that Russia was well positioned to reap as a result of Korean reunification. Major projects that had been stalled due to the inter-Korean conflict, such as a gas pipeline from Russia to Korea and the linking of Korean railways to the Russian Trans-Siberian Railway, would go ahead if the North Korean problem was finally resolved. More generally, North Korea was basically an economic wasteland, with very little commercial opportunities for the neighboring RFE. Moreover, it separated Russia from the South Korean economy. Korean reunification would give the RFE overland access to a single market of 75 million people with high demand for Russian commodities.

Lastly, Moscow was not happy with North Korea’s steady progress in the development of nuclear warheads and ballistic missiles. First, because of the immediate safety and security risks these programs posed to the RFE and, second, because the increase in the number of nuclear powers devalued Russia’s own nuclear deterrent, undermining a crucial basis of Moscow’s great-power standing in the world.

Such considerations might have eventually led Moscow to a tougher stance on Pyongyang and the acceptance of a swift Korean reunification, even if it should have been carried out as absorption of North Korea by a pro-U.S. South Korea. As Dmitri Trenin argued at that time, unlike Beijing, the Kremlin did not worry much about the prospect of North Korea disappearing from the political map since Pyongyang served as a protective buffer for China rather than Russia.¹² It should be noted, however, that such liberal views were largely alien to the Russian military-foreign policy establishment.

11 Georgy Toloraya, “Ocherednoy Tsykl Koreyskogo Krizisa, 2008–2010: rossiyskiye interesy i perspektivy vyhoda iz koreyskogo tupika” [Another Cycle of the Korean Crisis, 2008–2010: Russia’s Interests and the Prospects for Getting out of the Korean Impasse], *Problemy Dal’nego Vostoka* [Far Eastern Affairs], no. 5 (September–October 2010), pp. 3–19. See, also, Igor Tolstokulakov, “Korea, Russia and the 21st-Century Challenges,” in Rouben Azizian (ed.), *Russia, America, and Security in the Asia-Pacific* (Honolulu: Asia-Pacific Center for Security Studies, 2006).

12 Dmitri Trenin, *Post-Imperium: A Eurasian Story* (Moscow: Carnegie Moscow Center, 2012), p. 194.

Perhaps, Moscow could have accepted a unified Korea that retained some form of security ties with the United States as long as Russia's relations with Washington were reasonably tolerable—neither very friendly, nor adversarial—just the way they stood in the 2000s, at least up to 2007-08, when President Putin's Munich speech signaled a shift in Russia's strategic thinking. This contrasted with China's stance: Beijing obviously preferred to keep Korea divided rather than seeing a united and strong country on China's borders.

The Ukraine crisis that started to unfold in 2013 and culminated in 2014 profoundly transformed Russia's foreign policy. The competition with the United States that hitherto had been tempered by significant amount of bilateral engagement and cooperation turned into bitter enmity, while Moscow made moves to consolidate its strategic partnership with Beijing into something resembling a quasi-alliance. This had considerable repercussions for Russia's approaches to the Korean peninsula, visible in the noticeable reinvigoration of Russia-North Korea ties and the mounting difficulties in Russia-South Korea relations.

Both being ostracized by the West and subjected to harsh sanctions, Russia and the DPRK evidently began to feel more empathy with each other. Moscow saw Pyongyang as one of the few countries not afraid of openly challenging the U.S.-led international order. In particular, North Korea expressed support for Russia over Crimea. In turn, Moscow defended the DPRK at the UN Security Council when, in 2014, it voted, along with China, against the inclusion of the issue of human rights in North Korea on the UNSC agenda.¹³

During 2014 and 2015, Russian-North Korean relations remarkably grew in intensity. The reinvigoration of bilateral ties was mostly a Russian initiative, but North Korea suddenly became receptive, especially considering the growing alarm in Pyongyang about the rising dependence on China. Moscow, faced with Western sanctions, was seeking new economic and political options consistent with its new “pivot to Asia” doctrine and plans to develop the Russian Far East. There was a flurry of high-level visits. Since February 2014, the DPRK Supreme People's Assembly Presidium Chairman Kim Yong-nam,¹⁴ Minister of Foreign Trade Lee Ryong-nam, Foreign Minister Lee Soo-young, Kim Jong-un's special envoy Choe Ryong-hae, Supreme People's Assembly Chairman Choi Thae-baek, and other senior officials visited Russia.¹⁵ Russia reciprocated by sending to Pyongyang multiple delegations, including Deputy Prime Minister Yuri Trutnev and Minister for the Russian Far East Development Alexander Galushka. Although the expected visit of the DPRK's supreme leader Kim Jong-un to Moscow for the celebrations of the 70th anniversary of victory over Nazi Germany did not materialize (Pyongyang was instead represented by Kim Yong-nam, the nominal number two in the DPRK state hierarchy),¹⁶ this did not slow the momentum of Russia-North Korea re-energized ties, with 2015 designated as the Year of Friendship of Russia and the DPRK. In November 2015, Moscow and Pyongyang signed an agreement on “preventing dangerous military activity.” The agreement, concluded at the level of the two countries' general staffs, was an indication of increased military contacts between Russia and the DPRK.¹⁷ Moscow and Pyongyang made a number of steps to boost economic exchanges. More than a dozen agreements were signed, and Russian investors working on DPRK projects were promised to benefit from exclusive terms. Russia also extended food aid to North Korea through the World Food Programme.

The new rounds of international sanctions imposed on North Korea in 2016, in response to a series of nuclear and missile tests, inevitably took a toll on Russia-DPRK relations. Bilateral trade shrank, while most commercial

13 Ankit Panda, “North Korean Human Rights Abuses on the Agenda at UN Security Council,” *The Diplomat*, December 23, 2014, <http://thediplomat.com/2014/12/north-korean-human-rights-abuses-on-the-agenda-at-un-security-council/>.

14 Pyongyang was shrewd enough to send its titular head of state Kim Jong-nam to the opening ceremony of Sochi Olympics even in the absence of North Korean athletes there.

15 Pavel Cherkashin, “Current Russian-North Korean Relations and Prospects of Their Development” (Russian International Affairs Council, Aug. 24, 2015), http://russiancouncil.ru/en/blogs/dvfu/?id_4=2022

16 Pyongyang never explained why Kim Jong-un's planned visit to Moscow was cancelled with short notice. The reasons for that were mostly related to internal political situation in Pyongyang as well as the Kremlin's reluctance, considering a large number of other foreign dignitaries coming to Moscow, to guarantee Kim the exclusive guest-of-honor treatment he craved.

17 Leo Byrne, “N. Korea, Russia Sign Military Agreement,” *NK News*, Nov. 13, 2015, http://www.nknews.org/2015/11/n-korea-russia-sign-military-agreement/?utm_source=dlvr.it&utm_medium=twitter.

projects that had been under consideration before 2016 were put on hold. Russia also somewhat curtailed political contacts with the DPRK, at least those publicly visible. There have been no high-level (ministerial and above) official talks between Russia and the DPRK since January 2016, the only exceptions being the meeting between Russian and North Korean ministers of culture in Saint Petersburg in December 2016 and the visit of North Korean sports minister to attend an international conference held in Kazan in June 2017.¹⁸ That said, Moscow has continued to engage in intensive diplomatic dialogue with Pyongyang, though largely behind the scenes.

HOW RUSSIANS VIEW NORTH KOREA

From the point of view of international politics, Russia sees the DPRK as a sovereign state with its own legitimate interests and concerns, a country with which Moscow has historically maintained generally friendly relations. An important aspect of the Russian view of North Korea is that shares a border with Russia.

Notably, Russian foreign policymakers and experts do not see North Koreans as “irrational.” Surely, Pyongyang may at times be an unreliable and seemingly capricious partner, but reason always underlies any change of mood. The rationale is sometimes obfuscated by the lack of information about the inner workings of the North Korean political system, but some logic is almost always in place, and successful cooperation with North Korea requires expertise and knowledge of its inner intricacies. Dismissing Pyongyang’s ability to rationalize its decisions is the first step towards denying North Korea’s international actorship and political agency. Besides, labeling Pyongyang as “irrational” is very often just an excuse for sabotaging dialogue and promoting military agenda, whereas Moscow firmly believes that, in the North Korean case, engagement is preferable to isolation and containment. Additionally, Russia generally views North Korea as a politically stable country. The North Korean political system, despite being leader-centric and perhaps even despotic, is not seen as going to fall apart in the foreseeable future. Consensus among elites and virtual non-existence of any dissent in the society make the North Korean system notably resilient.



A North Korean stamp commemorating Kim Jong II's trip to Russia in August 2011 and his meeting with President Medvedev. Courtesy of Anastasia Barannikova

The Russian general public's impression of North Korea is vague and ambivalent due to lack of information and the fact that comparatively few Russians have had any firsthand experience with North Korea or North Koreans. Therefore, the uneducated observer would uncritically accept both the “black-and-white” narrative and even manage to reconcile the two despite their mutual exclusivity. In other words, while one marginal group believes that North Korea is hell on Earth and another small group sees the country as the last remnant of socialist paradise, the general Russian public simultaneously believes in both and neither (mostly because it does not actually care). The resulting double vision is the reason why unspecialized media sometimes relay very contradictory and low-quality stories about the DPRK, some based on the “white” and some on the “black” image (and, indeed, such reports perpetuate the duality). Consequently, news from North Korea is often accepted without analysis, like all fanciful stories, on the assumption that anything can possibly happen in this wild place.

Until recently, North Korea has not registered in Russians' mass consciousness in any significant way. In a recent survey, just 3% of Russians named it among the countries which they view as “most friendly to Russia” (on a par with Greece, Mongolia, Venezuela, Italy, and Israel), while only 2% regarded the DPRK as being among the “most hostile and unfriendly” nations (the same percentage of respondents chose Romania, Saudi Arabia, Iran, and China).¹⁹ For comparison, South Korea received 2% and 1%, respectively. However, the Russian public's perception

¹⁸ Russian Embassy in the DPRK Посольство России в КНДР, July 9, 2017, https://www.facebook.com/RusEmbDPRK/?hc_ref=ARRa75J3qJ01PNPg2ASgksurBnHt6qsqC29988f33RqHL0I98OQ87D2c5LHBvQHTjLo&fref=nf.

¹⁹ Levada Center survey. June 5, 2017, <https://www.levada.ru/2017/06/05/druzya-i-vragi-rossii-2/>.



*A group of North Korean students at the Pyongyang Airport departing to study in Russia, September 2017.
Source: Embassy of Russia in DPRK*

of North Korea may be shifting. This shift is caused mainly by the surge of anti-Americanism which has been manifest in Russia in recent years, particularly in the wake of the Ukraine crisis. Any country adversarial to Washington, by extension, gets a share of Russian sympathies. Furthermore, the increasing tensions around the Korean peninsula in the spring and summer of 2017 raised a concern in Russian society of a real possibility of war at Russia's doorstep.

In Russia, as in most other countries, public perceptions of international events and foreign states are largely shaped by the news media. The Russian mainstream news outlets, most of which are controlled by the government, have been increasingly portraying North Korea not as a brutal dictatorship and rising menace to international peace, but, rather, as a proud, albeit somewhat eccentric, nation who has

to defend itself in the face of the looming external threat from the U.S. There is also an unmistakable "David and Goliath" metaphor impacting the perception of North Korea. It is seen by many Russians as a small but valiant nation facing up to a large aggressive empire.

Attitudes among the Korea expert community in Russia are, of course, more nuanced. Fortunately, Russia has access to the country itself, and Russian Koreanologists often visit North Korea during their training or work. Such trips, especially repeated in the span of many years, help immensely in understanding the situation in the country and its behavior in the international arena and give Russian experts a competitive edge as analysts. The absolute majority of Russian experts on Korea share a common view on North Korea, which more or less coincides with Russia's official position. This is not due to the experts' conforming to accommodate the official perspective, but *vice versa*: it is, rather, the academic community that, to a considerable extent, shapes the Russian government's understanding of the North.

Russia has diplomatic relations with both Korean states and strives to build a balanced relationship with them. As a result, many Russian Korea experts study two different political, economic, and socio-cultural realities and maintain contacts with both North and South Korean counterparts. This simple fact may seem very trivial, but it is often ignored and misunderstood by outside observers from the United States or Europe, who are not in the same position and are almost always exclusively locked into dealing with the South. This often leads them to interpret South Korean views as the *only* Korean view.

On the other hand, Russian specialists, who are required to work in a more complex environment, have to think and analyze independently, consistently, and consciously eliminate cognitive bias to remain relevant. The resulting balanced opinion is often perceived by South Koreans as advocating North Korea's point of view,²⁰ while North Koreans may explain it by Russia's siding with Western global imperialism.²¹ In reality, of course, the position is neither pro-South or pro-North, but pro-Russian.

Outside of the Koreanologist community, some Russian foreign policy experts fail to understand the value and purpose of developing relations with Pyongyang and see these ties as a remnant of the past, like the DPRK itself. This opinion does not always coincide with the liberal or conservative political orientation and stems from lack of information and interest in the subject rather than any strong feelings towards North Korea. This view is a product of the DPRK's perceived irrelevance and its overall peculiar image combined. Notably, the prevalence of

20 Ha Tae-won, "Rosianeun opta" ["Russia does not exist"], Donga Ilbo, November 11, 2014, accessed April 30, 2017, <http://news.donga.com/3/04/20141104/67636422/1>.

21 Valery Denisov and Ilya Dyachkov, "Osobennosti vneshnepoliticheskogo protsessa v gosudarstvakh Korejskogo polostrova" ["Osobennosti vneshnepoliticheskogo protsessa v gosudarstvakh Koreyskogo polostrova"] ["Specifics of foreign policymaking in Korean peninsula states"] in *Vneshnepoliticheskij protsess na Vostoke* Внешнеполитический процесс на Востоке [Foreign policymaking in the East], ed. by Dmitry Streltsov (Moscow: Aspekt-press, 2017), p. 299.

such a perception has somewhat shrunk as ties with Pyongyang revitalize and show some promise.

Among politically active Russians, the attitudes on North Korea strongly correlate with their ideological convictions. Russian liberals, understandably, have an extremely negative view of North Korea. On the opposite end of the political spectrum, some marginal ultra-left and ultra-right groups demonstrate consistent pro-North positions and perpetuate a eulogic narrative of Pyongyang's actions. The mainstream Communist Party of the Russian Federation (KPRF), which has parliamentary representation, is generally sympathetic to the North. KPRF and its affiliated organizations maintain regular contacts with Pyongyang, including exchanges of delegations. That said, Russian communists cannot but recognize that Juche has strayed very far from the teachings of Marxism-Leninism. Despite its ideological rejection of Communism, the ruling pro-Putin United Russia Party has lately displayed a more or less friendly attitude toward the DPRK, with party activists sometimes even organizing pro-North Korea events.²²



Children from the Russian Far East at North Korea's Songdowon International Children's Camp, July 2017. Source: Embassy of Russia in the DPRK

There is a network of dedicated pro-DPRK groups in Russia and other post-Soviet states (mostly, in Ukraine and Belarus), even though they collectively comprise probably no more than several thousand active participants and have very limited influence. They include the Russian Society for Juche Studies (headquartered in Moscow and having branches in a few major cities), as well as several online groups, such as "Solidarity with the DPRK" (over 13,000 subscribers) and "DPRK. News and information" (4500 subscribers). They receive moral and some material support from the DPRK embassy and consulates in Russia. Pro-North Russian public activists, scholars, artists, and media personalities sometimes get rewarded with invitations to Pyongyang, with travel expenses, fully or in part, covered by the North Korean government. Songdowon International Children's Camp near Wonsan regularly receives Russian kids aged 9-16, whose trips are mostly organized through North Korea-friendly organizations in the RFE.²³ Finally, North Korea is not shy to use direct buying of newspaper pages to place articles praising the DPRK achievements and exploits of the "great leaders."²⁴ The panegyric and hyper-exalted style of such publications certainly feel very weird to the Russian audience and hardly make for smart PR, but it seems the North Koreans who place such propaganda ads do not necessarily understand this.

IS THERE RUSSIAN SOFT POWER IN NORTH KOREA?

The North Koreans generally see Russia as a friendly, or, to put in a different way, the least hostile great power. North Korea not only remembers the years of large-scale Soviet assistance, but also sees that modern Russia's stance on many issues is close to Pyongyang's own position. At the same time, Pyongyang understands quite well that the "golden era" of cooperation is long over and that the post-Soviet relationship cannot be as close as it used

22 Принципы идеологии «Чучхе» распространили среди хабаровской молодежи северокорейские дипломаты [North Korean diplomats explained the Juche ideology principles to the Khabarovsk youth]. DVHAB.RU. July 3, 2017, <http://www.dvnovosti.ru/khab/2017/07/03/68539/#ixzz4oLocynbW>.

23 Курорты Северной Кореи. Как жители Дальнего Востока ездят в КНДР кататься на горных лыжах и отправляют туда отдыхать детей [The resorts of North Korea. How the Russian Far East's residents travel to the DPRK for mountain skiing and send there their children for summer camps]. Meduza, July 11, 2017, https://meduza.io/feature/2017/07/11/kurorty-severnoy-korei?utm_source=email&utm_medium=vecherka&utm_campaign=2017-07-11.

24 Ренат Давлетгильдеев. Вождь для России. Как Северная Корея ведет пропаганду на русском языке [Renat Davletgildev. The Great Leader for Russia. How North Korea conducts propaganda in Russian]. *Nastoyashcheye vremya*. June 21, 2017. <https://www.currenttime.tv/a/28570073.html>.

to be. The 2000 Treaty on Friendship, Neighborly Relations and Cooperation,²⁵ despite overall similarity and lofty wording, cannot equal the 1961 treaty that forged the military alliance between the USSR and the DPRK.²⁶

Russia's soft power in North Korea derives, to a large extent, from the Soviet legacy. After the liberation of North Korea by the Soviet Army in 1945 and the creation of a Moscow-backed government, the Soviet influence in culture, education, and science became paramount. During the first decade of the DPRK's existence, North Korea copied Soviet cultural and educational standards wholesale. As was the case in the USSR, the ruling party controlled all the ideology and created the propaganda apparatus imitating the Soviet one, but much surpassing it in pervasiveness and mind control.

In 1955, Kim Il-sung started to distance himself from Moscow, curtailing Soviet influence in culture as well. Nevertheless, despite North Korea's self-isolation, educational and scientific links with its Soviet ally remained vital for the DPRK's development. During periods of closer political relations, the Soviet influence increased, and the North Korean audience had more opportunities to enjoy Russian music, cinema, and dance.

Since the inception of the North Korean state, the Soviet Union was seen as a place where a more relaxed, more permissive, more sophisticated version of socialism existed. A son of a North Korean writer, prominent in the 1950s (and later purged), described this attitude when talking about his father and other like-minded intellectuals: "Moscow was their Paris." The Soviet culture was, to a large extent, suppressed in the 1960s and 1970s, but since the 1980s, it began to play a major role in the daily life of North Koreans. Regardless of political and ideological differences between Pyongyang and Moscow, Russians (unlike Chinese in certain periods) have always been portrayed in a positive fashion in North Korean mass media and arts,²⁷ although the volume of such presentation fluctuated, shrinking in times of cooler relations.

Since 1945, most high-ranking party cadres and technical specialists had received their education in the Soviet Union or through Russian textbooks. Before the 1990s, there was almost no alternative. Until the early 1990s, 60% of schoolchildren studied the Russian language, followed distantly by Chinese and English. As estimated by Russkiy Mir Foundation, up to 1 million of North Korean citizens have practical knowledge of Russian with different degrees of proficiency. Russian is still the most widely spoken foreign language in North Korea.²⁸ Also, the language education standards are traditionally high: in fact, the North Koreans who received professional language training speak Russian much better than many of their South Korean counterparts, even though most of them have never been to Russia and have very limited (if any) access to modern Russian media (so vocabulary is sometimes seem outdated).

In the 1990s, with the dissolution of the USSR and rupture in bilateral relations, North Korean authorities took measures to curtail Russia's soft power. Russian "capitalist" realities were presented in a critical manner, and the negative results of "betraying socialism" were widely propagated. North Korean media criticized Russia's foreign

25 Dogovor o druzhbe, dobrososedstve i sotrudnichestve mezhdu Rossijskoj Federtsiej i Korejskoj Narodno-Demokraticeskoj Respublikoj Договор о дружбе, добрососедстве и сотрудничестве между Российской Федерацией и Корейской Народно-Демократической Республикой [The Treaty on Friendship, Neighborly Relations and Cooperation between the Russian Federation and the Democratic People's Republic of Korea]. October 10, 2000, accessed April 30, 2017, http://www.rusembdprk.ru/images/law-base/Document_24.pdf.

26 "Dogovor o druzhbe, sotrudnichestve i vzaimnoj pomoschi mezhdu SSSR i KNDR" "Договор о дружбе, сотрудничестве и взаимной помощи между СССР и КНДР" [Treaty on Friendship, Cooperation and Mutual Assistance between the USSR and the DPRK] in *Otnosheniya Sovetskogo Soyuza s Narodnoj Koreej, 1945-1980. Dokumenty i materialy* Отношения Советского Союза с народной Кореей, 1945-1980. Документы и материалы [Relations between the Soviet Union and the People's Korea, 1945-1980. Documents and materials]. (Moscow: Nauka, 1981), pp. 196-198.

27 Татьяна Габрусенко. Златокудрые красавцы, склонные к рефлексии. Как изображают русских в северокорейской литературе [Tatyana Gabrusenko. Golden-haired good-lookers with propensity for soul-searching. How North Korean literature depicts Russians]. Lenta.ru, Feb., 20, 2016, <https://lenta.ru/articles/2016/02/19/fromkoreawithlove/>. See, also, Tatyana Gabrusenko, "Friendship movies: Chinese characters in North Korean film," *NKNews*, July 12, 2017, <https://www.nknews.org/2017/07/friendship-movies-chinese-characters-in-north-korean-film/?c=1499850349835/>

28 According to Georgy Toloraya's personal observations and conversations with North Korean education officials.

and domestic policy choices, emphasizing the darker aspects of the post-Socialist reality, which, frankly, could have been done without much need to invent and exaggerate. Although anti-Russia propaganda via public media was somewhat restrained, internal party materials carried lots of harsh criticism, showing the fallacy of Russian political course and the disastrous results of the liberal democratic reforms of the early 1990s. Aside from evident didactic domestic purposes, these publications aimed to explain the souring of relations with Russia and show that it was not Pyongyang's fault, but rather the result of Moscow's actions. Russian language studies decreased. Cultural exchanges were restricted to the invitation of pro-communist and "Soviet-style patriotic" artists and performers.



Alexander Petukhov, Russian conductor and professor of the Moscow Conservatory, performs with the DPRK State Symphony Orchestra in Pyongyang, September 2017. Source: Embassy of Russia in DPRK.

However, in the mid-1990s, cultural exchanges began to recover. In 1996, a new agreement on cultural cooperation was signed,²⁹ followed, in 2001–2002, by a number of agreements on scientific cooperation as well as agreements in such areas as cinematography.³⁰ The watershed moment came with Putin–Kim Jong-il summits in 2000 and 2001. Among other things, they discussed issues of education of North Korean students and the publication of new Russian language textbooks. Kim Jong-il issued the instruction (and later informed Russian authorities about that) to renew Russian language education at schools so as to involve 60% of schoolchildren, meaning the return to the pre-USSR situation. In 2009, the Russian Center, run by the Russkiy Mir state-funded foundation, was opened in the presence of Foreign Minister Sergey Lavrov at the Pyongyang Institute of Foreign Languages. The center conducts language studies and organizes cultural events. Russkiy Mir has also established several Russian-language cabinets and provides grants for publishing hundreds of thousands of Russian-language textbooks and related materials.³¹ Russian non-fiction enjoys great popularity at biannual book fairs in Pyongyang.

During the last decade, the influx of Russian soft power has increased considerably. Russia has become a sort of a legally permitted “window to the world” for many North Koreans, as Chinese culture is frowned upon due to political reasons (and anyway is ideologically and culturally similar to that of North Korea), while South Korean cultural products are banned and their consumption is mostly limited to the privileged class. Russian dancers, singers, and circus actors regularly participate in the “April Spring Festival,” while Russian filmmakers take part in film festivals, such as the 15th film festival in Pyongyang in 2016 where they were awarded several prizes. Russian athletes show up at major competitions (such as Paektusan figure skating tournament, table tennis tournaments, marathons, etc.). Russian military-themed dance troupes and choirs are regular guests in North Korea. Russian-made movies, both classical Soviet and modern Russia (but mostly military-patriotic ones), are regularly shown on North Korean TV (especially on the Mansudae channel) and sold at video CD stalls.³² Russian popular music—especially Soviet-time and folk songs, military choirs, but also some modern pop-singers—can be heard in bars and restaurants all over Pyongyang.

The general population holds somewhat distorted notions about Russia, as they are mostly based on Soviet-era films and books, with a limited knowledge of modern Russia's arts and culture. At the same time, Russians are still seen in North Korea as the most friendly (or the least hostile) major nation. After relations were mended in the early 2000s, criticism of Russia became a rather rare sight in North Korean media. It is not surprising since the image of any country in the North Korean ideological discourse changes along with bilateral climate: current poignant criticism of China illustrates this point well.

29 Embassy of Russia to the DPRK, http://rusembdprk.ru/images/law-base/Document_14.pdf.

30 Embassy of Russia to the DPRK, http://rusembdprk.ru/images/law-base/Document_26.pdf.

31 Press release on the opening of Russian Center in Pyongyang. *Russkiy Mir Foundation*, April 24, 2009, <http://russkiymir.ru/news/94787/>.

32 Facebook page of the Embassy of Russia to the DPRK. July 3, 2017, https://www.facebook.com/pg/RusEmbDPRK/photos/?tab=album&album_id=628696230637503.

Russian culture is most popular with the elder generation, nostalgic over the Kim Il-sung times, although there is no visible divide between them and younger generations, which is typical today for many post-Communist countries. Of course, on the political level, senior citizens are much more knowledgeable and understanding of Russia than the Kim Jong-un generation. The older North Korean generation remembers that it was the Soviet military that liberated the peninsula from the Japanese and then assisted the North in the Korean War, as well as that the Soviet Union assisted the country economically in later years. The younger generation grew up in a much more “Juche-ized” ideological environment, when mentions of foreign help were erased from the official narrative or at least dialed down. Besides, in the new era, North Korea’s foreign policy priorities have changed, and the indoctrination patterns have followed. As a result, the younger generation does not feel as connected to Russia as older people may have.

Kim Jong-un’s age and background do not make him feel any personal connection with Russia. This stands in contrast to his father, Kim Jong-il, who was born in the Soviet Far East in the village of Vyatskoe near Khabarovsk.³³ Throughout his life, Kim Jong-il felt affinity to the Soviet Union/Russia. He knew some of the language and retained interest in both classical and popular Russian culture. Therefore, while Kim Jong-il was more likely to meet with, say, a Russian military choir, Kim Jong-un is more interested in receiving American basketball players.

Soviet/Russian cultural influences in the North do not give Moscow any kind of leverage over Pyongyang. As is well known, soft power can seldom be translated into direct political influence, but long-standing socio-cultural links between the two countries and their shared Soviet/Communist legacy certainly provide more ballast to the relationship.

33 Anatoly Torkunov, Valery Denisov, and Vladimir Li, *Korejskij poluostrov: metamorfozy poslevoennoj istorii* Корейский полуостров: метаморфозы послевоенной истории [The Korean peninsula: metamorphoses of post-war history] (Moscow: OLMA Media Grupp, 2008), p. 237.

RUSSIA-NORTH KOREA ECONOMIC TIES: IS THERE MORE THAN MEETS THE EYE?

Artyom Lukin & Liudmila Zakharova

Russia's relations with North Korea are often ignored in the West, being completely overshadowed by China's. The conventional view is that Russia's role with respect to the North is purely political and diplomatic, predicated on Russia's permanent membership in the UN Security Council and participation in the now defunct Six-Party Talks. Often overlooked is the fact that Russia maintains a range of economic links with the Democratic People's Republic of Korea. Taken together, they constitute quite a substantial leverage that Russia can exercise over North Korea, when and if it chooses to do so. This chapter aims to investigate the economic dimension of the Russia-North Korea relationship.

The bulk of the chapter looks at the most significant sectors of economic interaction between Russia and the DPRK, arguing that official statistical data on bilateral trade do not reflect the full picture. Special attention is given to energy flows from Russia to North Korea, detailing Russia's oil supplies to Pyongyang. The issue of North Korean workers toiling in Russia is also addressed. The chapter examines Russia's transportation and telecommunication links with North Korea, especially the Khasan-Rajin rail and port project operated by the state-owned Russian Railways. Finally, the chapter assesses North Korea's domestic economic situation and its potential socio-political impact, mostly drawing upon Russian expert assessments.

MAJOR SECTORS OF RUSSIA-NORTH KOREA ECONOMIC INTERACTION

Economic exchanges between Russia and the Democratic People's Republic of Korea are a far cry from the heyday of the 1970s and 1980s when the Soviet Union accounted for up to 50% of North Korea's foreign trade. According to trade statistics, Russia is now responsible for a mere 1.2% of the North's external trade, which still makes it the DPRK's second largest trading partner (albeit a very distant second, after China, which holds the unassailable top position with 92.5%).¹ Although formal customs data significantly understate the actual volume of Russian-North Korean trade, economic exchanges with North Korea barely register in Russia's economy (with the partial exception of the North Korean labor whose presence is quite noticeable in the Russian Far East). The limited

¹ Kent Boydston, "North Korea's Trade and the KOTRA Report," August 1, 2017, https://piie.com/blogs/north-korea-witness-transformation/north-koreas-trade-and-kotra-report?platform=hootsuite&__s=%5Bsubscriber.token%5D&__s=uodw3dvouwdwzbqqastf.

nature of Russia's economic engagement with the North is due to several factors. First, the DPRK is short on hard currency and thus is not a particularly attractive export market. Unlike the former Soviet Union, Russia is not willing to sell North Korea goods at friendly prices or provide preferential long-term loans. Economic dealings with the North are pragmatic and market-based. This differentiates North Korea from Russia's post-Soviet allies, such as Belarus, to whom Russia does extend unilateral economic benefits.

Second, heavy international sanctions deter Russian companies, particularly major ones, from doing business with the DPRK. Severance of banking channels with the North, which makes settlement of payments and money transfers virtually impossible, is the biggest obstacle. Russian Ambassador to Pyongyang Alexander Matsegora admits: "Under sanctions normal trade is impossible, mainly because legal payment settlement flows are blocked. This is exactly why Russian-North Korean trade is almost at the zero level now. . . . As long as the DPRK is under such severe sanctions, any substantial development of trade and economic relations . . . has to be postponed."²

Finally, North Koreans' reliability as commercial partners still leaves much to be desired. As Georgy Toloraya and Alexander Vorontsov point out:

Russian businessmen are experiencing the same old hurdles, familiar for decades of cooperation under the Soviet Union: North Koreans seem to pursue short-term individual gains; unilaterally modify agreements; one-sidedly introduce new rules (sometimes retroactively) unfavorable to investors; break obligations; and deliver goods late. Decision-making mechanisms in North Korea are still opaque, decisions are often based on the spontaneous impulses of higher authorities that cannot be contacted, and there is general lack of coordination between different branches of the state system and economic organizations. Problems with communication persist.³

That said, there might be some changes occurring in North Korea's approach to business with Russia. According to one practitioner of Russia-North Korea relations, since around March 2016, that is, when the first package of tough UN sanctions was imposed, the North Koreans have acted more seriously and business-like.⁴ Sanctions are apparently making the North adopt more flexible and effective business practices in its dealings with foreign partners, including Russia.

GENERAL TRADE

According to Federal Customs Service of Russia, in 2016, bilateral turnover stood at \$76.8 million. North Korean exports (\$8.8 million) included frozen fish (24.6%), parts and accessories for tractors (22.3%), articles of apparel and clothing accessories (16%), and wind musical instruments (12.4%). Russian exports (\$68 million) consisted mainly of bituminous coal (75%), lignite (5%), petroleum oils and gas (4%), as well as wheat (5%), and frozen fish and crustaceans (3%).⁵ Bituminous coal is an important raw material suited for making metallurgical coke, which is used in smelting iron ore. This type of coal is not found in North Korea, so the DPRK has to procure it from abroad. According to the International Trade Centre data, China had been the main supplier of bituminous coal to the DPRK until 2014, but since 2015, North Korea has received most of its coal imports from Russia (85% in 2015 and 75% in 2016). North Korea runs a chronic deficit in bilateral trade with Russia that is compensated by other economic exchanges, particularly by the exportation to Russia of North Korean labor.

2 Interview of Russian Ambassador to the DPRK Alexander Matsegora, April 14, 2017, http://www.mid.ru/web/guest/nota-bene/-/asset_publisher/dx7DsH1WAM6w/content/id/2729503 (in Russian)

3 Georgy Toloraya and Alexander Vorontsov, "Russia's 'Turn to the East' Policy: Role of Northeast Asia and the Korean Peninsula," *International Journal of Korean Unification Studies*, vol. 24, no. 3, 2015, p. 59.

4 Remarks of a Russian official at the roundtable on Russia-North Korea relations held at Far Eastern Federal University, Vladivostok, February 2017.

5 Calculated by Lyudmila Zakharova based on the data of International Trade Centre, <http://www.intracen.org>.

There is some evidence of much higher volume of trade flows between Russia and North Korea that go undetected by official customs reports. This indirect trade is channeled through third-party countries, mainly China. According to Russia's Ministry for the Far East Development, up to one third of China's exports to North Korea (roughly \$900 million in 2015) was actually made up of Russian-originated goods.⁶ This indirect trade is mostly constituted by petroleum products.

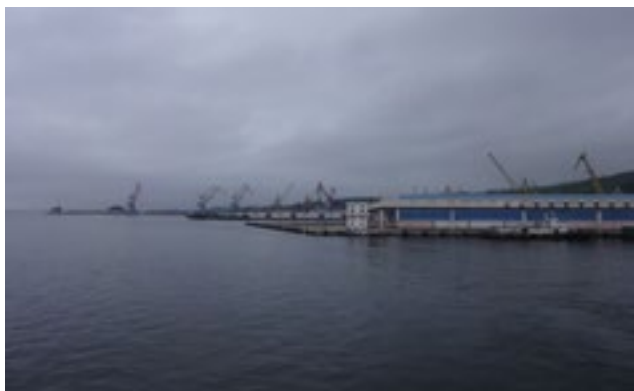
OIL

China has long been regarded as the exclusive supplier of oil and petroleum products to North Korea. This conventional view needs to be reconsidered as more and more evidence emerges that Russia is the other major provider of crucial fuel resources to the DPRK.

It is estimated that China exports about 500,000 metric tons of crude oil and 270,000 tons of oil products to North Korea each year.⁷ Russian-originated oil supplies to the DPRK, mostly gasoline and diesel fuel, are estimated to be within the range of 200,000-300,000 tons per year, which amounts to roughly \$200-300 million in the current prices.

These assessments are based on Russian and international sources. In particular, the senior-level North Korean defector Ri Jong-ho claims that North Korea secures up to 300,000 tons of oil products from Russia, making Russia even more important than China when it comes to the DPRK's fuel imports apart from crude.⁸ According to Ri, shipments of Russian fuel are largely mediated through Singaporean brokers, traditionally Asia's principal oil trade hub. Singapore may have played the role of the main intermediary for Russian fuel supplies to North Korea in the years prior to Ri's defection that occurred in 2014. In recent years, however, most sources say that it is China that has been acting as the key middleman in petroleum product trade between Russia and North Korea.⁹ Gasoline and diesel are declared at the Russian customs as destined for China, Singapore, or elsewhere, but they end up in the DPRK. Selling oil via China makes sense mainly because direct financial settlements between Russian exporters and North Korean importers have become increasingly difficult due to international banking restrictions on the DPRK, while Chinese dealers have developed sophisticated conduits and mechanisms to conduct all kinds of business transactions with North Korea, including yuan-denominated deals and barter trade.

Procuring oil products from Russia, either directly or indirectly through China, makes perfect economic sense for North Korea, considering Russia's proximity to the DPRK and the Russian oil industry's high competitiveness, especially in the wake of the ruble's drastic depreciation in 2014-15. Several oil refineries are situated in the Russian Far East, while the Eastern Siberia-Pacific Ocean (ESPO) oil pipeline's main terminal sits near Nakhodka. Fuel shipments from Russia are carried by North Korea's coastal tankers that load at Russian Far Eastern ports, such as Vladivostok, Nakhodka, and Slavyanka. While North Korean tankers are relatively small, the distances travelled between Russian terminals and the DPRK's east coast mean roundtrips can be completed in as little as three days.¹⁰ All Russian oil supplies to North Korea are carried out by private companies and executed on strictly commercial



The port of Rajin, July 2017. Photo by Leonid Kozlov.

6 "Alexander Galushka: Russia and the DPRK aim for a mutually beneficial cooperation without intermediaries," Ministry for the Far East Development, Oct. 10, 2015, http://minvostokrazvitia.ru/press-center/news_minvostok/?ELEMENT_ID=3713 (in Russian).

7 "As U.S. and China find common ground on North Korea, is Russia the wild card?" *Reuters*, May 3, 2017, <http://www.reuters.com/article/us-northkorea-usa-russia-idUSKBN17Z0B7>.

8 "N. Korea procuring Russian fuel via Singapore dealers: defector," *Kyodo News*, June 28, 2017, <https://english.kyodonews.net/news/2017/06/6f47a07fd486-update1-n-korea-procuring-russian-fuel-via-singapore-dealers-defector.html>.

9 That said, it seems that some oil transactions between Russia and the North continue to be mediated by Singapore-based firms (Leo Byrne, "Justice Department filing reveals North Korea's money laundering, oil trade," *NKNews*, August 24, 2017, <https://www.nknews.org/pro/justice-department-filing-reveals-north-koreas-money-laundering-oil-trade/>).

10 Leo Byrne and James Byrne, "Mapped: North Korea's oil routes," *NKNews*, August 28, 2014, <https://www.nknews.org/2014/08/mapped-north-koreas-oil-routes/>

terms, based on world market prices. They possibly include some premium markup for risks involved in dealing with a heavily sanctioned country. This situation is different from China whose crude is delivered to North Korea via a state-owned pipeline, apparently at subsidized prices and on long-term credit, thus essentially constituting energy aid to the DPRK.¹¹



North Koreans working on a construction site in Vladivostok, 2016. Photo by Leonid Kozlov.

Risks relating to oil trade with North Korea were made abundantly clear when, in June 2017, the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) sanctioned the Vladivostok-based oil trader Primornefteprodukt and its parent company Independent Petroleum Company (IPC, Nezavisimaya Neftyanaya Kompaniya) for their dealings with North Korea. Their blacklisting was made pursuant to Executive Order 13722, which gives the Treasury Department the authority to sanction entities operating in the North Korean energy sector. The ever-present threat of U.S. sanctions is likely to deter large Russian companies, who have significant international interests, from dealing with North Korea. The OFAC action against IPC and Primornefteprodukt did seem to make a chilling effect on the Russia-North Korea oil business.¹² However, Russian oil trade with North Korea is not going to stop, as it will likely shift to

obscure small companies, relying on Chinese intermediaries, with minimal exposure to possible U.S. penalties.

UN Security Council Resolution 2375, adopted on Sept. 11, 2017, in response to Pyongyang's sixth nuclear test, capped exports of refined petroleum products to the DPRK at two million barrels per annum. That still leaves legal room for Russian fuel supplies, but the bigger question is whether North Korea will be able to pay for them, considering that the series of UN-mandated bans on its main export items have shaved off up to 90% of its currency inflows from foreign trade.

LABOR

Labor exports from North Korea to Russia are perhaps currently the most substantial part of their economic bilateral relationship. There has long been a natural complementarity between Russia's constant shortage of manpower and North Korea's surplus labor. North Korean guest workers first came to the Russian (then-Soviet) Far East in the late 1940s under inter-governmental agreements. From the late 1960s to the early 1990s, at any given moment, there were between 15,000-20,000 North Korean laborers working in the USSR.¹³ According to some estimates, Russia is the world's biggest recipient of North Korean contract labor, that is, those who arrive on work visas.¹⁴ China may host a higher number of North Korean labor migrants, but many of them enter the country and stay there illegally.

As of 2017, there are over 32,000 North Korean workers in Russia.¹⁵ Around 44% of the North's laborers (14,000) are in the Russian Far East, while the rest go to Russia's other regions, mostly big cities, such as Moscow, Saint Petersburg, Irkutsk, Krasnoyarsk, Omsk, Yekaterinburg, Nizhny Novgorod, and some others. At least 70% of the North Korean workers in Russia are employed in construction and related services, such as home renovation, while the rest find jobs in fishing, agriculture, logging, and restaurant services. This structure of employment significantly differs from

¹¹ However, China's petroleum products, such as gasoline and diesel, are sold to the DPRK at market prices.

¹² Leo Byrne, "North Korean tankers stay away from Russia, two months after OFAC sanctions," *NKNews*, August 9, 2017, <https://www.nknews.org/pro/north-korean-tankers-stay-away-from-russia-two-months-after-ofac-sanctions/>.

¹³ Andrei Lankov, "A brief history of North Korean laborers in Russia," *NKNews*, June 30, 2017, <https://www.nknews.org/2017/06/a-brief-history-of-north-korean-laborers-in-russia/>.

¹⁴ Marcus Noland, "North Korean Exports of Labor," Dec. 15, 2014, <http://blogs.piie.com/nk/?p=13692>.

¹⁵ Interview of Russian Ambassador to the DPRK Alexander Matsegora, April 14, 2017, http://www.mid.ru/web/guest/nota-bene/-/as-set_publisher/dx7DsH1WAM6w/content/id/2729503 (in Russian).

the Soviet times when the majority of North Koreans were hired to work in the timber industry and lived on isolated compounds in remote areas. The stereotype of the North Koreans toiling in Gulag-like labor camps in Siberian wilderness persists in the West and is even reproduced by official reports.¹⁶ In reality, North Korean lumberjacks in Russia, numbering just over 1,000, can now only be found in Amursky Territory (*Amurskaya Oblast'*). The virtual disappearance of North Korean loggers from Russia is due to the general decline of the Russian Far East's timber industry which was hit hard by high export duties introduced by the Russian government in the mid-2000s in order to discourage the exports of unprocessed wood.¹⁷ Furthermore, in the 2000s the manual labor of loggers began to be increasingly replaced by wood harvesting machines.



A city market in Rajin, July 2017. Photo by Leonid Kozlov.

There are surprisingly few North Koreans working in agriculture even though the rural sector in Russia has been experiencing acute labor shortages. The main reason seems to be that farmers and agribusiness enterprises in the Russian Far East prefer to deal with the Chinese who, unlike the North Koreans, provide not only labor, but also machinery, fertilizers, etc. and often guarantee certain levels of returns from agricultural land.¹⁸ This shows limitations on the use of North Korean menial labor in Russia.

There are noticeable differences in patterns of North Korean labor in Russia and China. In Russia, almost all North Korean guest workers are males hired to perform physically demanding jobs, while in China, the majority of North Korean workers are females employed in the textile and seafood industries as well as the food service and hospitality sectors.¹⁹ Moreover, Chinese firms sometimes hire North Koreans with high skills such as software engineers,²⁰ which Russia doesn't do.

It is well-known that North Korean workers who are permitted to go abroad must "share" a substantial part of their earnings with the DPRK authorities and their representatives such as consular officers, managers, and plain-clothed security agents. Russia is no exception. The amounts of such loyalty payments may range within \$300-900 a month, mainly depending on the locality, season, and worker qualifications. Pyongyang's annual revenue from the North Korean guest workers in Russia can reach \$200 million per year.²¹ That said, a sizable portion of the money never reaches North Korea's state coffers, being pocketed by officials and security agents stationed in Russia who are supposed to oversee and manage the guest workers. According to some sources, the level of corruption among the DPRK's officials in Russia is quite high.

16 See, for example, the US Department of State's Trafficking in Persons Report 2017, June 2017, <https://www.state.gov/j/tip/rls/tiprpt/2017/>, pp. 336-338.

17 Artyom Lukin's email communication with Denis Park, a Khabarovsk-based North Korea expert, July 2017.

18 Artyom Lukin's email communication with Denis Park, a Khabarovsk-based North Korea expert, July 2017.

19 Adam Cathcart, "Chinese discourses on the new North Korea sanctions," *Sino-NK*, Sept. 12, 2017, <http://sinonk.com/2017/09/12/chinese-discourse-on-the-new-north-korea-sanctions/>.

20 Artyom Lukin's conversation with North Korea researchers from northeast China, Vladivostok, March 2017.

21 This is comparable to the amount of cash Pyongyang gets from the North Koreans toiling in China, which is estimated to be between \$100 and \$200 million (Sylvia Yu, "Gaps in records cloak China's North Korean 'slave labourers' in mystery," *The South China Morning Post*, August 10, 2017, http://www.scmp.com/news/china/policies-politics/article/2105851/gaps-records-cloak-chinas-north-korean-slave-labourers?utm_source=t.co&utm_medium=referral).

North Korean workers are left with at least \$300 per month as their personal disposable income.²² This amount is far more than the \$50-70 a blue collar worker could earn in North Korea. Moreover, it is considerably higher than an average North Korean laborer would make in China (according to some reports, \$120-150 a month)²³ and in the Middle East (\$200).²⁴

Bribes amounting to \$500-700 have to be paid for the privilege of working in Russia (for comparison, bribes for being sent on a work assignment to China average \$200).²⁵ After completing a tour in Russia, which usually lasts two or three years, a guest worker can return home with \$4,000-6,000, which is a very hefty sum by North Korean standards. In many cases, the money is used to launch a family-owned business, such as a retail stall, eatery, or sewing shop thus contributing to the ongoing *de facto* marketization of the DPRK's economy. Workers also invest in their children's education, and they buy homes as well.²⁶

North Korean workers who spend a few years in Russia cannot but undergo some cognitive changes, having experienced the life in a "normal" country where they can see substantially higher levels of prosperity and personal freedoms. A series of interviews conducted with North Korean guest workers in Vladivostok by Far Eastern Federal University researchers showed that the DPRK labor migrants adapt to life in Russia relatively easily and quickly. According to the interviews, the North Koreans, while in Russia, actively use mobile networks and the internet.²⁷ According to some Russian sources who have regular direct contact with the North Korean workers, in private conversations, they often criticize their higher-ups, even though such criticisms almost never extend to the DPRK's supreme leadership. There is little doubt that the sojourn in Russia does contribute to some emancipation in the North Koreans' thinking. Defections of the North Korean laborers in Russia are extremely rare. This is not surprising: North Koreans go to Russia not to emigrate, but to make money and bring it home to their families.²⁸

Pyongyang is definitely interested in expanding the workforce exports which provide it with a stable flow of hard currency revenue. According to Russian sources, in bilateral discussions, North Korean officials keep bringing up the issue of sending more workers to Russia. The importance of Russia in this respect has only risen as other traditional importers of the North Korean workforce, such as Middle Eastern and Southeast Asian countries, are turning away from Pyongyang under American pressure and in the wake of Kim Jong-nam's assassination at the Kuala Lumpur Airport. There are also signs that China may be restricting the use of North Korean workers as relations between Beijing and Pyongyang are at a historical low.²⁹

In recent years, the number of North Korean guest workers in Russia has stood within the range of 30,000-40,000 individuals. Russia remains interested to continue to import hard-working and disciplined North Korean labor. In the eyes of many Russians, North Koreans have a major advantage over guest workers from Central Asia, who currently constitute the main source of labor migration to Russia, since the DPRK citizens are non-Muslims and hence are perceived not to pose a terrorist threat.³⁰ Unlike Central Asians, the North Korean migrants are

22 These assessments are based on multiple interviews and conversations, including those with employers of North Korean labor and North Korean workers themselves.

23 Yu, "Gaps in records cloak China's North Korean 'slave labourers' in mystery."

24 "Kuwait tells AP: North Korean workers welcome amid crisis," *AP News*, August 10, 2017, <https://apnews.com/d5c20e4ef-36b4658a2ac5385a2e6f344>.

25 Andrei Lankov, "Slavery to dream about," *Carnegie Moscow Center*, June 30, 2017, <http://carnegie.ru/commentary/71394> (in Russian).

26 Lankov, "Slavery to dream about."

27 The interviews were conducted in 2016 by Far Eastern Federal University researchers led by Associate Professor Kirill Kolesnichenko.

28 Lankov. "Slavery to dream about."

29 "Chinese factories suspending North Korean labor imports," *Daily NK*, August 18, 2017, <http://www.dailynk.com/english/read.php?num=14679&catId=nk01500>.

30 "The Far East will be left without builders: how the sanctions against the DPRK will impact the region," *PrimaMedia*, August 10, 2017, <http://primamedia.ru/news/612921/> (in Russian).

considered law-abiding and do not give much trouble to law-enforcement authorities. Back in the 1990s, there were several cases of North Koreans engaged in currency counterfeiting and drug trafficking, but this problem no longer exists.³¹ In March 2017, the deputy director of the Migration Department of Russia's Ministry of Internal Affairs visited Pyongyang to discuss further cooperation regarding North Korean labor exports to Russia.³²

The United Nations Security Council Resolution 2375, adopted on Sept. 11, 2017 in response to North Korea's sixth nuclear test, banned Member States from providing or renewing work authorizations for DPRK nationals in their jurisdictions, even though it did not demand immediate expulsion of North Korean guest workers whose contracts had been signed prior to the resolution adoption. However, upon expiration of their current contracts and work authorizations, all North Korean workers will have to leave Russia without being replaced by any new DPRK nationals. It remains to be seen how Russia will implement the ban on North Korean labor.³³ The UNSCR's respective clause is very laconic and somewhat short on specifics, thus leaving room for legal interpretations.

TRANSPORTATION LINKS

With the exception of China, Russia is the only country that maintains overland transportation communications with the DPRK. Russia and North Korea are connected by a railway bridge across Tumen (*Tumannaya*) River through which cargo and passenger trains travel. In some cases, the bridge can also be used for the passage of cars and trucks. In addition to the existing railway link, in 2015, the two sides decided to build a dedicated automobile link which was planned as a floating (pontoon) bridge across the Tumen.³⁴ However, this plan has been indefinitely postponed due to the lack of funding and rising strategic uncertainties.



The double-gauge railway connecting Russia and North Korea.
Source: Rasonkontrans

In 2006, when inter-Korean relations were in a détente phase, Russia, South Korea and North Korea signed an agreement to connect the Trans-Siberian railway with a future Trans-Korean railway. As the first stage, it was decided to modernize the infrastructure between the Russian border railway station of Khasan and Rajin (Najin) port in North Korea. Russian Railways, a state-owned company, invested about \$300 million into the upgrade of the 54-kilometer railroad stretch between Khasan and Rajin as well as the modernization of the cargo terminal at the third pier of the Rajin port.³⁵ In essence, a new railroad was constructed, boasting double-gauge tracks so as to make it compatible with both Russian and Korean rail cars.

The initial aim was to create a freight hub in Rajin, which would move containers from Asia to Europe and vice versa through the Trans-Siberian railway. It was envisioned that before the Trans-Korean railway becomes operational containers would come by sea from South Korea's Busan to North Korea's Rajin and then be loaded onto trains for a trans-Eurasian journey by the Trans-Siberian. However, by the time the construction work had been completed in 2014, North-South relations were at a low point, and Seoul had lost enthusiasm for the project.

31 Artyom Lukin's conversations with law enforcement officials in Vladivostok, Feb. 2016.

32 News release by the Russian Embassy in the DPRK, March 18, 2017, <http://www.rusembdprk.ru/ru/posolstvo/novosti-posolstva/357-o-sedmom-zasedanii-rossijsko-korejskoj-rabochej-gruppy-po-resheniyu-voprosov-svyazannykh-s-realizatsiej-mezh-pravsovlasheniya-o-vremennoj-trudovoj-deyatelnosti> (in Russian).

33 "North Korean nationals work in Russia legally -- labor minister Maksim Topilin," *Echo Moskvy*, Sept. 26, 2017, <https://echo.msk.ru/news/2062534-echo.html>.

34 "A floating automobile bridge will be built between Russia and the DPRK," *Gudok*, Oct. 20, 2015, <http://www.gudok.ru/infrastructure/?ID=1311879> (in Russian).

35 The DPRK authorities leased the pier to Russia for 49 years.

RasonKonTrans, a joint stock company set up by Russian Railways (70% of the shares) and the port of Rajin (30%) to operate the project, was left without South Korean customers. Instead of handling container traffic between South Korea and Europe as originally planned, RasonKonTrans had to switch to trans-shipments of Russian coal bound for China. Currently, coal makes up the bulk of the traffic passing through the Khasan-Rajin rail link, being loaded onto China-bound ships at the RasonKonTrans-owned terminal in the port of Rajin.



*A Russian Railways locomotive headed for North Korea, 2016.
Photo by Leonid Kozlov.*

So far, the Rajin project is producing a loss for Russia. The operating breakeven point will be achieved if the annual freight volume handled by the joint venture exceeds 5 million tons. In 2017, the cargo volume is expected to reach 2 million tons.³⁶ Apart from the Kaesong Industrial Complex, which was shut down in February 2016 by Seoul's decision to withdraw, the Khasan-Rajin project may well be the single biggest foreign direct investment in North Korea. For Russia, strategic considerations involved in this undertaking may be even more important than purely commercial interests. The project gives Russia a direct presence in a North Korean port strategically located close to the Russian and Chinese borders. It is noteworthy that from the very beginning the Khasan-Rajin venture was vigorously supported by then-CEO of Russian Railways Vladimir Yakunin, reputedly a member of Vladimir Putin's inner circle. Even after Yakunin's departure from Russian Railways in 2015, Moscow has continued to back the project. Russia secured exemption of RasonKonTrans' operations in Rajin from the provisions of the UNSC Resolutions 2270 (March 2016), 2321 (November 2016), 2371 (August 2017), and 2375 (September 2017) that imposed a general ban on North Korea's coal exports as well as joint ventures with the DPRK.

In May 2017, a sea ferry line linking Vladivostok and Rajin was launched, using the DPRK-flagged and -crewed *Mangyongbong* ferry boat. It seems to be the only regular ferry line North Korea currently maintains with a foreign country. The Russian operator of the ferry line is a small private logistics firm InvestSroyTrest which is based in Vladivostok and has representation in Rajin.³⁷

In addition to the rail and sea connections, Russia is the only country, besides China, that maintains permanent scheduled air service to the North. Currently, there are two flights per week between Vladivostok and Pyongyang operated by North Korea's *Air Koryo*. All the other international airports with scheduled year-round service to North Korea are China's Beijing, Shenyang, and Shanghai. Regular overland and air links make Russia an indispensable gateway for North Korea and the only available alternative to China. Senior North Korean officials travelling abroad routinely take Aeroflot flights via Vladivostok and Moscow. For example, in August 2017, the DPRK's ceremonial head of state, President of the Presidium of the Supreme People's Assembly of North Korea Kim Yong-nam traveled to Iran via Russia rather than China, even though the China route was shorter.³⁸ Incidentally, North Korean national flag carrier *Air Koryo's* fleet entirely consists of Russian and Soviet-made aircraft: Tupolevs, Ilyushins, and Antonovs. This means that North Korea is dependent upon Russia for spare parts and some maintenance services. North Korean civil aviation pilots get their training at the Ulyanovsk Institute of Civil Aviation.

36 Takayuki Tanaka, "Russian-North Korean company draws up war contingency plan," *Nikkei*, August 18, 2017, <https://asia.nikkei.com/Politics-Economy/International-Relations/Russian-North-Korean-company-draws-up-war-contingency-plan>.

37 See, InvestSroyTrest's website at <http://rajin-investstroytrest.ru/>.

38 Elizabeth Shim, "North Korea's Kim Yong Nam leaves for 10-day Iran trip," *UPI*, August 1, 2017, https://www.upi.com/Top_News/World-News/2017/08/01/North-Koreas-Kim-Yong-Nam-leaves-for-10-day-Iran-trip/6961501575985?spt=su&or=btn_tw.



North Korea's Air Koryo Tupolev aircraft at the Vladivostok Airport, 2016. Photo by Leonid Kozlov.

Russia is the only country other than China on which North Korea relies for access to the global internet. For a number of years, the Russian company SatGate has provided Pyongyang with a backup connection to the world's cyberspace via satellite links.³⁹ However, most of North Korea's internet traffic still is routed through China. The Chinese monopoly on North Korea's external digital traffic was broken in early October 2017, when a major Russian telecom company, TransTeleCom, began providing an internet connection to the DPRK via its fiber optic lines that run alongside the Khasan-Rajin railway.⁴⁰ TransTeleCom is a subsidiary of state-owned Russian Railways. The decision to allow North Korea internet access via Russian networks could not have possibly been made without approval from the Kremlin.

FINANCE

Until recently, Russia was one of the few countries whose financial institutions carried out regular transactions with North Korea. Tellingly, in 2007, the Russian Far East's Khabarovsk-based Dalcombank became the only bank in the world that agreed to perform the delicate task of mediating the transfer to North Korea of \$25 million of the Kim regime's assets that had been previously frozen in Macao's *Banco Delta Asia* by the U.S. Treasury action.⁴¹

UNSC Resolution 2270 (March 2016) effectively suspended any bank cooperation between Russia and North Korea. The almost complete absence, at present, of legal banking channels with North Korea begs the question of how financial operations are at all possible between Russia and the DPRK. In particular, how does the North Korean government repatriate the revenue collected from its laborers who work in Russia? The primary option seems to be cash. North Koreans normally convert the rubles they earned in Russia into U.S. dollars and then bring them to the DPRK as cash. The amount of cash operated by North Koreans in Russia can be quite impressive. For example, in 2015, a Vladivostok-based commerce official from the North reportedly absconded to South Korea with \$2 million.

Under Russian customs regulations, individuals leaving the country can carry with them cash not exceeding the equivalent value of \$10,000. One can safely assume that many North Koreans departing Russia carry cash close to the \$10,000 limit and sometimes even in excess of it. Customs officials at the Vladivostok airport routinely report incidents of North Koreans boarding flights for Pyongyang caught with sums of cash well above the permitted amount.⁴² One can also speculate that diplomatic pouches might be used to transport cash from Russia to North Korea—although there have been no publicly reported incidents.

Another option to move money between Russia and the DPRK would be through Chinese banks as many Russian banks, especially in the Russian Far East, maintain dollar and yuan correspondent accounts with China. In this case, North Koreans convert their rubles into dollars or yuan and wire them to a Chinese bank. However, since 2016, Chinese financial institutions have become increasingly reluctant to handle North Korean money transfers,

39 "North Korea's Ruling Elite Are Not Isolated," *Recorded Future*, July 25, 2017, <https://www.recordedfuture.com/north-korea-internet-activity/>. See also, Your Friendly North Korean Network observer, 2014, <https://nknetobserver.github.io/>.

40 Martin Williams, "Russia Provides New Internet Connection to North Korea," *38North*, Oct. 1, 2017, http://www.38north.org/2017/10/mwilliams100117/?__s=uodw3dvouwdwzbqqastf.

41 "Dalcombank transfers Macao funds to N. Korea," *RIA Novosti*, June 25, 2007, <http://sputniknews.com/world/20070625/67734563.html>.

42 See, one typical press report of such an incident. "A North Korean tried to bring out of Vladivostok \$25,000 undeclared," *PrimaMedia*, June 7, 2017, <http://primamedia.ru/news/596518/>.

which means that the DPRK has to rely even more on cash mules.

ILLICIT TRANS-BOUNDARY NETWORKS

There is some evidence of illicit trans-border networks formed by Russian, North Korean, and Chinese nationals. According to some reports, the North Korean city of Rajin has become a major hub for the trade of illegally caught wild crab. Russian and foreign poachers bring the illicit seafood catches to Rajin, where it is then shipped to China. In April 2017, at the Bilateral Intergovernmental Consultations on Illegal, Unreported and Unregulated Fishing, Russia formally raised with Pyongyang its concerns over the crab issue.⁴³ These illicit networks are not limited to the seafood sector. In October 2015, Far Eastern customs officials reported successful interdiction in the Sea of Japan of a large shipment of Russian-originated jade that was headed for North Korea, with China as the final destination. The smugglers operating a vessel bound for the North were two Russian citizens.⁴⁴



North Koreans working on a construction site in Vladivostok, October 2017. Photo by Leonid Kozlov.

RUSSIAN ASSESSMENTS OF NORTH KOREA'S ECONOMIC RESILIENCE

North Korea has not published regular economic statistics since the 1960s. Only separate bits of statistics are made available with some time lag. According to scholars at the Economic Institute of the DPRK's Academy of Social Sciences, in 2014 the country's GDP amounted to \$26.132 billion, the population stood at 24.895 million people, and the GDP per capita was \$1,053.⁴⁵ It is not clear what methodology is used by the North Korean statistics agency to calculate the GDP and whether it includes informal sector production. What is interesting is that this GDP figure is much closer to the South Korean estimates of North Korea's nominal gross national income (GNI) published annually by the Bank of Korea (USD 28.93 billion in 2014) than the DPRK's GDP at current prices published by the UN Statistics Department (USD 17.4 billion in 2014). What is clear, though, is that North Korea's internal economic situation has been improving in recent years.

Lyudmila Zakharova visited Pyongyang to conduct field research in late May-early June 2017. When comparing impressions to her previous stay in the city in 2005, Zakharova noticed that the city has enjoyed significant development in terms of construction, public and commercial transport, food supplies, and entertainment. According to Russian diplomats stationed in the DPRK, the most visible changes have taken place during the last three or four years and are not restricted to Pyongyang, but can be seen in some other cities, such as Wonsan, Chonjin, Nampho, and Rajin.⁴⁶ There are signs of a construction boom and fledgling real estate market in North

43 Ivan Korotayev, "What are crab fishermen hiding?" *Konkurent*, March 28, 2017, <http://konkurent.ru/index.php?cont=article&id=&ida=14919> (in Russian). See also, "At All-Russian Scientific and Research Institute for Fisheries and Oceanography (VNIRO), fourth round of Russian-Korean consultation was held," April 21, 2017, [HTTP://WWW.VNIRO.RU/RU/NOVOSTI/VO-VNIRO-SOSTOYALSYA-CHETVERTYJ-RAUND-ROSSIJSKO-KOREJSKIKH-KONSULTATSIJ](http://WWW.VNIRO.RU/RU/NOVOSTI/VO-VNIRO-SOSTOYALSYA-CHETVERTYJ-RAUND-ROSSIJSKO-KOREJSKIKH-KONSULTATSIJ) (in Russian).

44 "A major contraband of semiprecious stones intercepted by Far Eastern Operative Customs Unit: 3 tons, over 50 mln rubles," *Russian Federal Customs Service*, October 20, 2015, http://www.customs.ru/index.php?option=com_content&view=article&id=21871:2015-10-20-11-53-40&catid=40:2011-01-24-15-02-45 (in Russian).

45 Lyudmila Zakharova's conversation with North Korean economic scholars, Pyongyang, June 2017.

46 Zakharova's interviews with Russian diplomats stationed in Pyongyang, May-June 2017. See also, Leonid Kozlov, "North Korea: A Trip Report," *FPRI E-Notes*, August 31, 2017, <https://www.fpri.org/article/2017/08/north-korea-trip-report/>.

Korea.⁴⁷ That being said, economic growth cannot guarantee the regime stability and its ultimate survival. In fact, there have been multiple historical cases of revolutions and uprisings against ruling regimes breaking out at times of relative affluence. As Andrei Lankov reminds, neither the American Revolution of 1776, the French Revolution of 1789, nor the Russian Revolution of 1917, came at a time when the lifestyle of each country's citizenry could be described as destitute.⁴⁸ The DPRK leadership may well understand the social and political risks that come with economic growth, especially the danger of income polarization becoming too conspicuous. Relative prosperity, leading to ever rising expectations, might eventually prove even more dangerous for the regime than austerity and destitution. Alexandre Mansourov, a former Soviet diplomat in Pyongyang who is now a U.S.-based North Korea analyst, argues that the regime does not want the living standards to rise fast or too high because that could result in social and political destabilization.⁴⁹

Despite declarations of self-reliance, the North Korean economy still depends on the outside world for important products like crude oil, gasoline, diesel fuel, coking coal, many kinds of industrial equipment, vehicles, and foodstuffs. To reduce this dependence, the country's leadership is pushing for import substitution. Achieving self-sufficiency in energy is obviously a top concern and priority. Pressed by international sanctions, the DPRK needs to make sure that it can sustain a possible energy cutoff. To achieve this goal, North Koreans have been working on ways to produce synthetic liquid fuel from coal. This development is a key part of the DPRK's efforts to create a "carbon-based chemical industry" under the five-year economic strategy (2016-2020) announced by Kim Jong-un at the 7th Party Congress in May 2016.⁵⁰ It is not unprecedented for national economies to drastically reduce their dependence on foreign oil that becomes unavailable under the externally imposed isolation. Nazi Germany and Apartheid South Africa were relatively successful in creating large-scale coal liquefaction industries.⁵¹ At present, several countries, including China, operate coal-to-liquid-fuels projects. It is debatable whether, and how quickly, the DPRK can establish its own liquefaction industry even if it has the requisite technologies. Apart from coal, which the North possesses in abundance, this kind of chemical production needs massive capital investments and requires significant energy inputs, both of which Pyongyang lacks.

Chronic power shortages are one of North Korea's major economic vulnerabilities. The country is extremely reliant on hydropower stations which, according to North Korean official sources, provide 56% of the national power-generating capacity.⁵² The U.S. Energy Information Administration estimates that hydropower provides up to 74% of the North's electricity consumption.⁵³ Hydropower output depends on precipitation and drops drastically in dry years. Developing nuclear energy has long seemed an obvious option for North Korea to bolster its energy security. Since as early as the 1960s, the DPRK has been making efforts to build an atomic energy industry.⁵⁴ Lack of funding and Pyongyang's severely restricted access to the international market of civilian nuclear technologies have seriously hampered the North's progress in this area. However, the DPRK continues to pursue nuclear-power

47 Andrei Lankov, "Building socialism: N. Korea's construction boom and shaky private enterprise," *NKNews*, August 4, 2017, <https://www.nknews.org/2017/08/building-socialism-n-koreas-construction-boom-and-shaky-private-enterprise/>.

48 Andrei Lankov, "North Korea's economy is improving – but this may not save Kim Jong Un," *NKNews*, August 14, 2017, <https://www.nknews.org/2017/08/north-koreas-economy-is-improving-but-this-may-not-save-kim-jong-un/>.

49 Cited in Evan Osnos, "The Risk of Nuclear War with North Korea," *The New Yorker*, Sept. 18, 2017, <https://www.newyorker.com/magazine/2017/09/18/the-risk-of-nuclear-war-with-north-korea>.

50 Kim Jong-un, *The Report of the Korean Workers' Party Central Committee to the Party's Seventh Congress*, May 6-7, 2016 (Moscow: Knizny Mir, 2016), p. 53-54 (in Russian).

51 See, for example, Daniel Gross, "Thanks for the Cheap Gas, Mr. Hitler!" *Slate*, Oct., 23, 2006, http://www.slate.com/articles/business/moneybox/2006/10/thanks_for_the_cheap_gas_mr_hitler.html.

52 *Investment Guide to the Democratic People's Republic of Korea* (DPRK: Korea Foreign Investment and Economic Cooperation Committee, 2016), p.18.

53 Energy Information Administration, <https://www.eia.gov/beta/international/analysis.cfm?iso=PRK>.

54 Ilya Dyachkov, *Non-peaceful Atom [Nemirny Atom]* (Moscow: MGIMO, 2016), p. 97.

generation. In particular, work has continued on Experimental Light Water Reactor at Yongbyon.⁵⁵ There might also be other nuclear facilities in development and under construction whose primary function is civilian rather than military. So far Pyongyang has not treated its civilian atomic sector as the top priority, with most of the resources going into military-related nuclear programs. This situation, however, may change, especially if the specter of external trade and energy blockades loom larger. The DPRK may accelerate its civilian energy program in order to produce operational reactors as soon as possible.⁵⁶

Some Russian experts, who have interacted with North Korean scientists and students coming to Russian universities, notice that in recent years the North Koreans have displayed an increased interest in the fields related to civilian nuclear energy. Some evidence suggests that the North is focusing on relatively primitive nuclear reactor designs with low safety standards,⁵⁷ which might be especially dangerous in a seismically active area such as the north of the Korean Peninsula. The main concern is that the North Koreans may attempt to launch nuclear power plants with substandard and poorly tested reactors. Doing so would keep with the North Korean tradition of sacrificing safety standards in order to accelerate construction of high-priority industrial facilities.⁵⁸ Part of the reason for carrying out such a hazardous move could be strategic. Pyongyang might locate its nuclear power plants close to the DMZ so as to create risks not only for itself, but also for South Korea and Japan. Finally, nuclear power plants may be used as a shield to deter a possible attack on the North. The U.S. and South Korea might have to think twice before conducting military strikes in the areas where North Korea's active nuclear power plants would be located.

What happens to North Korea if the current sectoral sanctions on Pyongyang are enhanced to the level of an all-out economic blockade? Such a scenario could materialize if China and Russia cut all, or almost all, economic ties they still maintain with the North, especially energy shipments. This scenario may not necessarily mean the end of the DPRK. North Korea is probably the only non-continental-size economy in the modern world that can survive in the conditions close to autarky. Some economists call North Korea "the poorest advanced economy in the world," meaning that North Koreans have succeeded in building a comprehensive industrial structure able to produce a wide range of capital goods like railroad locomotives, cargo vessels, turbines and generators for power plants, numerically controlled lathes, etc.⁵⁹ The North Korean economy is consciously constructed in such a way as to maximally reduce dependence on foreign partners, while the population is thoroughly indoctrinated to endure various hardships stoically. It would be a mistake to think that the worsening of living conditions caused by external pressure would take North Koreans to the streets against their rulers.

A complete or near-complete economic blockade will no doubt deal a hard blow to the DPRK and cause ordinary North Koreans much suffering, but it may not be nearly enough to bring the regime to its knees. The country did not implode in the 1990s when, in the wake of the Soviet Union's demise, the North was left without the biggest economic patron. The DPRK's foreign trade collapsed, and millions of North Koreans experienced starvation. The national economy is now much more resilient and flexible than it was in the early 1990s, thanks in no small part to the introduction of de facto market mechanisms. Core industries, including agriculture, have become more self-reliant. Harvested grain crops in North Korea increased from 5.03 million tons in 2012 to 5.89 million tons in 2015. The country must produce around six million tons of grain crops to satisfy domestic demand. Thus North

55 "North Korea's Yongbyon Facility: Probable Production of Additional Plutonium for Nuclear Weapons," 38 *North*, July 14, 2017, <http://www.38north.org/2017/07/yongbyon071417/>. See also, the IAEA Director General's report, August 25, 2017, https://www.iaea.org/About/Policy/GC/GC61/GC61Documents/English/gc61-21_en.pdf.

56 Electricity produced by nuclear power plants is also essential for the energy-intensive technology of coal liquefaction (see above). This might serve as another argument in favor of the speedy deployment of nuclear energy.

57 Artyom Lukin's interview with Oleg Shcheka, professor at Far Eastern Federal University, expert in nuclear technologies, Vladivostok, May 2017.

58 Soviet technical specialists who assisted the DPRK in the 1960s repeatedly noted North Koreans' willingness to cut corners in terms of safety standards for the sake of construction speed (Ilya Dyachkov, *Non-peaceful Atom [Nemirny Atom]* (Moscow: MGIMO, 2016), p. 97.

59 Jeff Baron, "What if Sanctions Brought North Korea to the Brink? 'Well, in 1941...'" (Interview with Mitsuhiro Mimura), 38 *North*, Sept. 7, 2017, <http://www.38north.org/2017/09/jbaron090717/>.

Korea may be approaching basic food self-sufficiency. The North also likely has created strategic reserves of some imported key commodities such as oil and petroleum products.

THE FUTURE OF RUSSIA-NORTH KOREA ECONOMIC RELATIONS

After China, which accounts for the bulk of North Korea's foreign transactions, Russia is at present the second most important economic partner for Pyongyang. However, Russia, unlike China, cannot serve as a major market for North Korea's main commodities because Russia itself is rich in natural resources. Therefore, North Korean merchandise exports to Russia are miniscule. However, there are at least three areas where Russia does make a difference for the DPRK: (1) imports of bituminous coal from Russia, (2) exports of North Korean labor to Russia, and (3) imports from Russia of petroleum products, even though much of the oil trade is disguised by using Chinese and other intermediaries. Russia also remains the only country, apart from China, that provides the DPRK with regular transportation and telecommunications links—via air, rail, sea, and the internet—connecting the isolated nation to the outside world. Should Russia decide to curtail or terminate its economic contacts with the North, Pyongyang will feel real pain.



North Koreans working on a construction site in Vladivostok, 2016. Photo by Leonid Kozlov.

Russian-North Korean economic transactions are mostly pragmatic, driven by market demand and supply. Almost all Russian entities that deal with the North are private firms that seek commercial profit. The only exception is the Khasan-Rajin port and rail project, owned and operated by the state-controlled Russian Railways. Moscow sees its hefty investment in the port of Rajin not only as a potentially profitable venture, but also as a foothold in the strategically important location at the junction of North Korean, Russian, and Chinese borders. Unlike China, which provides economic assistance to the North such as deliveries of crude oil on preferential terms, Russia is not ready to subsidize the North. It is hard to think of any scenario where Russia would return to the Soviet pattern of being a major donor for the DPRK. The current leadership in Moscow is only willing to provide direct and indirect subsidies to those countries, mostly in the former Soviet Union, which it sees as belonging to Russian sphere of influence and those which have agreed to enter Russian-dominated institutions such as Eurasian Economic Union.⁶⁰ North Korea matches neither of these conditions.

As long as the DPRK remains under UN-mandated sanctions, any meaningful development of Russia-North Korea economic ties is hardly possible. Moscow voted for the UNSC sanctions and enforces them, even though they carry obvious economic costs for Russia.⁶¹ Unilateral sanctions imposed by the United States pose another problem for Russian companies. Some Russian companies and individuals have already been hurt. The U.S. sanctions alone will not be able to stop Russia's economic interactions with the DPRK, but they are making major Russian companies, particularly those with significant international operations, skittish about any dealings with the North. Of special concern is the omnibus sanctions act on Russia, Iran, and North Korea signed by President Trump on August 2, 2017. This law creates potential risks to Russian companies dealing with the North, especially oil traders and

⁶⁰ Venezuela represents the other case of Russia providing hefty financial assistance to a foreign country. However, Moscow gives loans to Venezuela mostly because the Kremlin-affiliated Rosneft company has a major stake in the country's huge oil assets and hopes to profit from them (See, "Special Report: Vladimir's Venezuela-Leveraging loans to Caracas, Moscow snaps up oil assets," *Reuters*, August 11, 2017, <http://www.reuters.com/article/us-venezuela-russia-oil-specialreport/special-report-vladimirs-venezuela-leveraging-loans-to-caracas-moscow-snaps-up-oil-assets-idUSKBN1AR14U>).

⁶¹ That said, Russia can reap some benefits from the sanctions. The ban on North Korean coal led to the rise in demand for Russian anthracite on Asian markets (Artyom Lukin's conversation with a Japanese scholar, Vladivostok, July 2017), while the ban on North Korean seafood exports is going to raise the profit margins of the Russian Far East's fishing industry.

employers of North Korean labor. It also singles out the Russian Far East's ports of Vladivostok, Nakhodka, and Vanino for their possible handling of North Korean vessels.⁶² Moscow always has the option of taking special measures to protect Russian companies from U.S. penalties, such as compensating them for financial losses they might suffer due to U.S. sanctions. The Kremlin took such steps with regard to some companies targeted by the Western sanctions in the wake of Ukraine and Crimea crises. Whether or not Moscow takes this option in the case of North Korea will depend, to a large extent, on the importance it attaches to the Korean Peninsula.

Regardless of the factors discussed throughout this report, North Korea's economy has been visibly improving under Kim Jong-un. At least, this was the case until the latest round of harsh UN-mandated sectoral bans. But what can be the effects of the ever-tightening sanctions? The majority opinion among Russian North Korea experts is that even a near-complete blockade of the North, with the buy-in from China and Russia, will not bring Pyongyang to its knees. The regime is likely to survive, albeit at the price of the suffering, and perhaps starvation, of millions: "They would eat grass, but won't abandon their nuclear weapons," as President Putin put it.⁶³ Attempts to impose full isolation on the North may push Pyongyang to take risky and even desperate actions, such as launching poorly constructed nuclear power plants or peddling its nukes and missiles to rogue international actors.

62 "Countering America's Adversaries Through Sanctions Act," August 2017, <https://www.congress.gov/bill/115th-congress/house-bill/3364>.

63 "Putin: North Korea Would 'Eat Grass' Before Giving Up Nukes," *NPR*, Sept. 5, 2017, <http://www.npr.org/sections/thetwo-way/2017/09/05/548676414/putin-north-korea-would-eat-grass-before-giving-up-nukes>.

RUSSIAN ASSESSMENTS OF NORTH KOREA'S CONVENTIONAL AND WMD CAPABILITIES

Ilya Dyachkov, Artyom Lukin, and Andrey Gubin

Assessments of North Korea's military potential vary wildly from extreme skepticism to extreme alarmism. North Korea's secretiveness makes it extremely hard to evaluate the country's military potential, especially in such sensitive areas as missile and nuclear technology. At the same time, North Koreans are well known for their propensity to bluff and use misinformation. Skeptics are more likely to treat blanks and gaps as such (i.e. lack of information most probably indicates lack of capability) and scrutinize all evidence coming from Pyongyang rather than take it at face value. Alarmists usually lean towards worst-case scenarios that treat any possibility (no matter how hypothetical) as definite fact and lack of evidence as proof of cover-up ("absence of evidence is not evidence of absence"). This group, while mostly consisting of North Korea's opponents, is strangely close to Pyongyang's most avid supporters in the sense that both often uncritically accept any materials the DPRK releases as evidence of its formidable military might. Nonetheless, the skeptical point of view is more consistent not only with scientific methodology, but also with North Korean peculiarities and history.

In terms of absolute numbers, South Korea's and Japan's military budget, not to mention that of the United States, dwarfs North Korea's. South Korea's and Japan's military expenditure figures (\$36 and \$46 billion, respectively¹) are bigger than the entire North Korean GDP. These comparisons help to explain the North Korean rationale for developing nuclear weapons.

First, Pyongyang saw nuclearization as a cheap asymmetrical answer to its security dilemma. According to some estimates, the North Korean nuclear program is much cheaper overall (\$100-200 million a year) than acquiring and maintaining modern conventional weaponry.² Nuclear arms are considered by many to be the most cost-effective way to maximize a state's security in a dangerous environment. They enable states to satisfy basic security requirements self-reliantly and without incurring the high economic costs of comparably effective conventional

1 Nan Tian, et al., Trends in world military expenditure, 2016. (SIPRI, 2017), p. 2.

2 Vladimir Khrustalev, "Sredstva dostavki yadernogo oruzhiya KNDR – tekushee sostoyanie program i popytki prognoza" "Средства доставки ядерного оружия КНДР – текущее состояние программ и попытки прогноза" ["Means of delivery for nuclear weapons in the DPRK – current state of programs and a forecast attempt"]. Paper presented at 21st Russian and CIS Experts on Korea Conference, IDV RAN, March, 2017.

defenses.³ Second, it explains why the DPRK turned to uranium enrichment: it is also cheaper than other paths, given the availability of natural uranium in the North (see more on that below).

This chapter is based on the analysis of views on North Korea's nuclear and missile programs prevalent within Russia's natural security community, including acting and retired officials, military experts, scientists, and researchers.

CONVENTIONAL CAPABILITIES

Most Russian observers give very reserved assessments of North Korean conventional military capabilities. North Korean forces mostly rely on antiquated equipment made in the 1980s or earlier. Some branches of military are in worse condition than others.

MANPOWER

The DPRK's Korean People's Army (KPA) is often portrayed as numerically the world's fourth largest, with up to 1.5 million troops, several thousands of tanks and armored vehicles, plus thousands of artillery pieces including monstrous howitzers and multiple rocket-launchers. However, the real picture might be less impressive. According to some estimates, there are no more than 850,000 active duty soldiers and about 4 million in reserve. Some Russian North Korea watchers give even lower estimates, putting the number of the KPA's active duty personnel within the range of 650,000–800,000. This figure makes its size comparable to South Korea's armed forces (650,000 troops).⁴

The total amount of soldiers can still be over 1 million, but more than 200,000 of these are auxiliary units, mostly military builders and Ministry of Public Security units. Even though under Kim Jong-un the KPA appears to be less often used as free labor force, it is still tangible in the national economy as most of motorways, railroads, bridges, and communication lines are constructed by military builders.⁵ This practice is partly an illustration of *seongun* ideas that the military is superior in all ways, including performing construction work and other economic tasks.

GROUND FORCES

The KPA is estimated to have around 5500 armored vehicles (battle tanks, infantry transporters, etc.) and around 7000 relatively modern artillery systems of 100mm+ caliber, including self-propelled howitzers and multiple rocket launchers that have a typical fire range of 15-27km, depending on caliber and shell type.⁶ Ground forces also have eight units of KN-02 *Toksa/Viper* tactical rockets (32 launchers and up to 150 rockets, with a range of up to 100km) and six units of *Luna-M/Frog-7* (24 launchers, 100+ rockets, with a range of up to 70km). The former is relatively new and was designed to replace obsolete Frogs. Notably, in the 2000s, the North Korean army began to acquire new models of armored vehicles such as *Songun-915* main battle tank (aka *Pokpung-ho* or Storm Tiger) and Type 69 (aka M-2010) infantry transporters. This indicates that Pyongyang has been able to sustain operation of its defense industries as the process of creating new weapons platforms demands coordinated work of assembling, engine, metallurgic, and electronic and armament plants and factories.⁷

3 Avery Goldstein, *Deterrence and Security in the 21st Century: China, Britain, France, and the Enduring Legacy of the Nuclear Revolution* (Stanford: Stanford University Press, 2000), p. 225.

4 Vladimir Khrustalev, К отпору готовы? [Russia in Global Affairs], August 10, 2017, <http://www.globalaffairs.ru/global-processes/K-otporu-gotovy-18892>.

5 Oleg Kiryanov, Северная Корея. [The North Korea], (Moscow, Ripol Classic Publishing, 2017), pp. 340-349.

6 Konstantin Chuprin, Voennayamashina KNDR. Военная машина КНДР. [DPRK's military machine]. Moscow, 2016.

7 Gorynov A., Yuriev P., Koreyskaya narodnaya armiya voozruzhennykh sil KNDR. Коре́йская народная армия вооружённых сил КНДР. [Korean People's Army of DPRK]. Горынов А., Юрьев П. // Zarubejnoe voennoe obozrenie. Зарубежное военное обозрение, 2017. #2. pp. 8-14, http://factmil.com/publ/strana/kndr/korejskaja_narodnaja_armija_vooruzhjonnykh_sil_kndr_2017/64-1-0-1131.

Artillery is often thought to be North Korea's strong point. The Seoul agglomeration is within the reach of North Korean batteries, which could strike most of South Korea's northern area should an all-out inter-Korea conflict erupt.⁸ This amassed artillery force, thought to be the largest in the world, is Pyongyang's main military deterrent. Air and missile defense systems, including the controversial Terminal High Altitude Air Defense (THAAD), would be ineffective to protect South Korea's capital from conventional non-missile artillery. Nevertheless, the real danger emanates only from 170mm M1989 howitzers and 240, 300mm multiple rocket launch systems (e.g., KN-09) with a fire range of 60-120km. The total number of long-range systems is unknown, but hardly more than 500. However, all of them cannot be deployed suddenly and secretly nearby the Korean Demilitarized Zone (DMZ). Even if those systems are loaded by cassettes and fire continuously for 30 minutes aiming at the city's most densely populated areas until they are suppressed by the U.S.-ROK response, the effect will be far from the propagandistic "sea of fire." In other words, if Kim Jong-un decides to truly devastate Seoul and kill hundreds of thousands of its residents, his conventional artillery will not be enough. For that horrible effect, he will need to detonate nuclear devices over, or in, the city.

While North Korea's ground forces are generally more modern than its aging air fleet, the problem of fuel is just as palpable. The same goes for military food reserves. Russian experts believe that North Korea has enough fuel for a month of an all-out war, and food for two months,⁹ a notably limited amount.

AIR FORCE

The air force is probably the most remarkable case of the North Korean conventional military's state of disrepair. Most aircraft in service are old models already retired in other countries that operated them. The most modern jet available to North Korea is the MiG-29 (40 in service, a deal to buy more fell through late in the Soviet era). The rest of the aircraft are obsolete to various degrees. Another problem is high quality fuel for jet engines. North Korea is dependent on oil product imports, and United Nations Security Council Resolution 2270 from March 2016 prohibited selling aviation fuel to the country.¹⁰ Indicating the overall condition of the air force, North Korea has clearly prioritized missile technology as the means of nuclear delivery. Although we are yet to see definite proof of successful weaponization, a free-fall bomb would be the most accessible technological option. In fact, certain experts believe that Pyongyang already has 6-8 plutonium and 4-8 uranium free-fall bombs.¹¹ Even if the DPRK does not have such weapons, the technology is well within its reach. Yet, hard-to-perfect missiles are the widely advertized focus of Pyongyang's efforts. This shows how little faith North Korea has in its air force due to its being underequipped and unable to penetrate South Korea's thick air defense.

8 Gleb Ivashentsov, "Ugrozy R. Tillersona i korejskij tsugtsvang" "Угрозы Р. Тиллерсона и корейский цугцванг" "R.Tillerson's threats and the Korean Zugzwang" in RSMD, March 21, 2017, accessed May 6, 2017, <http://russiancouncil.ru/analytics-and-comments/analytics/ugrozy-r-tillersona-i-koreyskiy-tsugtsvang/>.

9 Konstantin Asmolov, "Voennyj potentsial KNDR – realizm i fantazii" "Военный потенциал КНДР" [Military capabilities of the DPRK – realism and fantasies], *Novoe vostochnoe obozrenie*, August 24, 2015, accessed May 6, 2017, <http://ru.journal-neo.org/2015/08/24/voenny-j-potentsial-kndr-realizm-i-fantazii/>.

10 United Nations Security Council, Resolution 2270.

11 Vladimir Evseev, "Perspektivy sozdaniya v Respublike Koreya protivoraketnoy oborony" "Перспективы создания в Республике Корея противоракетной обороны" ["Prospects of creating air defense in the Republic of Korea"] in *Koreyskiy poluostrov v epokhu peremenn* Корейский полуостров в эпоху перемен [*Korean Peninsula in the era of change*], A. Zhebin, et al., eds. (Moscow: IDV RAN, 2016), pp. 80-81.

The North Korean navy mainly consists of a mosquito fleet and coastal defense units. Its missile frigates and artillery corvettes can hardly be used in direct combat as they do not have air defense and are equipped with old, or none, electronic warfare systems. New Nampo-class corvettes are capable, but only two are currently commissioned.

North Korea often boasts that its submarine fleet is the largest in the world, but quantity does not equal quality in this case. Most of it consists of micro-submarines suited for reconnaissance, not strategic missions. Numerous midget submarines are somewhat valuable, as they can stealthily torpedo enemy's ships in littoral waters, lay mines, and transport special forces. High-speed sneaky missile boats can be effective near coastline in foggy weather and among reefs that they can use for shelter. Numerous landing ships and boats can be suitable for amphibious operations, attacking and capturing South Korean islands and coastal areas. Fishing trawlers are trained to deliver Special Forces speedboats. The North Korean navy may be capable of laying massive minefields along coastlines in case of imminent war. The navy's obvious vulnerability is that its Western and Eastern Fleets are isolated from each other, as the passage around the peninsula is securely guarded by the South Korean, Japanese and U.S. navies.

The importance of the navy and air force in the KPA's overall makeup has been decreasing, as it is totally impossible to reach parity in naval and air power with potential rivals. The air force and navy now act as auxiliary forces to support the KPA's ground forces.

MORAL SPIRIT

Can the KPA's lack of modern hardware, materiel, and fuel be compensated by the superior spirit of its fighters? Pyongyang obviously wants us to believe this is the case and has generally been successful in this propaganda exercise. There is a widely held view that North Korean soldiers are somehow more formidable and resilient warriors compared to their South Korean opponents. Their total indoctrination is thought to make them fanatical fighters who are prepared for extreme degrees of self-sacrifice, akin to Japanese Empire's *kamikaze*. However, it is unknown whether or not the North Korean military men and women will be ready, once called upon, to sacrifice their own lives en masse for the regime. It might just turn out that they are no more willing to die for the Kims than Iraqis and Libyans were for Saddam and Gaddafi. In other words, the KPA's morale is another big uncertainty—not only for external observers, but also for the rulers in Pyongyang. This probably makes the regime even more interested in gaining nuclear capability to reduce dependence on fickle human masses.

NON-CONVENTIONAL NON-NUCLEAR CAPABILITIES

CHEMICAL AND BIOLOGICAL WEAPONS

In 1993, Russia's Foreign Intelligence Service (SVR) estimated, referring to evidence collected by "international experts," that North Korea maintained "applied military programs related to chemicals and possessed adequate industrial base" for chemical weapons production. The SVR also believed that North Korea carried out "military-biological research" focused on anthrax, cholera, bubonic plague, and pox, with tests being conducted on some of the DPRK's offshore islands.¹² Since then, Russian government agencies have provided no publicly available updates on the status of North Korea's military-related chemical and biological efforts. According to some unofficial assessments by Russian experts, North Korea possesses chemical weapons, even though its stockpiles do not exceed 250 tons as toxic agents are very demanding on storage conditions. Nevertheless, the North Korean

12 Novy vyzov posle Kholodnoy voiny: rasprostraneniye oruzhiya massovogo unichtozheniya. Новый вызов после «холодной войны»: распространение оружия массового уничтожения. [A New Challenge after the end of the Cold War: Proliferation of the Weapon of Mass Destruction]. Report of SVR (Foreign Intelligence Service, 1993), <http://svr.gov.ru/material/2-13-10.htm>.

chemical industry can produce up to 4,500 tons of agents annually, if necessary.¹³

Moscow's current official position on North Korea's suspected possession of chemical and biological weapons is somewhat ambiguous. In June 2017, during deliberations at the UN Security Council, Deputy Chief of Russia's UN Mission Vladimir Safronkov stated that "at this stage, there is no evidence that Pyongyang is conducting military-related chemical and biological programs."¹⁴ However, two months later, Russia voted for UNSC Resolution 2371 which, among other things, referred to "the DPRK's chemical weapons program" and "urgently" called upon the DPRK "to accede to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and Their Destruction, and then to immediately comply with its provisions."¹⁵

CYBER

Russian experts have little doubt that North Korea possesses cyber warfare capabilities. According to one assessment, the DPRK ranks among the top countries in terms of militarized cyber potential, with its cyber warfare units numbering 4,000 personnel.¹⁶ Computer programming is probably the only high-tech area where North Korea truly excels, which is supported by strong mathematical education and abundance of talented mathematicians. Pyongyang appears to have calculated that programming and mathematics are relatively inexpensive to cultivate in terms of material investments while providing high returns both in military and civilian domains.¹⁷

MISSILE CAPABILITIES

Pyongyang has recently tried to turn its submarine capabilities into a strategic advantage. Since at least 2014, North Korea has developed and tested a submarine-launched ballistic missile (SLBM), *Pukkeuksong-1*. Acquiring such a weapon and making it truly nuclear-capable would greatly enhance the country's strike and deterrence capabilities. However, the testing has been rather unsuccessful and sporadic overall. Earnest development of SLBMs requires much more effort and launches that must show in a much higher success rate. This can be said about the entire North Korean missile program, and it remains to be seen whether this is due to resources being limited or the entire endeavor being more of a political show than a military plan.

North Korean missiles' operational status varies from model to model. *Scuds* and *Nodongs*,¹⁸ based on reverse-engineered or copied Soviet technology (see more on these missiles' origin below), are very old yet rather reliable (their use in North Korean rocket carriers proves this), and ready not only for military use, but also for export (Iran's *Shahab* missile family is based on the *Nodong*). On the other hand, North Korea has been developing missiles like the land-based *Musudan* and the submarine-launched *Pukkeuksong-1* more or less independently. *Musudan* is thought by some to be a derivative of the Soviet R-27 SLBM,¹⁹ which is highly unlikely since it is much longer

13 Konstantin Chuprin, Voennaya mashina KNDR. Военная машина КНДР. [DPRK's military machine] (Moscow, 2016), p. 36.

14 Заявление заместителя Постоянного представителя Российской Федерации при ООН В.К.Сафронкова по мотивам голосования при принятии резолюции Совета Безопасности ООН по КНДР [The statement of the deputy permanent representative of Russia to the UN V. Safronkov after the UNCS vote on the DPRK resolution]. June 2, 2017, http://russiaun.ru/ru/news/sc_sak.

15 UNSCR 2371. August 5, 2017, [http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/2371\(2017\)](http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/2371(2017)).

16 Interview with Vladimir Rubanov, former chief of the KGB Analytical Directorate. Ogonyok, January 30, 2017, <https://www.kommersant.ru/doc/3199990>.

17 Artyom Lukin's interview with Oleg Shcheka, professor at FEFU, expert in nuclear technologies. Vladivostok, May 2017.

18 This paper refers to North Korean missiles by the names that are most commonly used in scholarly discourse, not always following proper North Korean nomenclature.

19 Markus Schiller, *Characterizing the North Korean nuclear missile threat* (RAND Corporation, 2012), pp. 32-33.

and thus heavier, requiring a much more powerful engine.²⁰ Some cooperation with Pakistan or Iran may have occurred, or North Korean intelligence might have gleaned something from China or elsewhere. What is certain is that North Korean scientists have had to do most work on these projects on their own, probably widely employing various open sources. Stunted progress of these projects in comparison to the rather successful operation of *Scuds* and *Nodongs* shows that North Korean indigenous potential in missile development is not as great as they want their counterparts to believe or their chief opponents to fear.

However, the fact that *any* progress at all is possible despite the sanctions and the lack of resources is quite impressive. For example, in February 2017, North Korea claimed to have tested a solid fuel, land-based variant of its *Pukkeuksong-1* SLBM. This new rocket, dubbed *Pukkeuksong-2*, supposedly launches from a mobile transporter elector launcher (TEL), which North Korea claims to have produced independently.²¹ The combination of mobility and solid fuel means that the missile is hard to detect and can be quickly prepared for firing. It is the first time such a system has been tested, although North Korea has worked gradually to improve fuel capacity and efficiency of its missiles. The switch to solid fuel, however, would mark a big step forward in this regard.

All of the above mentioned missiles, both in operation and in development, are short and intermediate-range.²² The *Pukkekseong-2* flew some 500km to fall in Japan's economic zone. The *Scud* family's reach is within 300-400km. In terms of distance actually travelled, North Koreans have yet to top their 1998 record of firing a missile over Japan that flew some 1600km (this unit, dubbed *Taepodong* by the media, likely was an early-stage testing prototype). Worst case estimates stating that North Koreans have missiles that can travel several thousand kilometers and successfully deliver their payload are pure conjecture. It is not surprising since such assessments are often based merely on carefully choreographed photo and video images that Pyongyang supplies to the outside world. This leads to the problem now widely discussed in the U.S. media and political circles: the possibility of North Korea acquiring an ICBM capable of reaching the continental United States. However, it seems to be an imagined threat rather than a real one.

North Korea launched rocket carriers five times—in 1998, in 2009, twice in 2012, and once again in 2016—with the stated goal of putting a satellite into orbit. The 1998 launch, as said above, was most likely a prototype and was not successful at all (after flying over Japan, the missile crashed), although North Korean authorities claimed that the satellite not only reached the orbit, but even transmitted patriotic songs. In 2009, the rocket crashed. The first 2012 launch also was a failure, but this time Pyongyang admitted it. In December 2012, they repeated the attempt, and this time, the satellite finally reached space, but was tumbling (which implies it remained non-functional). In February 2016, North Korea, using a rocket identical to the 2012 one, finally not only launched a satellite, but also established control over it.

The 2016 launch was, most likely, an additional test of old technologies and an international and domestic political signal rather than a sign of a technological breakthrough. The South Korean assessment implied that the missile's payload doubled from 100 to 200kg compared to the 2012 launch. However, the 2016 missile is visually identical

20 Alexander Likholetov, "Shou dolzhno prodolzhat'sya" "Шоу должно продолжаться" ["Show must go on"] in *Nezavisimoe voennoe obozrenie Независимое военное обозрение*, 33 (822), 2014, pp. 10-11.

21 "Kim Jeongeun dongjikkeseo jisangdaejisangjungjanggeoriyeollyaktandotan 《Bukgeukseong-2》 hyeongsiheombalsareul hyeonjieseo jido" "김정은동지께서 지상대지상중장거리전략탄도탄 《북극성-2》 형시험발사를 현지에서 지도" ["Comrade Kim Jong-eun gave field guidance at the Pukkeuksong-2 land-to-land intermediate range missile"], *KCNA*, February, 13, 2017, accessed May 6, 2017, <http://kcna.kp/kcna.user.article.retrieveNewsViewInfoList.kcmsf?jsessionId=60334C672D4E10D4E0A20C37065A93DA#this>.

22 In this chapter, Russian classification for ballistic missiles is used which is also consistent with the 1987 Soviet – US Intermediate-Range Nuclear Forces (INF) Treaty. Short-range missiles (SRBMs) are those with a maximum range between 500 and 1000 km. Intermediate-range missiles (IRBMs) have a range between 1000 and 5500 km. Intercontinental ballistic missiles (ICBMs) have a range above 5500 km.

to its predecessor, with the sole exception of its markings. Instead of *Eunha*, the name of the missile family, the inscription on the hull now reads *Gwangmyeongseong*, the name of the satellite family. It must be the same vehicle, and some experts say that although the 2012 satellite was estimated to weigh 100kg, the missile could carry twice as much even back then.²³ However, even the increased capability would be barely enough to carry the most modern miniaturized nuclear warhead.

Some experts say that, if used as an ICBM, not for a space launch, the missile could carry more weight. Nonetheless, rocket carriers are not ICBMs. North Korea is yet to credibly test an ICBM, and it is not able to, due to the small size of its national territory and lack of a missile test range.²⁴ In fact, it is impossible to assess the *Eunha's* military capabilities: an ICBM can be easily repurposed as a rocket carrier, but the opposite is not done easily. An ICBM is a weapon, and thus must perform more functions than just delivering a load across a distance: it must lock on target, hit its mark with precision, not burn up when reentering the atmosphere and, ideally, evade missile defenses.

Until now, North Korea performed only five rocket carrier launches. Even if one counts them as a veiled ICBM test, it is not enough for credible missile capability. ICBM development requires at least a couple dozen *successful* tests, and this road is not easy even for advanced space powers (note Russia's recent difficulties with new long-range missiles such as *Bulava* SLBM). Judging from shorter-range missile tests, North Korea is struggling with targeting and heat isolation which are crucial for making an ICBM. Besides, to even begin to register as a threat to a superpower such as the U.S., a country would need not one, but at least 100 such missiles. Moreover, these would need to have modern guided nuclear warheads. Such a feat seems nigh impossible for the DPRK despite all of their notable progress.

For North Korea, it would be a waste of economic and military resources to make an ICBM. Such weapons are high-maintenance. Besides, ICBMs would be ineffective against South Korea since they cannot hit targets closer than their minimal range. It is the South Korean forces and the U.S. forces on the Korean Peninsula that are the potential adversary and the biggest threat to Pyongyang: why then would North Korea make a weapon that cannot hit them?

Bluff, however, is not only more effective, but also much cheaper. A perfect example would be North Koreans presenting missiles that are now known as KN-08 at a military parade in 2012. Some Western observers thought it to be a road-mobile ICBM (road mobility would make the missile solid fuel, a technology not tested until 2017), but the low quality of the "missile" and the sheer number of various previously unseen "new models" presented that day makes it a definite fake.²⁵ Imitation of ICBM development helps Pyongyang stay relevant in global politics, while it can perfect its short- and intermediate-range missiles.

23 Kim Hojun 김호준. "Buk misail Gwangmyeongseongho, 'Eunha-3ho'wa sasilsang gateun balsache" 北 미사일 광명성호, '은하 3호'와 사실상 같은 발사체 [North Korean Gwangmyeongseong and Eunha-3 are in fact the same vehicle], Yonhap News, February 9, 2016, accessed April 27, 2017, <http://www.yonhapnews.co.kr/bulletin/2016/02/09/0200000000AKR20160209027400014.HTML>.

24 In this respect, one seemingly insurmountable challenge that the North faces is collecting telemetry data when firing long-range missiles toward the Pacific Ocean beyond the Sea of Japan. With no operational surveillance satellites and lacking ship-borne sensors deployed near the landing area, there is no reliable way for the North Koreans to monitor the descent and terminal stages of flight and thus to know whether the missile worked as intended (See, for example, Ankit Panda. "5 Takeaways on North Korea's Ballistic Missile Overflight of Japan," *The Diplomat*, August 29, 2017, <http://thediplomat.com/2017/08/5-takeaways-on-north-koreas-ballistic-missile-overflight-of-japan/>. See also Chad O'Carroll. "How does North Korea track its long-distance missile tests?" *NKNews*, Nov. 17, 2017, <https://www.nknews.org/pro/how-does-north-korea-track-its-long-distance-missile-tests/>).

25 Aleksandr Likholetov, "Mistifikatsii po obe storony Tihogo okeana" "Мистификации по обе стороны Тихого океана" ["Mystifications on both sides of the Pacific Ocean"], *Nezavisimoe voennoe obozrenie Независимое военное обозрение*, 39(780), 2013, p. 5; and Schiller, *Characterizing the North Korean nuclear missile threat*, pp. 33-34.

Despite the make-believe rhetoric about toe-to-toe confrontation with the U.S., North Korea does not need to make weapons that can reach the continental United States. Should Pyongyang be faced with a situation where retaliation is required, the North Korean military would find reachable targets on the peninsula, covered by *Scuds*, or Japan, reachable by *Nodongs*. Potential destruction of Seoul or a nuclear power plant in South Korea is an effective deterrence tool. Not only does North Korea lack means to reach Los Angeles, but it also lacks the purpose to do so.

The two launches in July 2017 of Hwasong-14 missiles that Pyongyang announced—and the U.S. government confirmed—were successful ICBM tests.²⁶ However, these two launches have not fundamentally changed Russian skepticism about the progress of North Korea's missile program. The Russian Defense Ministry, basing their analysis on the data collected from early warning radars, considers the Hwasong-14, launched on July 4, 2017, to have been an *intermediate-range* missile rather than an ICBM.²⁷ Russia officially presented this assessment to the UN Security Council, and this is the viewpoint Russian Foreign Ministry proceeds from.²⁸ In the same vein, the second launch of Hwasong-14 conducted on July 28 was identified by Russian Defense Ministry as that of an intermediate-range ballistic missile.²⁹ Deputy Foreign Minister Sergey Ryabkov characterized North Korea's supposed nuclear weapons as “quite primitive devices . . . which are essentially pieces of equipment with all sorts of wires and all sorts of additional elements around them that simply cannot be put on top of any missile.” According to Ryabkov, North Korea is “years and years from a moment when they can weaponize” their rockets.³⁰ Notably, South Korea was also careful in its judgment, pointing out that North Korean ballistic technology requires some extra years of work and testing to reach true ICBM level.³¹

Some Russian officials and senior military experts do recognize that North Korea has been making progress in its missile endeavors. Konstantin Kosachev, who is Chairman of the Foreign Affairs Committee of the Federation Council (the upper chamber of the Russian parliament), said the following on the North's missile that overflowed Japan on August 28, 2017: “Although there is no 100% proof that the DPRK possesses ICBMs . . . they are certainly working on it and theoretically the U.S. West Coast can be threatened.”³² Former Chief of Russian Air Force's Anti-Aircraft Missile Units Alexander Gorkov noted that the DPRK has made considerable advances in the quality of its missiles. Gorkov sees the North's recent tests as “the first steps toward the ranges and altitudes which are, in

26 Joseonminjujuuinmingonghwaguk oemuseong daebyeonindamhwa 조선민주주의인민공화국 외무성 대변인담화 [Statement by the Foreign Minister of the DPRK]. July 8, 2017, accessed July 27, 2017 http://rodong.rep.kp/ko/index.php?strPageID=SF01_02_01&newsID=2017-07-08-0018;

Statement by Secretary Tillerson, July 4, 2017, accessed July 27, 2017, <https://www.state.gov/secretary/remarks/2017/07/272340.htm>.

27 RF peredala OON dannye Minoborony o provedennom KNDR raketnom ispytanii РФ передала ООН данные Минобороны о проведенном КНДР ракетном испытании [Russia provided the UN with data on DPRK's missile test]. *TASS*, July 9, 2017, accessed July 27, 2017, <http://tass.ru/politika/4399599>.

28 Foreign Minister Sergey Lavrov's remarks and answers to media questions at a joint news conference following the meeting with Arab League Secretary-General Ahmed Aboul Gheit, Moscow, July 5, 2017, accessed July 27, 2017, http://www.mid.ru/vizity-ministra/-/asset_publisher/ICoYBGcCUgTR/content/id/2808200?p_p_id=101_INSTANCE_ICoYBGcCUgTR&_101_INSTANCE_ICoYBGcCUgTR_languageId=en_GB.

29 “Defense ministry reports North Korea's missile launch pose no threat to Russia,” *TASS*, July 28, 2017, <http://tass.com/defense/958245>.

30 See video of Sergey Ryabkov's interview to ABC, July 31, 2017, <https://www.youtube.com/watch?v=MooNjhrJKmo>.

31 Jeonmungadeul “bukhan, ‘hwaseong-14’ daegigwon jaejinip hwagin gisul eopseo” 전문가들 “북한, ‘화성-14’ 대기권 재진입 확인 기술 없어” [Experts: “North Korea's ‘Hwasong-14’ lacks reentry technology”]. *Voice of America*, July 12, 2017, accessed July 27, 2017, <https://www.voakorea.com/a/3940905.html>.

32 Новая северокорейская ракета не стала искать облет [New North Korean missile refused to look for detour]. *Kommersant*, August 29, 2017, <https://www.kommersant.ru/doc/3396635>.

principle, characteristic of ICBMs.”³³ Following the September 15, 2017 launch of Hwasong-12 IRBM that flew out Japan and traveled the distance of 3,700km, the Chairman of the State Duma’s Defense Committee, Vladimir Shamanov, recently one of Russia’s foremost military commanders, commented: “The actual range of flight of today’s missile creates unprecedented conditions for striking . . . the infrastructure of American military bases – the demonstrated range makes it possible.”³⁴

Some Russian scientists even see evidence that in recent years North Korea has been increasingly focused on technologies needed to develop nuclear-capable cruise missiles. Such delivery vehicles would be much harder to intercept compared to relatively primitive ballistic missiles.³⁵

NUCLEAR ARSENAL ASSESSMENT

Another problem is the military application of North Korea’s nuclear technology. Different sources present varying estimates of the country’s nuclear arsenal. However, no one can know the number of nuclear *weapons* the DPRK has. The only more or less reliable assessment method is to calculate the amount of fissile material that North Korea has stockpiled over the years while operating their nuclear facilities and subtracting what has been used for tests, but that estimate only shows how much they *may have* made, *if* they have the technology.

Until the mid-2000s, North Korea relied mostly on weapons-grade plutonium, acquired from operating the Magnox-type gas-graphite reactor North Korea built independently in the late 1980s using information from open sources. Simply put, it inputs natural uranium and outputs plutonium. In 2010, North Koreans demonstrated a uranium enrichment facility to American nuclear experts, including Siegfried Hecker. Such facilities, of which North Korea probably has at least two, were built to produce enriched uranium for the planned light water reactor (LWR), but can be recalibrated to output weapons-grade highly enriched uranium (HEU).³⁶

North Korean natural uranium deposits take the form of monazite sand. The deposits were discovered long ago, and even the Japanese colonial authorities, who conducted small-scale nuclear-related research in North Korea, knew about them. In the late 1940s, the Soviet Union assessed these deposits at 26 million tons, with 4 million tons deemed extractable at the time. The USSR had no intention of sharing the resources with the North, but rather was interested in extracting the reserves for itself and acquired some 9000 tons.³⁷ The very existence of the deposits was not a secret, however, and Pyongyang looked into mining the uranium in the 1960s. Soviet specialists tried to convince the North Koreans that the quality of the uranium ore was low and thus a cheaper, more rational decision would be to buy uranium from the USSR.³⁸

Knowing the power of the North Korean nuclear reactor, the approximate scale of its enrichment facility, the periods of their operation, and the yield of nuclear tests allows one to estimate the amount of weapons-grade plutonium

33 Япония указала Северной Корее направление для пуска ракет [Japan pointed North Korea the direction for missile launches]. Vzgl'yad, August 29, 2017, <https://vz.ru/world/2017/8/29/884743.html>.

34 Путин обсудил с Совбезом ситуацию с КНДР после очередного ракетного пуска [Putin discussed the DPRK situation with National Security Council after another missile launch]. *Newsru.com*, Sept. 15, 2017, <http://www.newsru.com/russia/15sep2017/securitycouncil.html>.

35 Artyom Lukin’s interview with Oleg Shcheka, professor at FEFU, expert in nuclear technologies. Vladivostok, May 2017.

36 Siegfried Hecker, “Nuclear developments in North Korea,” Paper presented at the 18th Pacific Basin Nuclear Conference, March 12, 2012, accessed May 7, 2017, <http://fsi.stanford.edu/sites/default/files/HeckerPBNCfinal.pdf>.

37 Oleg Rozhkov, Yadernaya programma KNDR Ядерная программа КНДР [Nuclear program of the DPRK], accessed May 7, 2017, <http://www.armscontrol.ru/course/lectures03a/ovr30318.htm>.

38 Memorandum of conversation between Soviet Ambassador to the DPRK V. Moskovskij and Soviet specialists in North Korea, September 27, 1963, Fund 0102, List 19, Folder 97, Case 5, Pages 161-62, Archive of the President of the Russian Federation.

and uranium the country has. Based on these parameters, Siegfried Hecker, the only outsider to be shown the enrichment facility, surmises that North Korea may have 20-40kg plutonium (enough for 4-8 munitions) and 200-450kg of HEU (enough for 12-17 munitions).³⁹ The number for HEU is much less definite than the plutonium estimate since much more parameters remain unknown about its production. Siegfried Hecker's assessments are used as the basis here due to his undisputed expertise, realistic and clearly defined methods, and the fact that the Russian nuclear expert community generally shares them (*cf.* Vladimir Evseev).

However, these estimates only show the probable stockpile of fissile material. Nuclear weapons are a very different matter. From all available information, there is no definite proof that North Korea has acquired weaponization technology. Andrey Baklitsky, an expert with Moscow-based non-proliferation PIR-Center, estimates that the DPRK is unlikely to have achieved miniaturization, having conducted as few as six nuclear tests; however, Baklitsky admits that this "cannot be ruled out."⁴⁰

Having a weaponized nuclear charge is not enough if the country cannot solve the problem of delivery. This hurdle may prove to be the most difficult one to overcome for North Korea. As mentioned above, the only "real" nuclear weapon technology most likely available would be a free-fall bomb,⁴¹ but the inferiority of the country's air force and realities of modern warfare make it very difficult to use in a conflict.

The most-discussed option is missile delivery. While North Korean rocket carriers cannot lift a nuclear warhead, and "new" intermediate-range missiles are simply not ready for use, *Scuds* are nuclear-capable, and *Nodongs* may feasibly be, too. The problem here is that producing even an unguided warhead is rather difficult, and North Korea has shown nothing to prove that it has reached this level of technical finesse. Regular statements that North Korean scientists have made notable advances in nuclear charge miniaturization and the famous photograph of Kim Jong-un posing with a shiny metal ball purported to be a warhead-ready nuclear charge prove nothing. Without a test of a missile carrying a weigh-size mock-up of a nuclear warhead in which it would not only fly far enough but also hit the mark, it may not be possible for Pyongyang to use a nuclear warhead with any missile.⁴² This is one more reason why the concept of a nuclear missile threat to the U.S. is a work of the imagination.

The most primitive option would be delivering the nuclear device on a truck, a boat, or a submarine (not as SLBM, but using the entire vehicle for a suicidal attack). These options are technologically feasible, and such "weapons" have probably been available to Pyongyang for a while now. Given that this has never happened, one might ask whether a sudden North Korean attack with more sophisticated means would ever come at all.

HYDROGEN BOMB CLAIM

One crucial measure of the advancement of North Korea's nuclear program is whether it has mastered thermonuclear weapon technology. In January 2016, Pyongyang announced that it had successfully tested an H-bomb, a claim that very few observers, in Russia and other countries, believed, mostly due to the relatively low yield of the explosion. However, the reaction was different in September 2017 when North Korea conducted its sixth test, which was much more powerful than all its previous explosions. The North claimed it was a successful detonation

39 Siegfried Hecker, "North Korea's Nuclear Program – What, How, When and Why," Paper presented at the "Can President Trump Make a Deal with North Korea?" Workshop, CENESS, Moscow, April 27, 2017.

40 Mikhail Korostikov and Ivan Safronov, КНДР ужала ядерный заряд до угрожающих размеров [The DPRK squeezed nuclear charge to a threatening size]. *Kommersant*, Sept. 5, 2017, <https://www.kommersant.ru/doc/3402378>.

41 See, for example, comments by Russian leading strategic security scholar Alexei Arbatov, who estimates that North Korea has as few as 20 nuclear devices, most likely in the form of aerial bombs (Северная Корея, чего от неё ждать? August 15, 2017, <http://echo.msk.ru/programs/sorokina/2037030-echo/>).

42 Likholetov. "Mistsifikatsii," p. 5.

of a thermonuclear warhead for long-range ballistic missiles. In the United States, experts and official assessments have begun to shift toward admitting the high likelihood of North Korea actually possessing H-bomb technology.⁴³

Russian experts and officials have generally been more reserved in their assessments, but the September 3, 2017 test has clearly made many of them to revise upward the estimates of North Korean nuclear capabilities. Unlike with North Korea's ballistic missile launches, Moscow has not given public and official technical assessments of the nuclear test such as its estimated yield or what type of a nuclear device it was. The majority expert opinion in Russia believes that North Korea's latest test was not thermonuclear, but most likely was one of a boosted fission device.⁴⁴ Russian military specialists do recognize that Pyongyang has made "a certain progress" in its nuclear pursuits,⁴⁵ with some influential experts assessing that the North may acquire thermonuclear weapons within five years.⁴⁶

While not thermonuclear *per se*, boosted fission devices also use hydrogen isotopes (deuterium and tritium) to increase explosive power and use less fissile material: a desirable combination. There are certain indications that North Korea may have started heavy hydrogen production. According to the UN Panel of Experts, North Korean companies have been seeking to sell lithium-6, a material used in tritium production.⁴⁷ American experts believe that satellite imagery suggests North Koreans are building tritium production facilities⁴⁸ although these photographs cannot be considered decisive evidence. Overall, heavy hydrogen production is likely within Pyongyang's technological reach.

Even though the mainstream official and expert opinion in Russia largely remains unconvinced about Pyongyang's nuclear prowess, some prominent nuclear scientists in Russia do believe that North Korea may already be capable of producing relatively sophisticated nuclear warheads, possibly including thermonuclear ones. Ivan Tananaev, who is director of the Nuclear Studies Department at Far Eastern Federal University and one of Russia's leading experts in nuclear chemistry, argues that the DPRK may have mastered thermonuclear technology. After all, the basic principles of constructing thermonuclear devices have long been known. If North Korea could acquire plutonium devices, there is no reason why it wouldn't be able to build a thermonuclear warhead. Furthermore, it cannot be ruled out that the North could get thermonuclear know-how from some external sources. Tananaev draws parallels between the early Soviet nuclear program and the North Korean one. Both the Soviet Union and the DPRK started their nuclear pursuits primarily as a response to the perceived existential threat from the nuclear-armed U.S. Both states were highly militarized. Soviet and North Korean nuclear scientists were aided by their intelligence services who supplied them with foreign know-how. North Korea, like the Soviet Union, had its own natural uranium deposits. Under such conditions, their nuclearization was preordained.⁴⁹

43 "US military assesses North Korea tested H-bomb as country conducts another launch," *Defense News*, Sept. 14, 2017, <https://www.defensenews.com/flashpoints/2017/09/14/stratcom-assesses-that-north-korea-now-has-the-hydrogen-bomb-as-country-conducts-another-launch/>.

44 Mikhail Korostikov and Ivan Safronov. КНДР ужала ядерный заряд до угрожающих размеров [The DPRK squeezed nuclear charge to a threatening size]. *Kommersant*, Sept. 5, 2017, <https://www.kommersant.ru/doc/3402378>.

45 Mikhail Korostikov, Alexandra Giorgievich, and Maxim Yusin. 100 килотонн идей чучхе. [100 kilotons of Juche ideas], *Kommersant*, Sept. 4, 2017, https://www.kommersant.ru/doc/3401779?utm_source=kommersant&utm_medium=mir&utm_campaign=four.

46 Artyom Lukin's interview with the head of a leading Moscow-based security and foreign policy think tank. Sept., 2017.

47 Report of the Panel of Experts established pursuant to resolution 1874 (2009), February 27, 2017, p. 15.

48 "N. Korea is clearly advancing H-bomb development: Hecker," *Yonhap News Agency*, June 27, 2017, accessed July 19, 2017, <http://english.yonhapnews.co.kr/national/2017/06/27/0301000000AEN20170627007051315.html>.

49 Artyom Lukin's interview with Ivan Tananaev, Vladivostok, September 2017. See, also, Ivan Tananaev. О ракетах, мазуте, ДВФУ и атоме [On missiles, fuel oil, FEFU and atomic power]. *EastRussia*, July 5, 2017, <https://www.eastrussia.ru/material/o-raketakh-mazute-dvfu-i-atome/>.

The USSR-DPRK cooperation in the nuclear sphere was rather limited in scope. Like nuclear assistance to other Socialist countries, it followed the “Atoms for Peace” pattern set by the U.S. in the 1950s.⁵⁰ What Pyongyang received from Moscow in this regard was exactly that, and sometimes even less. There was no “clandestine plan” to give North Korea the bomb, the means to make it, or to deliver it. Even if one would like to think the USSR had a “secret nuke-exporting program,” they would be hard pressed to find a motive.

Unlike the U.S., who assumed direct control over South Korea’s nuclear program and dictated what its partner can and cannot do in the nuclear sphere (e.g., Seoul is still banned from reprocessing spent fuel), the USSR followed a different approach. Overall cooperation in this area with North Korea and other countries was always project-oriented and limited in scope. The Soviet Union was very reluctant to share sensitive knowledge with the DPRK, and Pyongyang had to pester Moscow for years and decades for every bit of assistance, whereas Seoul received most technologies from the U.S. with relative ease and much earlier (*cf.* first research reactor: South – 1958, North – 1961; first nuclear power plant: South – 1978, North – signed the contract with the USSR in 1985, after 20 years of requests).⁵¹

During the Cold War, North Korea was much more independent politically from its senior partners, the Soviet Union and China, than Seoul was from the U.S., not in the least because it skillfully maneuvered between Beijing and Moscow, remaining equidistant from both. It was only under immense diplomatic and political pressure from the Soviet Union that North Korea finally joined the International Atomic Energy Agency in 1974 and the Non-Proliferation Treaty in 1985.

Soviet nuclear assistance to Pyongyang started in 1959 when two project-oriented agreements on nuclear cooperation were signed.⁵² Under these documents, by 1961, Moscow supplied the DPRK with an IRT-2000 2MW research reactor, a radiochemical laboratory, a K-60000 cobalt machine, a B-25 betatron, and built the facilities to house this equipment. The USSR supplied North Korea with fuel assemblies for the research reactor until 1990. To compare, by then, South Korea had not only signed a similar agreement with the U.S. (1956), but it also received and upgraded its first research reactor (1958). On the other hand, the same year Pyongyang received IRT-2000, so did Bulgaria. Later, North Korea (much to Soviets’ surprise) independently modified the IRT-2000 twice, first raising its output to 4MW in the mid-1970s, and then to 8MW in the mid-1980s.

In terms of human resources, North Korean physicists who were engaged in the nuclear program received education not only in the USSR (since 1945), but also Imperial Japan, Germany, Bulgaria, and the U.S.. Needless to say, no university in any of these countries offers a course in nuclear weapon-making; North Korean students were taught the same subjects as everyone else. It would be absurd to put the blame on Tokyo for the North Korean nuclear program, basing the accusation on the fact that the entire first generation of North Korean nuclear scientists received education in Japan.

50 Dwight Eisenhower, Atoms for Peace, December 8, 1953, accessed May 4, 2017, http://www.eisenhower.archives.gov/research/online_documents/atoms_for_peace/Binder13.pdf.

51 Ilya Dyachkov, “Yadernaya programma Yuzhnoj Korei: genezis, razvitie, vliyanie na region” “Ядерная программа Южной Кореи: генезис, развитие, влияние на регион” [“South Korean nuclear program: genesis, development, regional repercussions”] in *Vestnik Tambovskogo Universiteta* (9), September, 2014, p. 149.

52 For a more detailed account of Soviet-North Korean nuclear cooperation history and Pyongyang’s nuclear program in general, see, Ilya Dyachkov, «Nemirnyj atom» Severo-Vostochnoj Azii: korejskij uzel «Немирный атом» Северо-Восточной Азии: корейский узел [“Non-peaceful atom” in North East Asia: the Korean knot] (Moscow: MGIMO University, 2016).

Similar things can be said about North Korea's joining the Joint Institute of Nuclear Research (JINR) in Dubna, Russia. This institution was co-founded in 1956 by 11 Socialist bloc countries to further scientific progress. Although North Korea (like Mongolia and Albania) was to fund only 0.05% of the organization's budget, it placed no limitations on access to cutting edge equipment and world-class physicists the Soviet Union gathered at Dubna. JINR's founding document clearly states that all research results shall be used for peaceful purposes only.⁵³ In other words, North Korea's later activities were (and are) in direct violation of this clause. Although "peaceful physics" cannot be separated from "military physics," JINR is not disseminating applied technologies for producing nuclear weapons. Its work is meticulously documented and open to the public.

Although the equipment Pyongyang received from the USSR found its use within the overall North Korean nuclear program, it was not directly involved in the nuclear crises that started in the early 1990s. The research reactor's output was not enough to produce any meaningful amount of weapons-grade plutonium, especially after the unauthorized modifications that switched it to HEU fuel (plutonium output is in inverse proportion to enrichment degree). In 1986, Pyongyang built a Magnox-type reactor that served as the core of North Korea's nuclear program from the late 1980s to about 2000, independently using information from open sources such as Western technical literature. The plans to build two more powerful reactors ultimately fell through due to financial problems. This reactor and its supporting facilities are now collectively known as the Yongbyon Nuclear Research Center. It is the Magnox reactor that Pyongyang used to produce weapons-grade plutonium for its nuclear tests (most likely the first two, while the later devices may have been HEU-based).

In 1985, North Korea finally negotiated a deal with the USSR for a nuclear power plant (Pyongyang's signature under the Non-Proliferation Treaty was a prerequisite). However, the project failed to get any traction with North Korea's inability to pay and the demise of the Soviet Union that followed soon. This project, which did not move past the drawing board stage, was the last instance of Soviet-North Korean cooperation in the nuclear sphere. North Korea's actions in the early 1990s and Russia's unilateral reaction in the form of the 1993 presidential ban marked its end.

IS THERE A "RUSSIAN TRACE" IN NORTH KOREA'S MISSILE TECHNOLOGY?

All North Korean rocket carriers actually do use obsolete Soviet technology. The 2012 space launch showed that the first stage of the *Eunha-3* was a combination of four *Rodong* engines (each a combination of four Soviet-designed *Scud* engines itself); the second stage was a *Rodong*; and the third was either a *Scud* or a solid fuel missile, possibly similar to the Soviet tactical missile *Tochka* (NATO reporting name *Scarab*) produced in the 1970s.⁵⁴ *Scud* is the NATO index for Soviet R-17 missiles that North Korea received, along with *Luna-M* missiles (NATO index *FROG-7*), from Egypt in the late 1970s - early 1980s.⁵⁵ North Koreans reverse-engineered the missiles and modified them, increasing their distance from 300 to 400km in the most advanced version,⁵⁶ and later repurposed the same technology for the *Rodong* project.

53 Soglashenie ob organizatsii Obyedinennogo institute yadernyh issledovaniy Соглашение об организации Объединённого института ядерных исследований [Agreement on founding the Joint Institute of Nuclear Research], March 26, 1956, accessed May 2, 2017, http://www.jinr.ru/wp-content/uploads/Advisory_Bodies/Convention_JINR_Russian.pdf.

54 Likholetov. "Mistifikatsii," p. 4.

55 Eunjeong Jo, 조은정. "Gukje haek-misail tongjechejeui gujojeong gongbaekwa Bukanui haek-misail hyeomnyeong neteuwokeu" 국제 핵·미사일 통제체제의 구조적 공백과 북한의 핵·미사일 협력 네트워크 [Structural gaps in international nuclear and missile control system and North Korean networks of nuclear and missile cooperation], *Gukgaeollyak* 국가전략. 20-3 (2014), p. 24.

56 Evgeniy Bazhanov, "Military-Strategic Aspects of the North Korean Nuclear Program," in *The North Korean Nuclear Program: Security, Strategy, and New Perspectives from Russia* (New York: Routledge, 2000), p. 102.

In other words, yes, the technology does originate from the USSR, but it was not Moscow who gave it to Pyongyang, and North Koreans modified and learned how to produce the missiles themselves. Despite the distance upgrade, the technology did not get less obsolete and does not allow for either precision or great payload.

The 2012 RAND Corporation report by Markus Schiller⁵⁷ proposes a different origin for the *Scud* and even *Rodong* technology, suggesting it was directly imported from the USSR/Russia in the 1980s and 1990s. While it is an intriguing possibility, not all arguments are persuasive: the use of Cyrillic lettering on North Korean missiles can be deliberate mystification or even blind copying. Besides, the claim that the missiles cannot have been reverse-engineered since even the U.S. failed to reverse-engineer Soviet technology is also rather shaky. Unlike American specialists, North Korean engineers are very familiar with Soviet technology and design philosophy, so such a feat would have been easier for them. If North Koreans managed to replicate a British-designed Magnox reactor using only open sources and without British specialists' help, then reverse-engineering a fairly familiar missile would not present much of a problem.

Such speculations mostly disregard the dynamics of relations between the Soviet Union/Russia and North Korea in the 1980s and 1990s. In the 1980s, Soviet Union would not use North Korea as a front for missile exports, as Schiller suggests. First, relations were not close enough for such a deal; second, for a superpower, there was no need to be secretive about such trivial matters. In the 1990s, Moscow cut almost all ties with the North, so why would it willingly provide it with designs and missiles? Why would the Russian government send specialists to aid Pyongyang when Russian secret services prevented illegal exodus of rocket experts to North Korea?⁵⁸ This is not to deny that leaks of missile technologies from Russia might have occurred in the 1990s when, in the wake of the Soviet Union's collapse, the country was in a state of semi-meltdown, unable to provide for, and strictly control, its military-industrial complex. While Russian nuclear facilities were still tightly controlled and proliferation was prevented,⁵⁹ most other defense industries were more or less left to their own devices. Some missile designs, components, and rocket engineers may have slipped. It is, however, highly unlikely that North Korea somehow acquired a large stock of launch-ready rockets, and their disappearance went unnoticed.

When, in the late 1990s, the Russian state began to emerge from the post-Soviet chaos, leakages of missile technologies stopped. This is confirmed by credible foreign experts, such as Uzi Rubin, the founder and first director of the Israel Missile Defense Organization in the Ministry of Defense: "Russians are not prone today to help countries with technology. . . . Russia is much more tightly controlled. Today, nothing goes out of Russia without Putin saying so."⁶⁰

Missile technology leaks may have also been taking place from other post-Soviet states, especially Ukraine, Belarus, and Kazakhstan, due to their integration into the Soviet military complex and missile production. In fact, North Korean agents reportedly probed Ukraine for missile technologies as late as 2011, but were thwarted by the country's Security Service.⁶¹ In any case, the scenario is almost invariably North Korean espionage rather than any conscious state-level action or policy. Furthermore, there is little doubt Pyongyang has built an extensive international network to source sensitive technologies that goes far beyond the former Soviet Union states. Even

57 Markus Schiller, *Characterizing the North Korean nuclear missile threat* (RAND Corporation, 2012).

58 Dyachkov, Nemirnyj atom [Non-Peaceful Atom], pp. 138-139. See, also, William J. Broad, "North Korea Will Have the Skills to Make a Nuclear Warhead by 2020, Experts Say," *New York Times*, Sept. 9, 2016, <http://www.nytimes.com/2016/09/10/science/north-korea-nuclear-weapons.html?ref=world>.

59 Roksolana Chernoba and Andrei Krakov, Interview with Siegfried Hecker. *Redkie zemli* (8), 2017, pp. 8-11.

60 "Trying to predict when N. Korea will test an ICBM is 'useless': Uzi Rubin," *NKNews*, June 14, 2017, <https://www.nknews.org/2017/06/trying-to-predict-when-n-korea-will-test-an-icbm-is-useless-uzi-rubin/>.

61 Likholetov, "Mistifikatsii," p. 4.

Japan, one of the staunchest opponents of the North Korean regime, may be part of this proliferation scheme. There are allegations that some ethnic Koreans who live in Japan, but remain loyal to the DPRK, might have been involved in passing nuclear and missile know-how to Pyongyang.⁶²

MILITARY AND SECURITY COOPERATION BETWEEN RUSSIA AND THE DPRK

MILITARY COOPERATION

Although military cooperation between Russia and the DPRK is now almost non-existent, it is deeply rooted in history. In 1946-1948, the Soviet Union assisted the North in creating and developing its military even before the official creation of the DPRK while the U.S. was doing the same in the South.⁶³ As a result, the Korean People's Army was built on Soviet organizational principles and equipped with Soviet weapons to a considerable degree. During the 1950-1953 Korean War, the Soviet Union provided the North with air support, military advisers, and materiel.⁶⁴ The aid was not entirely free. Even during the war, Moscow required payments for weapons supplies although the prices varied and the discount was at times considerable.⁶⁵ Cooperation continued after the armistice agreement was signed in 1953, and, in 1961, Pyongyang persuaded Moscow to sign an alliance treaty (simultaneously negotiating a similar document with Beijing). In 1962, however, relations soured after the USSR offended Pyongyang by refusing to provide any *gratis* military aid, after which Kim Il-sung decided to rely on North Korea's own potential in building its military.⁶⁶ In 1965, Moscow granted Pyongyang a credit for armament supplies.⁶⁷ Cooperation intensity varied throughout the Soviet era (with a slight bump in the mid-late 1980s following Kim Il-sung's two visits to the USSR). In 1948-1991, the Soviet Union supplied to the North various conventional weapons, such as small arms, fighter jets, tanks, helicopters, anti-aircraft missiles, etc.⁶⁸

In the early 1990s, military cooperation hit a number of considerable roadblocks. In 1991, on the eve of the Soviet Union's collapse, Moscow decided to switch to freely convertible currency in trade with Pyongyang.⁶⁹ Since the latter's financial resources were extremely limited, military cooperation almost halted completely. Soon bilateral relations went into a crisis when Russia proceeded to normalize contacts with South Korea at the cost, and even by means of, breaking off ties with the North. The 1961 alliance treaty *de facto* lost effect when Russian President Boris Yeltsin harshly criticized it during his 1992 visit to Seoul. The treaty was later revised, and the new 2000 document omits the military alliance clause and contains no binding commitments in terms of security cooperation. It merely states that in case of aggression or any other situation when security consultations are required, any party

62 "Are 'nuclear spies' in Japan providing Pyongyang with weapons technology?" DW, April 3, 2017, <http://www.dw.com/en/are-nuclear-spies-in-japan-providing-pyongyang-with-weapons-technology/a-38265685>. See, also, "Japan bans reentry of Chongryon leadership after N. Korea visit," *Dong-A Ilbo*, March 15, 2016, <http://english.donga.com/Home/3/all/26/527689/1>; and "Japanese Police Target North Korean Scientific Groups," *Voice of America*, Oct., 28, 2009, <https://www.voanews.com/a/a-13-japanese-police-target-north-korean-scientific-groups-66905142/262707.html/>.

63 Yuri Vanin, *Sovetskij Soyuz i Severnaya Koreya. 1945-1948 Советский союз и Северная Корея. 1945-1948 [Soviet Union and North Korea. 1945-1948]* (Moscow: IV RAN, 2016), pp. 121-124.

64 Anatoly Torkunov, *The War in Korea. Its Origin, Bloodshed and Conclusion* (Tokyo: ICF Publishers, 2000), pp. 77-130.

65 *Russia and the arms trade*, Ian Anthony, ed. (Oxford: Oxford University Press, 1998), p. 48.

66 Anatoly Torkunov, Valery Denisov, and Vladimir Li, *Koreiskiy Poluostrov: Metamorphozy Poslevoennoy Istorii [The Korean Peninsula: Metamorphoses of the post-war history]* (Moscow: OLMA, 2008), p. 200-201.

67 Oleg Kurbanov, *Kurs leksij po istorii Korei Курс лекций по истории Кореи [Course of lectures on Korean history]* (St. Petersburg: SPbGU, 2002), p. 577.

68 Alexander Sergounin and Sergey Subbotin, *Russian arms transfers in East Asia in the 1990s* (Oxford: Oxford University Press, 1999), p. 108.

69 Vladimir Li, *Rossiya i Koreya v geopolitike evrazijskogo Vostoka Россия и Корея в геополитике евразийского Востока [Russia and Korea in geopolitics of Eurasian East]* (Moscow: Nauchnaya kniga, 2000), pp. 239-241.

may contact the other party.⁷⁰

At the same time, the first nuclear crisis was getting worse, and in 1993, as soon as the DPRK announced its decision to quit the Non-Proliferation Treaty, Yeltsin issued an order to halt all nuclear-related cooperation with Pyongyang and reassess the entire relationship with the country.⁷¹ In such circumstances, military cooperation remained at a minimum throughout the 1990s, with the DPRK buying mostly parts needed for maintenance of its aging equipment.⁷²

Another nuclear crisis in the early 2000s delivered the final blows to bilateral military ties. Following the first North Korean nuclear test in 2006, the UNSC adopted Resolution 1718 which, among other things, banned export of “any battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems” to the country, and it demanded the DPRK not launch any ballistic missiles.⁷³ In 2009, UNSC Resolution 1874 extended the ban to other military equipment (excluding only small arms),⁷⁴ and the 2016 Resolution 2270 finally prohibited small arms and light equipment exports to North Korea as well.⁷⁵ Since Russia not only supports, but also sponsors the sanctions regime as a permanent UNSC member, these decisions were immediately reflected in bilateral military cooperation structure. At the same time, there are known cases when North Korea used results of civilian cooperation for military purposes. For instance, in the mid-2000s, Russian truck manufacturer KAMAZ cooperated with North Koreans to produce “Taebaeksan-96” dump trucks under a license. North Korea later, in violation of the license agreement, used these vehicles as the chassis for a surface-to-air missile system.⁷⁶

Moscow continues to maintain bilateral military contacts with Pyongyang in areas not related directly to arms trade, since such military cooperation lies outside the sanctions regime. For example, Russia had supplied limited quantities of small arms to the DPRK until the 2016 ban, and also odd non-weapon materials, such as ribbon for shoulder marks. Delegations from North Korea regularly visit Russia to participate in arms exhibitions (MAKS Air Show, Russian Expo Arms, etc.) and conferences on international security hosted by the Russian Defense Ministry as such contacts do not violate current UN sanctions. In 2014, the Russian Defense Ministry Military Orchestra visited Pyongyang and marched through the streets performing Russian military songs. The two countries exchange military attachés.

In November 2015, during a visit to Pyongyang, First Deputy Chief of General Staff Nikolai Bogdanovski signed an agreement on “preventing dangerous military activity.” The text of the document, concluded at the level of the two countries’ general staffs, is not publicly available. According to some media reports, the agreement aims to “quickly settle by peaceful means any incidents between the armed forces of the sides.” It also binds both countries

70 Dogovor o druzhbe, dobrososedstve i sotrudnichestve [*Treaty on Friendship, Good-Neighborly Relations and Cooperation between the Russian Federation and the DPRK*]. Feb. 2, 2000, http://www.rusembdprk.ru/images/law-base/Document_24.pdf.

71 Georgy Kaurov, “A Technical History of Soviet-North Korean Nuclear Relations” in *The North Korean Nuclear Program: Security, Strategy, and New Perspectives from Russia*, James Moltz and Alexander Mansourov, eds., (New York: Routledge, 2000), p. 19.

72 Vladimir Kozyulin, “Voenno-tekhnicheskoye sotrudnichestvo Rossii s problemnymi stranami” “Военно-техническое сотрудничество России с проблемными странами” [“Military and technical cooperation between Russia and problematic countries”], *Voprosy bezopasnosti* (5/19), October, 2001, accessed May 2, 2017, <http://www.pircenter.org/articles/1457-voennotekhnicheskoe-sotrudnichestvo-rossii-s-problemnymi-stranami>.

73 United Nations Security Council, Resolution 1718, S/RES/1718, October 14, 2006, accessed April 25, 2017, http://www.un.org/ga/search/view_doc.asp?symbol=S/RES/1718%20%282006%29.

74 United Nations Security Council, Resolution 1874, S/RES/1874, June 12, 2009, accessed April 25, 2017, https://www.un.org/ga/search/view_doc.asp?symbol=S/RES/1874%282009%29.

75 United National Security Council, Resolution 2270.

76 Report of the Panel of Experts established pursuant to resolution 1874 (2009), February 27, 2017, p. 39.

to exert cautiousness during military operations near each other's borders and prevent "entry of equipment and personnel into the territory of the other state due to force majeure circumstances or as a result of unintentional actions."⁷⁷

As for security cooperation in the broad sense (i.e., environmental security, humanitarian assistance, and disaster relief, etc.), Russia works with North Korea wherever possible and provides necessary assistance. A number of bilateral agreements regulate cooperation in such areas as environment, criminal justice, and emergency response.⁷⁸

A CHANGING CALCULUS?

The Russian national security community, including acting officials, retired practitioners and researchers, are, in general, skeptical about North Korea's military capabilities, both conventional and nuclear. Despite the impressive sheer numbers, the actual combat readiness of the Korean People's Army conventional forces is unknown, as is the morale of the troops. At any rate, the North's conventional forces are totally overmatched by the allied U.S.-ROK forces that can also count on Japan's support. All of these factors provide a compelling explanation for why Pyongyang chose nuclearization. The North Korean leadership sees nuclear weapons as the most cost-effective way to maximize the regime's security in a highly inauspicious external environment while unsure of popular domestic support in case of contingency.

Acknowledging Pyongyang's rationale for pursuing a strategic deterrent, Russian specialists largely give reserved assessments of its nuclear and missile accomplishments to date. The majority expert opinion in Russia is that North Korea possesses a number of relatively primitive nuclear devices, but its ability to weaponize them by mounting compact warheads atop ballistic missiles has yet to be proved. Among missiles, *Scuds* are nuclear-capable, and *Nodongs* may be, too. Newer and longer-range units, such as *Hwasong-12* and *14* and *Pukkeuksong-1* and *2*, are not certain to be so. In any case, until now, North Korea has not conducted any known tests related to mounting and carrying dummy nuclear warheads even for confirmed nuclear-capable missiles, let alone units in development. Most Russian experts express serious doubts that North Korea has acquired ICBMs or will acquire them soon. This is also Moscow's official assessment, which, incidentally, has caused anger in Pyongyang, resulting in an unusual diatribe against Russia.⁷⁹

The entire ICBM story might well be a carefully choreographed bluff by Pyongyang. The motives for the ICBM bluff would be easy to understand. Most importantly, even the *likelihood* of North Korea's possession of ICBM helps deter the U.S., or so it is thought in Pyongyang. In terms of domestic politics, purported ICBM accomplishments strengthen legitimacy of the regime and are used for mass mobilization. One should also keep in mind that strategic deception is a tool North Korea often resorts to when faced with complex situations.

Whereas North Korea's stakes in hyping up its strategic capabilities are easy to understand, a more intriguing question is what makes the U.S. play along by issuing, in recent months, a series of official and semi-official assessments that appear to confirm Pyongyang's nuclear and missile claims?⁸⁰

77 Leo Byrne, "N. Korea, Russia Sign Military Agreement," *NK News*, Nov. 13, 2015, <https://www.nknews.org/2015/11/n-korea-russia-sign-military-agreement/>.

78 "Normativno-pravovaya baza" "Нормативно-правовая база" ["Legal framework,"] Russian Embassy to the DPRK, accessed May 2, 2017, <http://www.rusembdprk.ru/ru/rossiya-i-kndr/normativno-pravovaya-baza>.

79 "Is Russia Sightless or Mimicking Blind: Researcher of Institute for International Studies," *KCNA*, August 9, 2017, <http://www.kcna.kp/kcna.kcna.user.article.retrieveNewsViewInfoList.kcmsf#this>

80 Ankit Panda, "What the Intel Leaks Are Telling Us About NK's Nukes," *Politico*, Aug. 16, 2017, <http://www.politico.com/magazine/story/2017/08/16/what-the-intel-leaks-are-telling-us-about-north-koreas-nukes-215495>.

First, one cannot deny the success of North Korean propaganda and strategic “marketing” at which the country’s leadership truly excels. Second, some Russian experts believe that Trump might be interested in provoking a crisis with North Korea in order to save his troubled presidency.⁸¹ To justify belligerent rhetoric toward the North, the Trump administration needs to show that the Kim regime poses a clear and present danger to the homeland. Third, the current crisis on the peninsula provides an unrivalled opportunity for America’s military-industrial complex to secure multi-billion dollar orders, particularly for manufactures of missile defense systems. Fourth, many in the Russian security establishment strongly suspect that the North Korean threat is just an excuse for Washington to accelerate construction of its global network of missile defenses whose real aim is to negate Russia and China’s nuclear deterrents.

That said, Russia does not deny the fact that North Korea is steadily advancing toward a nuclear-missile capability which in the future can pose a risk to the continental U.S. The Sept. 3, 2017 nuclear test, with a much more powerful yield than all previous explosions, appears to have become the watershed in the Kremlin’s public assessments of the DPRK’s nuclear capabilities. Following the test, President Vladimir Putin for the first time publicly recognized that North Korea possesses, as Putin put it, “a nuclear charge.”⁸² A few weeks later, speaking at a public event, Putin remarked that the North Koreans “now have a hydrogen bomb” and possess “medium-range missiles with a range as far as 2,700 km and maybe even more, maybe 5,000 km.”⁸³ It is also significant that Moscow is open to discussing with Washington technical aspects of Pyongyang’s missile and nuclear programs in order to bridge the existing gap in assessments.⁸⁴

81 Sregei Strokan, «Огонь и ярость» Дональда Трампа [Donald Trump’s ‘fire and fury’]. Kommersant, August 9, 2017, <https://www.kommersant.ru/doc/3379556>.

82 Vladimir Putin’s news conference following BRICS Summit, Sept.5, 2017, <http://kremlin.ru/events/president/news/55535>.

83 Vladimir Putin’s remarks at Russian Energy Week plenary session, Oct. 4, 2017, <http://en.kremlin.ru/events/president/news/55767>.

84 See, video of Russian Deputy FM Sergey Ryabkov’s interview to ABC, July 31, 2017, <https://www.youtube.com/watch?v=MooNjhrJKmo>.

MOSCOW'S DIPLOMATIC GAME ON THE KOREAN PENINSULA

Artyom Lukin and Georgy Toloraya

RUSSIA'S STRATEGIC OBJECTIVES ON THE PENINSULA

The Korean issue remains a long-term concern for Russia due to a combination of security and economic interests. Security interests include non-proliferation and the prevention of a possible large-scale conflict as well as militarization of the region. The non-proliferation regime is the cornerstone of Russia's strategic position in the world—its breakup and appearance of new nuclear states would undermine the basis for Russia's political power. Russia will never recognize the DPRK as a *de jure* nuclear state. The buildup of U.S. strategic assets in Northeast Asia, especially missile defense systems eventually capable of undermining Russia's missile deterrent in the east, is also a concern for Moscow. It could lead to militarization of northeastern China, re-militarization of Japan, and an eventual arms race embracing all the regional actors. Russia's economic interests are related to the potential benefits from the reduction of tensions on the Korean peninsula and the expansion of economic cooperation in East Asia, especially considering that the "turn to the East" policy has been declared as the most important innovative feature of Russian geo-strategy in the second decade of the 21st century against the background of tense relations with the West.

The Korean issue is one of the few in Asia where Russia is closely involved in the multilateral diplomatic process along with the U.S., China and Japan. The Stratfor experts are right to point out: "Though Russia alone cannot solve the North Korean problem, it could move the dial just enough to either play spoiler or ally to any efforts by the West to solve it."¹

¹ "Russia Seizes an Opportunity in North Korea." *Stratfor*, May 5, 2017, <https://worldview.stratfor.com/article/russia-seizes-opportunity-north-korea>.

Russian leverage on Korean affairs dwindled after the breakup of the Soviet Union, when, in the early 1990s, Moscow cut Pyongyang loose and tilted toward Seoul. Russia learned the lesson the hard way that its leverage and ability to defend its interests in the Korean issue are correlated with the degree of its ties with North Korea; otherwise, Russia would be excluded from discussions on the Korean problem. The most obvious goals of Russian policy toward Korea can be summarized as follows:

- Moscow wants a stable and prosperous Northeast Asia in order to create conditions for Russia's own deeper integration into the regional and international division of labor and globalization, important both for the economic prosperity of the Russian Far East and Russia as a whole.
- Russia wishes the Korean Peninsula to be free of all weapons of mass destruction; is strongly against nuclear proliferation, as it could trigger nuclear arms race in the region--and globally-- and change the balance of power to Russia's detriment.
- The solution to the Korean issue should be found within a multiparty diplomatic process. The ideas of a "package solution" were first suggested by Moscow in 2003.² The agreements reached by the Six-Party Talks in 2005-2007—strikingly similar to Moscow's 2003 proposal—should become the basis for any sort of resolution. They can be started as "suspension for suspension," proceed to bilateral agreements by the opposing parties, and then be crowned by the establishment of a multiparty peace and security mechanism.
- For Russia to achieve these goals, it is necessary both to maintain good relations with the DPRK and cooperate with other major players. The tendency of the Cold War era-like division on Korean affairs (North Korea-China-Russia versus the U.S.-South Korea-Japan) needs to end. Rather, "a concert of powers" arrangement should be pursued.
- A unified Korea dependent on a foreign country, be it the U.S. or China, would be detrimental to Russian interests, and Russia would strive to prevent such a development. Absorption of the North by a pro-American South Korea could be harmful both to the Korean nation and regional security, and Russia would probably join China in opposing such a scenario. Neither is a China-dominated North Korea desirable for Russia, as such a regime would probably be unstable and such a development would intensify containment efforts aimed at China, increasing military tensions in the area.
- Russia supports North-South reconciliation and cooperation without outside interference, aimed at a distant goal of eventual Korean reunification in a form agreed upon by both North and South leading to the creation of a unified, peaceful, and prosperous Korea that is friendly to Russia.

Since the mid-1990s, Russian policymakers have proceeded from the understanding that inter-Korean relations unfortunately remain fundamentally unchanged in the post-Cold War era. For the last quarter of a century, the anticipation of an "imminent collapse" of the DPRK as the prerequisite for unification of Korea has remained the mainstream view in South Korea, at least until the advent of Moon Jae-in's administration, as well as in U.S. political thinking. However the "unification by absorption" is even less likely today than it was in the 1990s when North Korea suddenly lost much of its external support, descended into an unprecedented economic crisis, and did not possess any "nuclear deterrent." Today, the new geopolitical situation—including the standoff between the U.S. and Russia as well as the rivalry between Washington and Beijing—gives little hope for a possibility that the North Korean state can be brought down peacefully in a "soft landing" scenario and its territory taken by one of the competing "camps" in a serene manner.

At present, Russia actually sees no prospects for a peaceful unification in the near term and would support only eventual convergence of the two states, taking into consideration the interests of both sides, if unification would be possible at all for future generations of North and South Koreans. Therefore, it is desirable to preserve both countries' statehood while promoting change in North Korea. But to start this process, Russia believes North Korea should have security guarantees for the existing regime, however bizarre and unpleasant it is.

² Press statement of Russian Foreign Ministry Spokesman, No 46, January 12, 2003.

Although Moscow is strongly averse to the prospect of a nuclear-armed North Korea, there is an almost unanimous consensus in Russia that denuclearization is hardly possible in the foreseeable future. Russian policymakers and analysts acknowledge that a nuclear capability is probably the only way for the North Korean regime to guarantee its security in an environment where almost all the other odds are against Pyongyang. The Kremlin insists that the North Korean nuclear problem is a direct consequence of the ongoing systemic crisis of international order where universal rules are disregarded and “might has become right.” Washington’s perceived propensity to unilaterally use military force when dealing with foreign opponents and its tendency to withdraw from previously negotiated agreements have not helped things. See, for example, some of Putin’s recent statements on North Korea in which he alludes to the pernicious effect of the U.S. preponderance:

We need to agree on uniform understanding of norms, basic principles of international law and abide by these rules. For as long as this is not the case, as long as the ‘might is right’ approach is being introduced. . . , we will see problems such as the one in North Korea. Small nations see no other way to protect their independence, security and sovereignty than possession of nuclear weapons. This is what the abuse of power leads to.³

They [North Koreans] know full well how the situation developed, for example, in Iraq when, under the pretext – which is now obvious to everyone – under the specious pretext of searching for weapons of mass destruction a country and its leadership were destroyed, and even the family members and children were shot dead. They are aware of all this and they see possession of nuclear weapons and missiles as the only way to defend themselves. Do you believe they will give it all up? . . . It is impossible to scare them. What do we propose to them? Look, we say: “We shall not impose sanctions.” Which means you will live better. You will have more good, tasty food on your table and so on. You will have better clothes. But the next step, as they see it, is an invitation to a cemetery.⁴

Yes, we unequivocally condemn the nuclear tests conducted by the DPRK and fully comply with the UN Security Council resolutions concerning North Korea. . . . However, this problem can, of course, only be resolved through dialogue. We should not drive North Korea into a corner, threaten force, stoop to unabashed rudeness or invective. Whether someone likes or dislikes the North Korean regime, we must not forget that the Democratic People’s Republic of Korea is a sovereign state. All disputes must be resolved in a civilised manner. Russia has always favoured such an approach. We are firmly convinced that even the most complex knots – be it the crisis in Syria or Libya, the Korean Peninsula or, say, Ukraine – must be disentangled rather than cut. . . . Talking about a preventive disarming strike . . . is dangerous. . . . Who knows where and what the North Koreans have stashed away, and whether they will be able to destroy everything at once with one strike. I doubt it. I am almost sure that this is impossible. . . . So, there is only one way, which is to reach an agreement and to treat that country with respect. . . . We did agree at some point that Korea would stop its nuclear weapons’ programmes. No, our American partners thought that was not enough, and, a few weeks later, I believe, after the agreement, imposed more sanctions, saying that Korea can do better. Maybe it can, but it did not take on such obligations. It also immediately withdrew from all the agreements and resumed everything it was doing before. We must exercise restraint in all these actions. We did reach an agreement back then, and, I think, we can do so now as well.⁵

When referring to the worsening security situation on the Korean peninsula, Moscow adopts “a plague on both your houses” posture, putting equal blame on North Korea and the United States. Foreign Ministry Spokesperson Maria Zakharova, referring to the exchange of belligerent statements by Pyongyang and Washington, stressed that both sides were behaving irresponsibly:

If you look at Washington’s rhetoric and Pyongyang’s rhetoric. . . . The two have become virtually the same. . . . It turns out the U.S. has put itself on the same rhetorical level as the DPRK authorities.⁶

3 Vladimir Putin’s remarks at Saint Petersburg Economic Forum, June 2, 2017, <http://kremlin.ru/events/president/news/54667>.

4 Vladimir Putin’s remarks at Eastern Economic Forum. Vladivostok, Sept. 7, 2017, <http://kremlin.ru/events/president/news/55552>.

5 Vladimir Putin’s remarks at the meeting of the Valdai International Discussion Club. Sochi, October 19, 2017, <http://en.kremlin.ru/events/president/news/55882>.

6 “Zakharova on the possibility of a nuclear war between the U.S. and North Korea: the situation is critical.” *Moskovsky Komsomolets*, August 13, 2017, <http://www.mk.ru/politics/2017/08/14/zakharova-o-vozmozhnosti-yadernoy-voyny-ssha-s-kndr-situaciya-kriticheskaya.html>.

Russian officials invariably emphasize the “destabilizing” nature of what they see as the “military buildup” by the U.S.-centric alliances in Northeast Asia, including “large-scale military drills to rehearse offensive operations against North Korea” and the deployment of the THAAD missile defense system to South Korea.⁷ Many Russian policymakers and experts are convinced that the United States uses the North Korea nuclear issue as a convenient excuse for seeking “unilateral military advantages” and “massive injection of new weapons into the region.”⁸

Moscow believes that, under the present circumstances, the best possible option would be a North Korean nuclear and missile moratorium (the so-called “freeze”) in exchange for substantial concessions from the United States and South Korea, such as scaling back the alliance’s military activities on the Korean peninsula and easing the sanctions regime.⁹ Denuclearization should remain as a long-term goal that can only be achieved after a profound transformation of the security environment in Northeast Asia which is currently characterized by high degrees of mutual distrust.

The oft-repeated formula used by Russian Foreign Ministry speaks of the need for a “comprehensive settlement through political-diplomatic means, taking into account the concerns of all parties involved.” Another part of the formula stresses the necessity of a “general military-political détente and dismantlement of the confrontational architecture in the region.”¹⁰ This means, *first*, that Russia rejects military options as well as hard pressure methods, such as crippling sanctions, in dealing with North Korea. *Second*, the solution should respect vital interests and concerns of all parties, including North Korea and Russia itself. *Third*, in addition to North Korea’s nuclear problem, other strategic issues should be on the table, such as the level of the American military presence in Northeast Asia. *Fourth*, Northeast Asia should start moving toward a new security architecture in which the exclusive U.S.-led alliances are replaced with institutions inclusive of all key regional powers, including Russia.

Russia’s stance on North Korea and the future of the Northeast Asian order may seem identical to China’s in that it does not accept the continuation of the U.S. hegemony. However, there is one cardinal difference. China seeks to replace the U.S. strategic dominance of East Asia with one of its own. For Russia, Beijing’s primacy in the region would be just as unacceptable as Washington’s. What Moscow wants is a concert-like, multipolar balance-of-power system, with Russia as one of its key stakeholders.

Russia continues to favor resumption of the Six-Party Talks, viewing them as the most relevant mechanism to achieve a comprehensive and lasting solution to the North Korea nuclear problem. Furthermore, Moscow sees the Six-Party Talks as a prelude to the establishment of an institutional arrangement in charge of Northeast Asian security. Russia is also open to other multilateral initiatives such as the Northeast Asian Nuclear-Weapon Free Zone promoted by Mongolia, which calls for security guarantees to non-nuclear states by nuclear states. A major part of the Russian calculus has to do with the inter-Korean politics. Moscow has long insisted that it is impossible to resolve the North Korean nuclear problem without substantial improvement in the North-South relations. The departure of Park Geun-hye, who mostly pursued confrontational policies toward Pyongyang, and the election of the more pro-engagement Moon Jae-in in May 2017 raised expectations in Russia that the North-South dialogue might resume.

Since around spring 2017, Russia has visibly stepped up its diplomatic involvement in the North Korean issue. One indication of Moscow’s newfound diplomatic activism on the Korean Peninsula has been the increased tempo of diplomatic contacts with Pyongyang. In July 2017, the Foreign Ministry’s Special Envoy Oleg Burmistrov was dispatched to Pyongyang to hold consultations on a Russian “roadmap” proposal to defuse the crisis on the Korean

7 Transcript of the briefing by Russian Ministry of Foreign Affairs spokesperson Maria Zakharova. March 23, 2017, http://www.mid.ru/ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2703372#20.

8 Transcript of the briefing by Russian Ministry of Foreign Affairs spokesperson Maria Zakharova. March 23, 2017, http://www.mid.ru/ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2703372#20.

9 See, for example, the article by Gleb Ivashentsov, Russia’s former ambassador to South Korea, “Tillerson’s threats and the Korean zug-zwang,” *Russian International Affairs Council*, March 21, 2017, http://russiancouncil.ru/inner/?id_4=8844#top-content.

10 Transcript of the briefing by Russian Ministry of Foreign Affairs spokesperson Maria Zakharova. March 23, 2017, http://www.mid.ru/ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2703372#20.

peninsula.¹¹ Some North Korean senior leaders made transit stops in Moscow, providing extra opportunities for confidential talks.¹² Choe Son-hui, Director-General of the North American department of the DPRK's foreign ministry and one of Pyongyang's top negotiators, visited Moscow in September and October 2017.¹³

Apart from official diplomatic exchanges, in 2017, there has been a flurry of quasi-official delegations, consisting of lawmakers, politicians, and even media celebrities, travelling between Moscow and Pyongyang.

The Kremlin does not hide its desire to play a key role in the North Korea crisis diplomacy. In fact, Vladimir Putin said as much when he stated that Russia "can act as an intermediary" in resolving the crisis on the Korean peninsula.¹⁴ Whereas Beijing and Washington no doubt remain the most influential forces in Korean affairs, Russia hopes to become another indispensable player by preserving amity with Pyongyang, closely collaborating with Beijing, and playing diplomatic games with Washington, while also talking to Seoul and Tokyo.

CHINA'S STANCE ON THE NORTH

Partly due to the relentless American pressure, but also out of its own exasperation with Kim Jong-un, who from the very beginning of his rule has displayed open defiance toward Beijing, China has been tightening the screws on Pyongyang. In just over a month, from August 5 to September 11, 2017, Beijing supported two UN Security Council resolutions imposing severe sectoral restrictions on the DPRK. Considering that the PRC and DPRK are bound by an alliance treaty, it is virtually unprecedented in modern international relations that a great power subjects its formal ally to such harsh sanctions.

Still, it is unlikely that Beijing will apply crippling sanctions, verging on a total blockade of North Korea, as Washington demands. For all its disgust at the recalcitrant Kim Jong-un, the Chinese leadership does not wish to push the DPRK into a desperate situation that could trigger a state breakdown. Beijing remains interested in the DPRK's continued existence, with or without the Kim dynasty, even if this has to be a *de facto* nuclear-armed state. China is concerned about the prospect of millions of refugees streaming from a collapsing North Korea across its borders and about WMD assets falling into the wrong hands. But, first and foremost, Beijing cannot accept the possibility that the DPRK's unraveling would lead to the annexation of the North by the South and the creation of a unified Korean state, with Seoul as its capital. Considering the U.S.-ROK alliance and pervasive Americanization of South Korean elites, a single Korean state will most likely be pro-U.S., with the implication that not only southern Korea, but the entire Peninsula will fall under the military-political control of China's main strategic rival. China cannot afford to lose an important buffer and see the whole of Korea become a sphere of influence for the U.S. For Beijing, that would be a major setback in geopolitical competition, with a similar magnitude to that of the U.S. losing control over Cuba in the early 1960s, which, through the Cuban Missile Crisis, almost led to a Third World War. One should also keep in mind that on at least three occasions in the last few centuries, China went to war to prevent foreign domination of Korea: in the late 16th century against the Japanese; in the late 19th century also against Japan; and in 1950 against the Americans.

Beijing suspects that the U.S. military presence in Korea is meant not only to protect the South from a hypothetical invasion by the North, but also to contain China in Asia. Leading U.S. strategists are not shy about pointing out that the alliance with Seoul "has long served as an anchor for U.S. presence throughout the Asia-Pacific region"

11 "Russia conveyed to Pyongyang a step-by-step plan of the Korean Peninsula settlement – source," *Interfax*, July 26, 2017, <http://interfax.az/view/709185>.

12 Elizabeth Shim, "North Korea's Kim Yong Nam leaves for 10-day Iran trip," *UPI*, August 1, 2017, https://www.upi.com/Top_News/World-News/2017/08/01/North-Koreas-Kim-Yong-Nam-leaves-for-10-day-Iran-trip/6961501575985/?spt=su&or=btn_tw.

13 Press release on Russian-North Korean consultations. Ministry of Foreign Affairs. Sept. 29, 2017, http://www.mid.ru/en/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2881337. See, also, "Two Koreas' diplomats to attend Russian forum this week," *Yonhap*, Oct. 19, 2017, http://english.yonhapnews.co.kr/search1/2603000000.html?cid=AEN20171019008651315&__s=uodw3dvouwdwzbqqastf.

14 Vladimir Putin's remarks at the meeting of the Valdai International Discussion Club, Sochi, October 19, 2017, <http://en.kremlin.ru/events/president/news/55882>.

and “South Korea is the only place on the Asian continent with a U.S. military foothold.”¹⁵ Beijing hardly trusts the assurances of top U.S. leaders that they “do not seek an excuse to garrison U.S. troops north of the Demilitarized Zone.”¹⁶ China is keen, at a minimum, not to allow any expansion of the U.S. foothold beyond the 38th Parallel, while its most preferred outcome would be the complete withdrawal of U.S. troops from the Korean peninsula, effectively ending the U.S.-ROK alliance. It is not unreasonable to speculate that Pyongyang’s nuclear missile program could help Beijing achieve this goal. North Korea’s mastery of ICBM capability will induce many Americans to ask themselves a question: are military bases in Korea worth the risk of losing Honolulu, Seattle, or Los Angeles?

There are more reasons why China benefits from the existence of North Korea. The festering nuclear problem, if handled adroitly, provides Beijing with leverage over key issues of bilateral relations with Washington. For one, the DPRK’s antics distract the U.S. from China’s creeping expansion in the South China Sea. Also, as an additional price for its cooperation on North Korea, Beijing could ask Washington to reduce its support of Taiwan. It should not be forgotten that the Korea and Taiwan problems are genetically linked. It was the start of the Korean War in 1950 that led President Harry Truman to extend the American security umbrella over Taiwan, which protects the island to this very day.

In a nutshell, China will not accept the DPRK’s disappearance from the political map and will continue to view its unruly neighbor more as a geopolitical asset than a liability, for at least as long as there continues to exist the Sino-U.S. strategic rivalry in East Asia and in the Western Pacific.

THE RUSSIA-CHINA AXIS AND NORTH KOREA

After the end of the Cold War, Russia more or less delegated the ungrateful task of defending North Korea to China. Even when Moscow’s relations with Pyongyang improved in the 2000s, Russia, compared to China, was more critical of North Korea in general, including the nuclear program and human rights. Therefore, during discussions on the North Korean misbehavior in the UN or on other occasions, Moscow usually let Beijing do the job of advocating for Pyongyang and then undersigned agreements worked out by China and the U.S. However, the situation changed since approximately 2014 as deterioration of relations between North Korea and China became pronounced in the wake of the execution of Chang Son-thaek, who was considered to be one of the closest allies to China among North Korean leaders. The North then started to display on many occasions the desire to get closer to Russia, obviously irritating Chinese. In 2017, this tendency manifested itself in direct rhetorical assaults on China by North Korean press, leaving Russia as the least criticized among major powers involved in Korean affairs.

After Russia increased its economic presence in North Korea China was obviously worried and even sent a high-level diplomat, Xio Qian, to Moscow to discuss North Korea in September 2015.¹⁷ Moscow and Beijing started to regularly discuss the North Korean issue through bilateral diplomatic channels and at international meetings and organizations, especially at the UN. In April 2015, a regular Russia-China vice-ministerial dialogue on security in Northeast Asia, centered on the Korea issues, was launched,¹⁸ with meetings conducted several times a year. On October 10, 2017, in Moscow, Deputy Foreign Minister Igor Morgulov and Special Representative of the Chinese Government for Korean Peninsula Affairs Kong Xuanyou held the eighth round of the dialogue. The delegates included not only diplomats, but also representatives from defense departments of both countries.¹⁹

15 *Breakthrough on the Peninsula*, Patrick Cronin, ed. (Washington, D.C.: CNAS), November 2016, <https://www.cnas.org/publications/reports/breakthrough-on-the-peninsula>.

16 Rex Tillerson and James Mattis, “We are holding Pyongyang to account,” August 13, 2017, <https://www.state.gov/secretary/remarks/2017/08/273409.htm>.

17 Press release on Deputy Foreign Minister Igor Morgulov’s meeting with China’s Deputy Representative for Korean Peninsula Affairs Xio Qian, Sept. 14, 2017, http://www.mid.ru/web/guest/maps/cn/-/asset_publisher/WhKWb5DVBqKA/content/id/1752132.

18 “On the first meeting of Russia-China dialogue on security in Northeast Asia,” *Ministry of Foreign Affairs*, April 25, 2017, http://www.mid.ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/1207275.

19 Press release on the eighth round of Russian-Chinese Dialogue on Security in Northeast Asia, *Ministry of Foreign Affairs*, Oct. 10, 2017, http://www.mid.ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2895093.

Until 2016, the differences between Moscow and Beijing with respect to the North Korean nuclear problem remained marginal. In February 2016, reacting to North Korea's missile launch, Russia voiced "strong protest" and warned about an "increase in tensions" and the danger of "bloc policy" and an "increase in military confrontation."²⁰ The Chinese reaction was similar, but it additionally demanded "strong actions [that] should have a definite direction with the objective of effectively curbing the DPRK's efforts to advance its nuclear and missile program."²¹ This nuance happened to be important, as the adoption of UNSC Resolution 2270 in response to the North Korean nuclear and missile tests of January-February 2017 was a watershed. Not expecting major changes in Chinese policy, Russia as usual delegated to China negotiations with the U.S. on the content of the resolution and was amazed by Beijing's consent to launch harsh sanctions against the North. Moreover, the new sanctions affected Russia's own commercial interests, as it was interested in precisely the rare earth and non-ferrous metals targeted by the new resolution, as well as iron. Moscow was given only 24 hours to approve the draft.²²

This episode of misunderstanding, albeit quickly overcome, showed that the two countries were not completely in sync on North Korean policy. Consultations on Korean affairs are now regular and all-encompassing, but there exists some divergence in the two countries' approaches. Although, for example, both Moscow and Beijing oppose THAAD, Russia's "grave concern" was explained publicly by the danger that it "leads to an increase of the potential of the Asia-Pacific segment of the [U.S.] global missile defense, which results in undermining the existing strategic balances," thus focusing on the Russia-U.S. strategic balance.²³ China showed more concern about its own security, saying the deployment "damage[s] directly China's strategic security interests" as "monitoring range of its X-band radar, goes far beyond the defense need of the Korean Peninsula and will reach deep into the Asian hinterland."²⁴

Furthermore, the Chinese position that "the focus of the Peninsula nuclear issue should be on the U.S. and the DPRK"²⁵ is taken somewhat warily by Russia which stresses a multilateral format, with herself as a major participant. So the priorities of the two strategic partners, although not contradicting each other, are nuanced.

The duality of the current Chinese position is well understood in Russia. On the one hand, China is interested in preserving the status quo and keeping the state of North Korea in place, especially to prevent U.S. military intervention. This fully corresponds with Russia's purposes. On the other hand, the Kim regime's internal policies and provocative external behavior cause more and more irritation in China. However, Russia is reluctant to join Chinese pressure on Pyongyang—not only because it lacks the overwhelming leverage over North Korea, but also out of concern of ruining relations with Pyongyang.

The possibility of changing the regime in Pyongyang to a more loyal and predictable one must have crossed the minds of Chinese policymakers. The paranoiac North Korean leaders might sense or suspect it, too. The mysterious murder in 2017 of Kim Jong-nam, who had lived under Chinese protection and might have at some point emerged as a pretender to the throne, may well be explained in these terms. Therefore, China must be increasingly perceived in Pyongyang as an existential threat rather than an ally. The North's nuclear missile program is meant as a hedge not only against the United States and South Korea, but also vis-à-vis China. Getting closer to Russia as a balancer fits well into Pyongyang's logic of hedging against Beijing.

Non-identical approaches to the Korean issues should not be taken as a sign of Russian-Chinese rivalry over North

20 The statement by Ministry of Foreign Affairs in connection with the DPRK's launch of a rocket carrier. Feb.7, 2016, http://www.mid.ru/ru/maps/kp/-/asset_publisher/VJy7Ig5QaAII/content/id/2064271.

21 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference, Feb.15, 2016, http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1340636.shtml.

22 Georgy Toloraya, "UNSCR 2270: a conundrum for Russia," *38North*, March 5, 2016, <http://38north.org/2016/03/gtoloraya030516/>.

23 Statement by the Russian Ministry of Foreign Affairs in connection with the deployment of a U.S. missile defense system in the Republic of Korea, July 8, 2016, http://www.mid.ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2349040.

24 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference, Feb. 15, 2016, http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1340636.shtml.

25 Foreign Ministry Spokesperson Hong Lei's Regular Press Conference, Feb. 15, 2016, http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1340636.shtml.

Korea. Russian and Chinese differences and competition on North Korea are manageable, and most of the time, they are being effectively handled. A comparison can be drawn here with Sino-Russian interactions over Central Asia (and also Mongolia). Beijing and Moscow, contrary to the expectations of many Western observers, have been able to avoid a direct collision in a region where their strategic interests intersect and managed to find a *modus vivendi* there. Whereas Beijing tacitly acknowledges Moscow's political primacy in Central Asia, Russia respects the fact that the Korean peninsula is China's vital interest.

By July 2017, Moscow and Beijing succeeded in forming a unified position on the North Korea crisis, which was approved during the summit between Putin and Xi Jinping in Moscow on July 4, 2017 and adopted as a joint statement by the foreign ministers of the two countries. The statement put forward a joint initiative, which combined the previous Chinese proposals of the "double freeze" (the halt of nuclear and missile programs by the North in exchange for suspension of massive U.S.-ROK military drills)²⁶ and "parallel advancement" (simultaneous talks on the denuclearization and the creation of peace mechanisms on the peninsula) with the Russian-proposed stage-by-stage Korean settlement plan.²⁷ Remarkably, it was the first time that China and Russia so clearly and unambiguously articulated their common position with respect to North Korea.

It is notable that, in issuing the joint statement on North Korea, Moscow and Beijing explicitly linked their assistance in reining in the Kim regime to America's willingness to make major strategic concessions in Northeast Asia. Russia and China insist that "allied relations between separate states should not inflict damage on the interests of third parties" and express opposition to "any military presence of extra-regional forces in Northeast Asia" as well as "the deployment of THAAD antimissile systems." The July 4 statement ends with Russia and China vowing "to protect the two countries' security interests and to ensure a strategic balance in the region." In other words, China and Russia want the U.S. to weaken its predominant strategic grip on Northeast Asia, at least with respect to the Korean Peninsula and the U.S.-ROK alliance. Unless the U.S. agrees to a new security architecture in the region, one in which its political-military footprint in Northeast Asia considerably shrinks, Beijing and Moscow will be willing to continue to keep North Korea, with or without the Kims, afloat.

Sino-Russian diplomatic coordination was again on display when on September 11, 2017 the UN Security Council passed a sanctions resolution punishing North Korea for the nuclear test conducted on September 3. To the surprise of many, Russia supported new tough penalties on the North, even though Moscow had previously insisted that "pressure through sanctions has run its course and doesn't work."²⁸ Moscow even did not object to the introduction of a phased-out ban on the use of North Korean labor. Russia is the biggest importer of contracted workforce from the DPRK on which the Russian Far East's construction industry has come to depend considerably and which Moscow has viewed as a major leverage with regard to the North. The most important reason for Moscow's decision to go along with the UNSC vote penalizing North Korea had to do with Chinese persuasion. It may not be coincidence that Russia supported the new sanctions following Putin's meeting with Xi Jinping at the BRICS summit in Xiamen. Had it been the U.S. trying to get Russia's consent to more stringent North Korea sanctions, it would most likely have failed. However, Moscow listened to its main "strategic partner," Beijing. Russia and China did take care to soften Resolution 2375 removing from its draft the U.S.-proposed strangulating provisions such as a complete oil embargo.²⁹

26 In fact, the double freeze idea was initially advanced by Pyongyang who floated it in January 2015 and January 2016 (Gleb Ivashentsov, "Nuclear-missile Pyngyang, Moscow and Seoul," *Russian International Affairs Council*, Sept., 7, 2017, <http://russiancouncil.ru/analytics-and-comments/analytics/raketno-yadernyy-pkhenyan-moskva-i-seul/>).

27 Joint statement by the Russian and Chinese foreign ministries on the Korean Peninsula's problems, July 4, 2017, http://www.mid.ru/en/web/guest/maps/kr/-/asset_publisher/PR7UbfssNImL/content/id/2807662.

28 "Nebenzia: sanctions against the DPRK don't work, peaceful ways of settlement should be looked for," TASS, Sept., 2, 2017, <http://tass.ru/politika/4526372>.

29 Comment by the Information and Press Department of Russia's Ministry of Foreign Affairs on the adoption of UNSC Resolution 2375 regarding the Korean Peninsula nuclear problem, Sept. 13, 2017, <https://www.facebook.com/RusEmbDPRK/posts/661808300659629>.

CAN CHINA AND RUSSIA JOINTLY INTERVENE IN A NORTH KOREAN CONTINGENCY?

Russia and China are likely to continue to closely coordinate on North Korea. The ultimate significance of their collaboration on the peninsula may be revealed in case of a North Korea contingency. Although the collapse of the DPRK's current regime is by no means imminent, the situation in the North is highly volatile. Reasonable precautions should be made for an unlikely scenario that the regime may begin to disintegrate due to economic difficulties caused by mounting sanctions, a palace coup, or as a result of outbreak of hostilities on the peninsula. China is widely expected to undertake a military intervention in the event of a North Korean implosion or if it discerns signs that a crisis is imminent.³⁰ Moreover, a secret collusion with the U.S. as to the possible division of the spheres of influence in a collapsing North is not totally unimaginable. Short of that, Beijing may hesitate to face the U.S.-ROK alliance on its own. Thus, it may well prefer to have Russia actively engaged too, both diplomatically and militarily.

Apart from China and the ROK, Russia is the only country neighboring North Korea by land. Unlike the DMZ, the North's border with Russia is not heavily guarded or militarized. This makes it easier for Russia to move its units into the DPRK. Furthermore, there are Moscow-owned port facilities in Rajin, connected to the Russian Far East by a double-gauge railway, making the Rason area, where Russian property and citizens are present, a potential staging ground for Russia's military actions in North Korea.

Russia's recent experience in carrying out military and hybrid warfare operations—from Georgia to Crimea to Syria—will certainly be a valuable asset for China that has not tested its armed forces in actual combat since 1979, when it launched an offensive against Vietnam. Perhaps even more importantly, Russia's strategic assets, as well as its advanced air-defense and anti-ship systems, will help hold the U.S. at bay lest Washington try to send troops north of the DMZ without Beijing and Moscow's consent. Putin's bold intervention in the Middle East underscored Russia's increased willingness—and capacity—to undertake military gambles in foreign countries.

Swift coordinated actions by China and Russia will guarantee that the outcome of a North Korean contingency will be in accordance with their geopolitical interests. They would aim for the stabilization of the North and installment of a regime loyal to China and friendly to Russia, while preventing the absorption of the DPRK by the South. If China and Russia act in lockstep in a North Korean crisis, Washington and Seoul will be virtually helpless to secure their desired scenario of annexation of the North by the South.

When intervening in the North, China and Russia will rely on the DPRK elite. The North Korean privileged class is well aware of the unenviable fate that befell East Germany's communist establishment after Germany's unification. Indeed, in a unified Korea, the DPRK's aristocracy would likely get a much harsher treatment than in Germany's case. Such considerations are bound to lead the North's elite to collaborate with the Chinese and Russians, even though it would essentially mean becoming a protectorate of Beijing. The North Korean ruling class would rather hope to preserve its privileges under Chinese suzerainty than take any chances in a unified state under South Korean rule.

Apart from the support of North Korea's elites, China and Russia will enjoy clear advantages in terms of international law. If a Sino-Russian intervention ever occurs, it will likely be at the formal request of the DPRK government. If invited by Pyongyang, the presence of Chinese or joint Sino-Russian forces in the North will be perfectly legal, especially considering the existence of the PRC-DPRK 1961 alliance treaty and the Russia-DPRK 2000 Treaty on Friendship, Good-Neighborly Relations and Cooperation. By contrast, if the U.S. and ROK attempt an unsolicited military occupation of the North, which is a sovereign state and UN member, this will have questionable legality unless authorized by the UN Security Council. It is unlikely that Russia and China will grant such authorization.

Of course, the above scenario lies within the realm of the hypothetical. However, the possibility of Xi and Putin launching a joint military intervention in North Korea should not be underestimated.

30 Jeremy Page, "China Prepares for a Crisis Along North Korea Border," *The Wall Street Journal*, July 24, 2017, <https://www.wsj.com/articles/china-prepares-for-a-crisis-along-north-korea-border-1500928838>.

RUSSIA-U.S. DIPLOMACY ON NORTH KOREA

Until recently, Washington used to see Russia as a relatively marginal but generally constructive player on the peninsula. Even at the height of the Ukraine crisis, U.S. diplomats responsible for North Korea policy Sung Kim pointed out that the U.S.-Russia “alignment on the core goal of denuclearization remains as strong as ever.” He went on to state that “Russia will remain an important player in our diplomacy with the DPRK.”³¹ However, in 2017, the perception of Russia’s role in the North Korea conundrum has changed. More and more analysts and policymakers in the U.S. have begun to voice concerns that Moscow could sabotage, and in fact is already obstructing, American efforts on North Korea rather than helping them.³² Taking notice of Moscow’s recent activism on the North Korea front, officials in Washington now clearly see the possibility of Russia playing a “spoiler role” and making herself “part of the problem” rather than “part of the solution.”³³ Admiral Harry Harris, the top U.S. military commander in the Pacific, put it this way: “They can be very helpful or they can be the opposite. It remains to be seen where Russia is completely. But I think that Russia can be a spoiler here, if it wants to.”³⁴

Washington continues to see China as holding the biggest leverage over North Korea and thus key to the resolution of the nuclear missile crisis. Yet, there are also indications that, since the spring of 2017, U.S.-Russia diplomatic contacts regarding the Korean Peninsula crisis have been intensifying. The U.S. Envoy for North Korea Joseph Yun visited Moscow in April and September 2017, while Deputy Foreign Minister Igor Morgulov, who is in charge of the East Asian portfolio, reciprocated by holding talks with Yun in Washington in July. North Korea is a regular subject for discussions between Sergey Lavrov and Rex Tillerson,³⁵ as well as in Trump-Putin conversations.³⁶ Newly appointed U.S. Ambassador to Russia Jon Huntsman emphasized that “restoring Ukrainian sovereignty and bringing North Korea to the negotiating table” will be the two principal issues of his mission to Moscow.³⁷

What are the chances that Russia-U.S. diplomacy on North Korea will bear any fruit? The fact that both the U.S. and Russia are vitally interested in upholding the global non-proliferation regime continues to provide the main basis for their cooperation on Korean affairs. For China, denuclearization of the Korean peninsula is at best a secondary priority; Russia is loath to accept a nuclear North Korea. When it comes to non-proliferation, Moscow’s positions are closer to Washington’s than Beijing’s. The North’s nuclear test site is just 200 miles from Vladivostok, but Russia does not feel directly threatened by Kim’s nukes. However, the North’s continued nuclearization—and the chain reaction of horizontal proliferation this may trigger in Northeast Asia and beyond—will inevitably devalue Russia’s own nuclear arsenal which the Russians see as the Holy Grail, an essential attribute of their nation’s great power status and the ultimate guarantee of national security. For China, nuclear weapons, albeit very important, do not carry such an existential significance. Beijing has traditionally looked at nuclear weapons in a much more instrumental fashion and has been far more relaxed about nuclear proliferation. It is an open secret, for example, that in the 1980s the Chinese government provided Pakistan with blueprints for the bomb, as well as

31 State Department Representative for North Korea Policy, Sung Kim, Testimony Before the House Foreign Affairs Committee, Washington, D.C., January 13, 2015, <http://translations.state.gov/st/english/texttrans/2015/01/20150113312954.html#axzz3aYM7JEsc>.

32 See, for example, Joby Warrick, “How Russia quietly undercuts sanctions intended to stop North Korea’s nuclear program,” *Washington Post*, Sept. 11, 2017.

33 Josh Rogin, “Inside Russia’s growing role in the North Korean nuclear crisis,” *Washington Post*, Sept. 6, 2017.

34 “Kim’s Nukes Are a ‘Recipe for Disaster,’ U.S. Admiral Says,” *Bloomberg*, October 17, 2017, <https://www.bloomberg.com/news/articles/2017-10-17/kim-s-nukes-are-a-recipe-for-disaster-u-s-admiral-says>.

35 Press release on Foreign Minister Sergey Lavrov’s telephone conversation with U.S. Secretary of State Rex Tillerson, October 9, 2017, http://www.mid.ru/en/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2894408.

36 Telephone conversation with the U.S. President Donald Trump, May 2, 2017, <http://en.kremlin.ru/events/president/news/54441>.

37 “Russia ambassador says Ukraine key to improved relations,” *Associated Press*, Oct. 7, 2017, <http://www.spokesman.com/stories/2017/oct/07/russia-ambassador-says-ukraine-key-to-improved-rel/>.

highly enriched uranium, tritium, and other key components.³⁸ Unlike China and some other countries, such as France, Moscow has never deliberately spread military nuclear technology.³⁹

Although Russia is strongly averse to the prospect of a nuclear-armed North Korea, this by itself is not sufficient to secure Moscow's wholehearted cooperation with the U.S. in the Korean peninsula crisis. Nonproliferation is Russia's major concern, but there are also other objectives and interests that Moscow pursues in the region which may significantly differ from the U.S. policy positions.

It is telling that Washington and Moscow even call the problem differently. The U.S. mostly refers to it as "the North Korea problem," while Russia's official discourse uses the term "the nuclear problem of the Korean Peninsula," thus implying that the issue is about more than just the North. Moscow and Washington generally agree that solution to the problem should be achieved on a multilateral basis, although they may understand the "multilateralism" differently: the U.S. seeks to gain support of all the regional actors for its vision of denuclearization, while Russia insists on a compromise-based solution taking into account the legitimate interests of all parties, including the DPRK. There is a number of other differences:

- Washington is willing to use "all options" to deal with Pyongyang's nuclear and missile program. Russia insists that only political-diplomatic tools are acceptable.
- The U.S. believes that sanctions and isolation may force North Korean leaders to succumb to pressure and agree to denuclearization. Russia is skeptical about the view that sanctions alone can change the North's behavior.
- The U.S. and South Korea still proceed from the probability of a collapse of the North Korean regime that would result in the absorption of North Korea by the South. Russia, admitting the possibility of an emergency or a calamity of some kind, evaluates the regime as overall stable and warns that the strategy toward North Korea should not be based on the regime change concept and/or on the presumption that it is somehow possible to write off the Kim regime as the one with a short life expectancy.
- The U.S. in general demands CVID (compete, verifiable, and irreversible denuclearization) as a prerequisite for any further dialogue, such as the negotiations on a peace treaty. Russia believes the discussion on North Korean security modalities should be simultaneous with the negotiations on nuclear issue. Russia in general supports the idea of a direct peace treaty between Washington and Pyongyang combined with multilateral guarantees.
- The U.S. political class is mostly skeptical about formally recognizing the DPRK, seeing it a rogue regime. Apart from the nuclear and missile issue, the U.S. has many other concerns, such as other types of WMD, human rights, etc., about North Korea. Russia believes that recognizing a state that has existed for more than 70 years and is a UN member should be regarded as a natural and necessary step towards the creation of a viable security system in Northeast Asia.

Finally, there is a critical difference in the perception of the threat emanating from North Korea. Despite geographic proximity to the North, Moscow does not believe that the North would ever use its growing nuclear and missile arsenal against Russia. On the other hand, the U.S. does feel directly threatened by Pyongyang's nukes. In Moscow's (and also Beijing's) view, this makes North Korea America's problem much more than Russia's (or China's).

Moscow might be willing to help Washington to deal with the problem by using the leverage it has over North Korea. Yet, Putin is not someone who provides his geopolitical services for free. The current feeling in Moscow can

38 Tim Weiner, "Nuclear anxiety: the know-how; U.S. and China Helped Pakistan Build Its Bomb," *New York Times*, June 1, 1998, <http://www.nytimes.com/1998/06/01/world/nuclear-anxiety-the-know-how-us-and-china-helped-pakistan-build-its-bomb.html>.

39 The only major exception was the transfer of nuclear knowledge and technologies by the Soviet Union to China in the 1950s. However, in the late 1950s, Moscow ended any nuclear assistance to Beijing.

be summed up this way: “Why should we do it for you and what do we get in return?”⁴⁰

Washington’s insistence that Moscow should exert more pressure on North Korea sounds to the Russians all the more preposterous since Russia itself is being subject to U.S.-led Western sanctions, most recently being included in the same U.S. sanctions legislation with Iran and North Korea.⁴¹ As Putin said, “It does not make sense to put us on the list alongside North Korea and then ask us to help with sanctions against it.”⁴²

Russia has supported, albeit grudgingly, a series of the increasingly severe UNSC sanctions on North Korea whose chief initiator was Washington. However, Russia has signaled that its backing of the sanctions regime is not unconditional, implicitly linking its full compliance with America’s willingness to pursue a path of diplomacy and compromise in dealing with Pyongyang rather than relying on sanctions and military threats. Consider the following statement by Vassily Nebenzia, Russia’s representative at the UN Security Council, who commented on the UNSCR 2375:

We are a responsible member of international community and we faithfully comply with resolutions we adopt at the Security Council, but this resolution calls for political measures as well, which also must be fulfilled. That is why we urged our American and other partners to honor political and diplomatic decisions stipulated by the resolution. If they are not implemented, we will consider this, too, as ignoring the resolution, as being its less than full implementation.⁴³

Covert or overt non-compliance with the sanctions regime is the most obvious way Russia could undercut Washington’s North Korea policy, if it chooses to do so. However, Moscow could go much further. As pointed out previously, Russia’s military intervention on the peninsula, most probably in coordination with China, is a possibility, even though it does not appear very likely at present. U.S. analysts and policymakers have long considered the likelihood and implications of a Chinese intervention in a North Korea contingency.⁴⁴ In such analysis, Russia is almost never mentioned as a force that could insert itself militarily into North Korea, let alone confront the U.S. forces on the peninsula. However, in the wake of Putin’s successful intervention in Syria, it may be unwise to continue to ignore the potential for Russia to undertake military action on the Korean peninsula. The Kremlin has never publicly stated that it is ready to use armed force should the situation on the peninsula come to a head. But neither has it promised to remain a bystander.

Historical lessons should be remembered, too. Korea is the place where Russia and the U.S. had their bloodiest kinetic collision ever, with Soviet and American warplanes battling in the skies over the Korean peninsula. In 1950-53, during the Korean War, the Soviet Union provided air cover to North Korean and Chinese troops. As the Facebook page of the Russian embassy in Pyongyang proudly claims, Soviet pilots shot down 1097 enemy aircraft, and 292 U.S. airmen were taken captive.⁴⁵ Neither Moscow nor Washington should want a replay of those tragic events. This should give them another powerful reason to engage in mutual diplomacy over North Korea.

RUSSIA AND SOUTH KOREA: A BALANCING ACT

40 Ilya Kramnik, “Predely yadernogo sderzhivaniya [The limits to nuclear deterrence],” *Izvestiya*, October 21, 2017, <https://iz.ru/660255/ilia-kramnik/predely-iadernogo-sderzhivaniia>.

41 “What U.S. sanctions will do to Russia, Iran and North Korea,” *CNN*, August 4, 2017, <http://edition.cnn.com/2017/08/04/politics/us-sanctions-russia-iran-north-korea/index.html>.

42 Vladimir Putin’s news conference following BRICS Summit. Sept.5, 2017, <http://en.kremlin.ru/events/president/news/55535>.

43 “Nebenzia calls on the U.S. to fulfill its part of the UNSC resolution on North Korea,” *TASS*, Sept. 19, 2017, <http://tass.ru/politika/4567327>.

44 See, for example, Frank Aum, *North Korea and the Need for a U.S.-ROK-PRC Dialogue* (Washington, D.C.: USIP, August 2017), www.usip.org; and Robert Peters, *A New Approach to Eliminating North Korean Weapons of Mass Destruction is Needed* (Johns Hopkins University, U.S.-Korea Institute, June 2017), www.uskoreainstitute.org.

45 Russian Embassy in the DPRK Facebook page, July 27, 2017, <https://www.facebook.com/RusEmbDPRK/photos/a.641249926048800.1073742004.279679745539155/641418179365308/?type=3&theater>.

Since the late 1990s, Russia has made a point of maintaining amicable and equidistant—or equally close—relations both with the North and South. Moscow learned—especially from its experience in the 1990s when it all but abandoned the DPRK and prioritized the ROK—that tilting exclusively toward either party diminishes its diplomatic influence on the peninsula. Therefore, Russia gives equal value to its political relations with Pyongyang and Seoul, even though economic ties with the South outstrip those with the North by far.

Under the conservative administration of Park Geun-hye (February 2013 – May 2017), Russia-ROK relations somewhat cooled. Even though South Korea has not formally joined Western sanctions against Russia, Moscow saw Park as being too pro-U.S. It was also unhappy with Park's hard-line stance toward the North. The Kremlin was irritated at what it viewed as Seoul's persistent attempts to get Russia to ramp up pressure on the North in exchange for some vague promises of economic megadeals that South Korea would be willing to grant Russia once the North Korea issue is "solved." Therefore, the premature departure of Park and the election of the progressive candidate Moon Jae-in was met in Moscow with cautious optimism. The Kremlin sees the new South Korean leader as less pro-Washington, much more open to engagement with the North, and more willing to strengthen relations with Russia.

Moon considers Russia as one of the four major powers who are crucial to South Korea, the three others being the U.S., China and Japan.⁴⁶ Even before he visited Tokyo and Beijing, one of Moon's first foreign trips was to Russia: Moon attended the Eastern Economic Forum in Vladivostok in early September 2017 and met with Putin. According to various sources, the meeting was quite cordial.⁴⁷ In October 2017, Sergey Lavrov noted with satisfaction that Moscow's relations with Seoul "have been visibly growing."⁴⁸ As a sign of giving a higher priority to Russia, Moon created the Northern Economic Cooperation Committee, a presidential body tasked with boosting economic ties with Russia, China, and possibly, North Korea.⁴⁹ The committee is chaired by former Mayor of Incheon Song Young-gil, a prominent political supporter of Moon and an old friend of Russia. The committee chairman position gives him the rank equivalent to that of a deputy prime minister of the South Korean cabinet. In May 2017, just after taking office, Moon dispatched Song to Moscow as his special envoy to meet Putin. Song is known as an enthusiast of closer cooperation with Russia. Song went on the record saying that Russia is "extremely important for normalization of inter-Korean relations and for reduction of tensions in the region." Pointing out that "the leaders of China and North Korea are not getting along well," Song suggested that Russia—and Putin personally—"can act as the mediator to facilitate improvement in Pyongyang's relations with Seoul, Beijing and Washington."⁵⁰

Although Moscow has some positive expectations for the Moon administration, the Kremlin entertains no illusions. Russian analysts and policymakers are aware that Moon's freedom of maneuver is rather limited. On the one hand, he is constrained by the alliance with Washington, in which South Korea is a junior partner. Even though Moon is apparently uncomfortable with Trump's tough stance on North Korea, he cannot afford to openly contradict the U.S. president. On the other hand, he cannot ignore the South Korean political and security establishment who are overwhelmingly pro-American and anti-North. Thus it remains to be seen how far the current rapprochement in Russian-South Korean ties goes and what impact, if any, it will have on the security situation on the Peninsula.

RUSSIA AND JAPAN: DEALING WITH A MINOR PLAYER

Of all the powers involved in the North Korea crisis, Japan is at present probably the least significant player. Having cut almost all economic and political contacts with Pyongyang years ago, Tokyo has effectively shut itself

46 "Moon urges improved ties with four major powers for peaceful end to NK nukes," *Korea Herald*, October 25, 2017, http://www.koreaherald.com/view.php?ud=20171025000807&ACE_SEARCH=1&__s=uodw3dvouwdwbqqastf.

47 Authors' conversations with Russian and South Korean diplomats, Vladivostok, Moscow, Sept. 2017.

48 "Russia's relations with South Korea on the rise, Lavrov says," *TASS*, October 13, 2017, <http://tass.com/politics/970539>.

49 "Song Young-gil to head presidential panel," *Korea Times*, August 25, 2017, http://www.koreatimes.co.kr/www/news/nation/2017/08/356_235428.html.

50 Interview with Song Young-gil, *Rossiyskaya Gazeta*, June 6, 2017, <https://rg.ru/2017/06/09/iuzhnaia-koreia-rossiia-eto-shans-dlia-resheniia-severokorejskoj-problemy.html>.

out of the diplomatic game on the peninsula. Tokyo's stance on North Korea is closely aligned with Washington's, with the result that their policy positions are almost indistinguishable. Considering this and the fact that Japan, like South Korea, is a junior partner in a U.S.-led alliance, Moscow does not see Tokyo as someone with whom it needs to have a major diplomatic dialogue on North Korea. Of course, the North Korea issue is regularly raised at Russo-Japanese bilateral meetings, including frequent summits between Putin and Abe, but such discussions are apparently *pro forma* rather than substantive.

Japanese officials keep saying that "Russia has an important role to play in dealing with the North Korea problem and we will encourage Russia to perform an even greater role in the denuclearization of the Korean peninsula."⁵¹ However, the Japanese understanding of Moscow's "greater role" is for Russia to step up pressure on Pyongyang and further isolate North Korea economically and diplomatically.⁵² Of course, this is extremely far from the Kremlin's own understanding of what needs to be done to resolve the crisis.

TRIANGULATING NORTH KOREA: THE GREAT POWER STAKES

The Korean peninsula nuclear crisis has drawn in a wide range of players, from Australia to the European Union. However, the great-power triangle formed by the U.S., China, and Russia remains by far the most crucial external variable affecting the developments on the peninsula.

The worsening situation on the peninsula can be seen as another symptom of the dysfunctional international order in which we live today. Whether one likes it or not, international order still critically depends on great power relations, with Russia, China, and the U.S. being the only true great powers of the contemporary era. Washington, Moscow, and Beijing are the world's most capable and ambitious geopolitical players. Korea is one important place where their strategic interests intersect. Unless the three find common ground on North Korea, the crisis on the peninsula is unlikely to ever be resolved. Table 1 compares the positions the U.S., China, and Russia hold on major issues related to the North Korea crisis, underlining considerable differences, especially between the U.S. vis-à-vis China and Russia.

51 "Japan calls on Russia to take bigger role on North Korean threat," *Reuters*, July 10, 2017, <http://www.reuters.com/article/us-japan-northkorea-russia-idUSKBN19V24P>.

52 There is a measure of hypocrisy in Japan's North Korea policies. On the one hand, of all countries, including the U.S., Japan maintains probably the harshest sanctions regime against North Korea. On the other hand, there is evidence that Japanese shadow commerce with North Korea has been quite extensive, at least until very recently. For example, according to some estimates, up to 70% of the edible seaweed imported by Japan comes from North Korea. Ships from both countries reportedly meet in the Sea of Japan's neutral waters, transacting North Korean seaweed and seafood for Japanese cash. Another major channel of North Korea-Japan trade goes via China (Artyom Lukin's conversations with sources in Vladivostok, October 2017).

TABLE 1. RUSSIA'S, CHINA'S AND U.S.'s POLICY STANCES ON THE NORTH KOREA CRISIS

	Denuclearization	Way to solve the Korean peninsula nuclear program	Sanctions	Military Action	Regime change in North Korea	Geopolitical vision for Northeast Asia
U.S.	Complete, verifiable, and irreversible dismantlement of North Korea's nuclear program as soon as possible	Sanctions and diplomacy is preferred method, but military action against North Korea remains an options	Maximum sanctions presurre is needed, including oil embargo and possibly naval blockade	Military action against North Korea remains an option.	The U.S. government does not directly pursue reimage change in North Korea but views the Kim regime as "depraved." Regime change is desirable and may be necessary	Preservation of the U.S. strategic primacy. Checking epxansion of Chinese influence.
China	Complete denuclearization of the peninsula must be achieved, but is only feasible as a long term goal. In the short term, efforts should be focused on freezing North Korea's nuclear capabilities	The problem should primarily be resolved through negotiations between the North and the U.S.	Sanctions should be secondary to diplomacy. Crippling sanctions that may cause humanitarian catastrophe and trigger regime collapse are unacceptable.	War on the Korean peninsula is not acceptable. The problem should only be solved through negotiations.	No regime change from the outside is acceptable. North Korean sovereignty should be fully respected.	Ending the U.S. strategic domination of East Asia and replacing it with a Sino-centric political and economic order.
Russia	Acknowledgement of Pyongyang's rationale to seek nuclear weapons for self-defense due to existential insecurity. Complete denuclearization of the peninsula must be pursued, but is only feasible as a longterm goal. In the near term, efforts should be focused on freezing North Korea's nuclear capabilities.	Multilateral (Six-party talks) and bilateral (North Korea-U.S.) diplomacy is the only to resolve the problem.	Sanctions should be secondary to diplomacy. Crippling sanctions that may cause humanitarian catastrophe and trigger regime collapse are unacceptable. In the UNSC P-5, Russia is currently the most reluctant to back North Korea sanctions.	War on the Korean peninsula is not acceptable. The problem should only be solved through negotiations.	No regime change from the outside is acceptable. North Korean sovereignty should be fully respected.	Ending the U.S. strategic domination of Northeast Asia and replacing it with a concert of powers arrangement (China, Russia, the two Koreas, Japan and the U.S.) based on a multi-polar balance of power and collective management.

CAN RUSSIA PLAY A ROLE IN RESOLVING THE KOREAN CRISIS?

Artyom Lukin and Georgy Toloraya

Ever since the second half of the 19th century, having acquired what is now the southern part of the Russian Far East, Russia has been a major stakeholder in Korean affairs. In the times of the Czarist Empire, St. Petersburg regarded Korea as a pawn in its play with Western imperialistic powers and Japan; Stalin used Korea as a tool to fight “the global imperialism.” In contrast to that, contemporary Russia does not seek to dominate the peninsula or to use it for imperial expansion into the Asia-Pacific. However, Moscow does have important interests in Korea and is determined to make sure it is a force to be reckoned with on the Peninsula – and in the wider Northeast Asia. Maintaining links with North Korea is a crucial component in Russia’s strategy to stay an indispensable player in Northeast Asia.

To a significant extent, the Soviet Union created the DPRK. Common genesis explains some of the affinity that still exists between the two countries. There is also a range of economic ties, especially Russian energy exports to the North, Russia’s import of North Korean labor, and Russia’s use of the North Korean port of Rajin. Russia also remains the only country, apart from China, that provides the DPRK with regular transportation and telecommunications links—via air, rail, sea, and the internet—connecting the isolated nation to the outside world. Taken together, such commercial exchanges and infrastructure links constitute substantial leverage that Moscow can exercise over North Korea, when and if it chooses to do so. Importantly, Soviet/Russian diplomats and scholars have had permanent access to the North for seven decades, accumulating a vast trove of expertise on the secretive state.

Just a few years ago, Russia might have been rightly labeled as “the forgotten player” on the Korean peninsula.¹ In 2017, this is no longer the case. Russia has made a point of reemerging as a central player in North Korea politics. Economically, Russia has shown willingness, even despite the tightening of international sanctions against Pyongyang, to launch new commercial projects with the North, such as opening a ferry line or providing the DPRK with an internet connection. Politically, Moscow has become the North’s most vocal advocate of sorts,

¹ Victor Cha, *The Impossible State: North Korea, Past and Future* (New York: Harper Collins, 2012), p. 347.

denouncing its nuclear and missile provocations, but at the same time, displaying understanding for the motives that compel Pyongyang to pursue nuclear weapons. Diplomatically, Russia has started to energetically offer its mediation services in resolving the crisis on the peninsula, such as through the Russian-proposed and Chinese-backed three-stage roadmap. Whether one sees Moscow as a constructive player on the peninsula or as a “spoiler,” it has now become impossible to ignore Russia’s increased leverage. None other U.S. President Trump has admitted as much, opining that, with Russia’s help, the North Korea situation “would be easier settled.”²

THE ORDER OF RUSSIAN INTERESTS IN THE NORTH KOREA CRISIS

In the North Korea conundrum, Russia’s behavior is defined by a complex mix of motives, interests, and factors. The most important of them can be broken down as follows:

DENUCLEARIZATION

Moscow is loath to accept a nuclear North Korea. Russia does not feel directly threatened by Kim’s nukes. However, the North’s continued nuclearization—and the chain reaction of horizontal proliferation this may trigger in Northeast Asia and beyond—will inevitably devalue Russia’s own nuclear arsenal which the Russians see as an essential attribute of their nation’s great power status and the ultimate guarantee of national security. North Korea’s September 3, 2017 explosion of what it claimed was a thermonuclear bomb seems to have convinced Moscow that Pyongyang’s nuclear weapons program is more advanced than previously thought, with President Putin himself publicly admitting that the North possesses a hydrogen bomb.³

That said, Russia’s commitment to non-proliferation, while a major factor in its North Korea policy, is not the absolute imperative and needs to be balanced against Moscow’s other interests such as its reluctance to undermine the Pyongyang regime and opposition to the U.S. hegemony. It is not inconceivable that Russia would accept *de facto* not only a nuclear North Korea, but also the eventual nuclearization of Japan and South Korea,⁴ all the more so if nuclear weapons made Tokyo and Seoul more independent from Washington and thus weakened U.S. preponderance in Northeast Asia. Russia would ultimately learn to live with nuclear neighbors in Northeast Asia, just as it adapted to a nuclear Maoist China in the 1960s and 1970s, even though relations between Moscow and Beijing were far worse than the current issues between Moscow and Tokyo.

AVERTING WAR ON THE KOREAN PENINSULA

Given Russia’s proximity to the peninsula, preventing a major armed conflict there is its obvious interest. There are relatively low risks that Russia will directly suffer from potential hostilities. These risks include being hit by a stray missile or contaminated by the fallout from nuclear explosions and destroyed atomic facilities. The prevailing directions of winds and sea currents protect the Russian Far East from radioactive clouds and water-borne radiation from the peninsula.⁵ Russia, unlike China, would hardly face a massive refugee exodus from the North, as the two countries are separated by a river, and the short border is well guarded. The most important risks for Russia may be economic. The Russian Far East’s economy is critically dependent on links with China, Japan, and South Korea and will sustain a heavy blow in case of a serious disruption of economic activities in Northeast Asia. Furthermore,

2 “Trump slams Russia for hindering U.S. efforts on North Korea,” *Fox News*, October 25, 2017, <http://www.foxnews.com/politics/2017/10/25/trump-slams-russia-for-hindering-us-efforts-on-north-korea.html>.

3 “Putin knew about North Korea’s nukes in early 2000’s,” *Sunday Express*, October 4, 2017, <http://www.express.co.uk/news/world/862339/vladimir-putin-knew-north-korea-nuclear-missiles>.

4 David Sanger, Choe Sang-hun, and Motoko Rich, “North Korea Rouses Neighbors to Reconsider Nuclear Weapons,” *New York Times*, October, 28, 2017, <https://www.nytimes.com/2017/10/28/world/asia/north-korea-nuclear-weapons-japan-south-korea.html>.

5 “There could be another Hiroshima or even several Hiroshims,” *Federal Press*, August 15, 2017, <http://fedpress.ru/article/1838440>.

Russia's entire economy could suffer if Northeast Asia, one of the main engines of the world economy, is knocked out by a major war that will possibly result in a global recession and crumbling commodity markets.

EXPLOITING THE NORTH KOREA CRISIS AS A BARGAINING CHIP VIS-À-VIS THE U.S.

There is a growing suspicion in Washington that Russia's efforts to elevate its diplomatic role in the North Korea crisis are designed to gain leverage against the U.S. If Moscow can insert itself as an important player on North Korea, it could use this as a bargaining chip in other areas.⁶ The Kremlin has never explicitly linked its potential assistance with North Korea to U.S. concessions on issues important to Moscow, such as the settlement in eastern Ukraine or removal of anti-Russia sanctions. However, there is a tacit understanding that Washington can hardly expect enthusiastic cooperation from Moscow in resolving the Korean crisis as long as U.S.-Russia relations remain hostile, having fallen to their lowest point since the early 1980s.

THE POLITICS OF THE QUASI-ALLIANCE WITH CHINA

In pursuing its North Korea diplomacy, Russia has closely collaborated with China. Even though Russia's interests regarding North Korea are not identical to China's, there is enough overlap between them to establish effective cooperation. At the July 4, 2017 Putin-Xi summit, the two sides formulated a unified approach to the peninsula crisis.

Russia and China definitely do not relish the prospect of a nuclear-armed North Korea. Putin and Xi feel no sympathy for Kim Jong-un who openly defies not only Washington, but also Beijing and Moscow. However, Russian and Chinese aversion to Kim Jong-un and his nukes is eclipsed by their shared animosity to what they perceive as the U.S. pretensions to hegemony. The Russia-China collaboration in Northeast Asia is just one element of their "comprehensive strategic partnership" which, under Trump, has only grown tighter. As Gilbert Rozman points out, North Korea has been the primary test of the U.S.-China-Russia strategic triangle in Asia, and Russia has sided with China.⁷ Moscow is unlikely to do anything on the peninsula that would run against Beijing's basic security interests. The Kremlin is well aware that Korea is vital for China's security and recognizes that Beijing's stakes in the Korean peninsula are significantly higher than Moscow's. What is expected in return is Beijing's acknowledgement of Russia's interests in the areas of paramount concern to Moscow such as Ukraine, Central Asia, and the Middle East.

INTERNATIONAL PRESTIGE AND GREAT-POWER POSTURING

Russian behavior in the North Korea crisis is also animated by the considerations of prestige and great power status. As Alexander Gabuev notes, "the search for international recognition and prestige has become a key driver of Russian foreign policy during Putin's tenure. Any major international problem is seen by the Kremlin as an opportunity to sit at the table with other key players on the global stage, which shows Russia's international status as one of the leaders of the international community."⁸ Apart from great power pride, Russia earnestly wants to be seen by the international community as a constructive and responsible player whose involvement contributes to the resolution of one of the most dangerous international crises of the modern era.

6 Josh Rogin, "Inside Russia's growing role in the North Korean nuclear crisis," *Washington Post*, Sept. 6, 2017.

7 Gilbert Rozman, "Giving a New Jolt to Strategic Triangle Analysis," *The Asan Forum*, August 30, 2017, <http://www.theasanforum.org/giving-a-new-jolt-to-strategic-triangle-analysis/>.

8 Alexander Gabuev, "A Russian perspective on the impact of sanctions," *Korea Economic Institute of America*, August 2017, <http://www.keia.org/publication/russian-perspective-impact-sanctions>.

As already mentioned, a war in Korea would deal a blow to Russia's economy. Conversely, the settlement of the festering peninsula problem can potentially bring Russia sizable economic payoffs. For one, sanctions on North Korea will be removed, allowing Russia to conduct full-scale commerce with its neighbor. Even more importantly, the easing of tensions on the peninsula will make possible the realization of the "trilateral" mega projects that Moscow has long promoted, above all the connection of the Trans-Korean railway with Russia's Trans-Siberian rail and the construction of a Trans-Korean pipeline supplying Russian natural gas to the South and North. Russia is somewhat encouraged by the fact that President Moon's government, unlike the two previous conservative administrations, makes a point of supporting these projects.⁹

ADHERENCE TO THE PRINCIPLE OF SOVEREIGNTY AND OPPOSITION TO REGIME CHANGE

Russia's aversion to any moves that might undermine the regime in Pyongyang is explained not only by the desire to keep North Korea as a counterbalance to U.S. hegemony in Northeast Asia, but also stems from Moscow's normative predispositions. Russia, like China, regards the sovereign state as the primary foundation of international order and, as a matter of principle, rejects interference into internal affairs of states aimed at regime change. The Russians feel little sympathy for the totalitarianism and brutality of the Kim dynastic state, but the principle of sovereignty and external non-interference is all-important.

PROMOTION OF A NEW REGIONAL ORDER IN NORTHEAST ASIA

Russia's stance on North Korea and the future of Northeast Asian geopolitical order may seem identical to China's in that it does not accept continuation of U.S. hegemony. However, there is one cardinal difference. China's ultimate goal is to replace the U.S. strategic dominance of East Asia with one of its own. For Russia, Beijing's primacy in the region would be no more acceptable than Washington's. What Moscow wants is a concert-like, multipolar balance-of-power system, with Russia as one of its key stakeholders. Russia continues to favor resumption of the Six-Party Talks, remaining perhaps their most ardent enthusiast of all the six nations and viewing them as the most relevant mechanism to achieve a comprehensive and lasting solution to the North Korea nuclear problem. Furthermore, Moscow sees the Six-Party Talks as a prelude to the establishment of a concert-of-powers type institution in charge of Northeast Asian security.

THE FUTURE OF KOREA

Russia does not see a swift unification of Korea as desirable or possible. Yet, in the long term, Russia would welcome the emergence of a united Korean state, provided the unified nation is fully independent and not subordinate to any of the great powers. In Moscow's strategic thinking, a single and fully sovereign Korea would contribute to a multi-polar balance of power in Northeast Asia. The preference for Korean unification, albeit as a long-term prospect, sets Russia apart from China and Japan who have little interest in the emergence of a strong unified state on their borders. For Beijing, it would be difficult, if not impossible, to absorb a united Korea into its sphere of influence. For Tokyo, a single and powerful Korea could mean a new rivalry exacerbated by the negative historical memories. The U.S. would prefer a unified Korea that is in alliance with Washington. However, in the long run, it is not inconceivable that the U.S. would value a non-aligned Korea, especially if America shifts to an offshore balancing grand strategy. This leads to potential convergence of Russian and U.S. interests on the future of Korea.

For Russia, the order of priority of the above interests is dynamic rather than constant. In particular, pre-2014, before the Ukraine crisis, using North Korea as a bargaining chip vis-à-vis the U.S. was hardly on the Kremlin's agenda. Now, it may be a top motivation.

⁹ Reports of the participants of the 14th Russo-Korean Forum, Jeju, Oct. 26, 2017, attended by Georgy Toloraya.

CAN RUSSIA PLAY AN HONEST BROKER ON THE PENINSULA?

The relative marginality of Russia on the peninsula—compared to China and the U.S.—has its own advantages for dealing with the North. The lack of preponderant influence is a major reason why Russia can be seen as a potential “honest broker” by North Korean leaders who are remarkably suspicious of any foreign country that has pronounced interests on the peninsula. Russia is powerful enough to be taken seriously, and it helps that it has some soft power inside North Korea, but it doesn’t have massive vested interests there. Given that Russia also has political frictions with the United States and can sometimes disagree with China, the presence of Russia as a possible mediator might be acceptable to North Korea—in case, of course, the North Korean government decides to rely on mediators rather than talk to its opponents directly.¹⁰

Moscow’s capacity to play an honest broker in resolving the North Korea crisis has been increasingly discussed in U.S. policy circles. Joseph Yun, the U.S. Envoy for North Korea, points out that “Russia could play a useful diplomatic role.” This is also the opinion of Korea expert Suzanne DiMaggio: “If you look at all the major players in this crisis, the only one with a working relationship with Pyongyang is Moscow.”¹¹ In his 2012 book, Victor Cha notes Russia’s record of producing solid diplomatic blueprints to ensure security on the peninsula and stresses that “Moscow is most helpful when relations among the other parties in the region are at the absolutely worst.”¹² Given the gravity of the current situation, the moment for Russia’s involvement may have arrived. The potency of Russian diplomacy on North Korea will, to a significant extent, hinge upon the level of personal commitment from the country’s top policymaker, Vladimir Putin. Would he exhibit the same level of devotion to dealing with the peninsula as he has showed in the Middle East? Probably yes, but this remains to be seen.

IS THERE A PATH OF DIPLOMACY TOWARDS RESOLVING THE CRISIS?

As with many other crises in international politics, the current tensions on the peninsula engender not only obvious perils, but also potential opportunities. It may not be all that bad that the situation on the Korean peninsula has moved out of a stalemate and acquired some dynamics different from the “strategic patience” era. The crisis atmosphere might easily result in disastrous miscalculations, but it can also stimulate creative diplomatic thinking, leading to solutions acceptable to all the parties. This is when a fruitful Russia-U.S. cooperation can emerge. Russia would sincerely wish that the current hostilities should become a prelude to a meaningful diplomatic process leading to a negotiated compromise. It is time to address the problem squarely. That means to talk and engage, however unpopular it might be in some Washington quarters.

Russia has worked out a roadmap for resolving tensions with Chinese. This joint initiative has been proposed to all the other partners in the Six-Party Talks, including the U.S.

The first step in the three-stage roadmap is “suspension for suspension,” which means a moratorium on the North’s nuclear and missile tests based on its voluntary political decision, along with Pyongyang’s pledge that it will never transfer nuclear technologies and materials to other state and non-state actors. In exchange, the U.S. and ROK would halt their military exercises or *limit* their scale. Other forms of “compensation” can also be discussed.

¹⁰ Artyom Lukin’s personal e-mail communication with Andrei Lankov, July 2017.

¹¹ Matthew Pennington, “U.S. turning to Moscow for help with isolating NKorea,” *Associated Press*, October 28, 2017, http://customwire.ap.org/dynamic/stories/U/U.S._NORTH_KOREA_RUSSIAS_ROLE?SITE=CAWOO&SECTION=HOME&TEMPLATE=DEFAULT&CTIME=2017-10-28-02-42-14.

¹² Victor Cha, *The Impossible State*, p. 365.

The U.S. side is wary to accept these parallel steps even at the first stage, citing lack of clear-cut obligations on the part of the North Koreans, absence of full-scale verification mechanism, lack of safeguards in case the agreement is broken by Pyongyang, and the damage the suspension of drills could do to the validity of the U.S.-ROK alliance. Meanwhile, suspension of the U.S.-ROK exercises may not be the most important concession wished for or expected by North Korea and maybe it would prefer other moves by the U.S., such as the establishment of a political dialogue channel aimed at an eventual diplomatic recognition, the opening of liaison offices, the removal of some of the sanctions, provisions of economic aid, and so forth. To find out, direct negotiations without preconditions are essential. Negotiations should be based on the understanding that the “menu” of concessions that the North Koreans can offer is much shorter than that of the U.S. Also, some of the North’s concessions are irreversible, such as giving access to sensitive information and facilities for verification purposes, let alone the physical dismantlement of nuclear and missile infrastructure. By contrast, all the concessions on the U.S. side are easily reversible: military drills can be resumed, sanctions reinstated, a peace treaty annulled, diplomatic recognition withdrawn, etc.

For the second stage, Russia and China suggested signing a series of bilateral documents: between the DPRK and the U.S., the DPRK and ROK, and maybe the DPRK and Japan. The agreements should stipulate the general principles of peaceful relations, such as non-use of force. Negotiations on these agreements will be protracted if Pyongyang’s opponents would wish to insert into them other controversial issues, such as abductees and nuclear proliferation. The issue of North-South relations should be, according to the Russian suggestions, excluded from this set-up and be dealt with on a separate track. Bilateral negotiations at this stage are essential, but a general declaration of principles on peace and security based on what was agreed in 2007 by the Six-Party Talks’ working group on a Northeast Asia peace and security mechanism, headed by Russia,¹³ would be enough.

The third stage outlined in the Russia-Chinese initiative would be full-fledged Six-Party Talks, dedicated to the creation of a Northeast Asia security system—in which the issues of denuclearization, multilateral and unilateral sanctions, military threats and confidence-building measures, foreign military presence, and other issues are to be discussed. It should be not a continuation of the 2003-2008 exercise, but a brand new effort with a broad mandate: the principal difference is that the agenda should not be limited to discussing the nuclear problem, but should encompass a wide scope of issues related to attaining comprehensive security on the Korean peninsula and around it.

The process may start with direct U.S.-North Korea talks on these new modalities. In parallel, a North-South dialogue on restoring cooperation and dismantling the pitiful heritage from the decade of the rule by conservative administrations in the South should be launched. However, it would be pointless to concentrate the North-South discussion on the nuclear issue, as ROK is not in a position to provide any security guarantees for the DPRK. Also, a general discussion on possible multilateral security arrangements in Northeast Asia can be conducted in the relevant working group of the Six-Party Talks which could be reestablished as an organizing bureau or secretariat for the future multiparty talks on security in Northeast Asia.

If such preliminary steps prove successful, the formal high-level process may be launched by a symbolic meeting of the foreign ministers of the six countries plus plenipotentiary representatives of the UN and International Atomic Energy Agency on the sidelines of the UN General Assembly, maybe in the presence of some of the national leaders. In the long run, political and diplomatic solutions advocated by Russia are not impossible. The main condition is that the opponents should face reality and rely on hard facts:

Washington and Seoul should come to terms with the existence of North Korea and pursue the policy of coexistence rather than trying to undermine the regime in Pyongyang.

¹³ The working group on a Northeast Asia peace and security mechanism was one of the five working groups created by the February 13, 2007 Joint Statement of the Six-Party Talks. Russia became chair of this group.

The issue of denuclearization has to be delayed until the overall mechanism of security is established. South Korea should abandon its dreams of unification by absorption and learn to live with a difficult neighbor, showing the attitude of a mature and developed country.

Pyongyang should admit to the fact that there would never be peace and prosperity in North Korea unless it abandons its nuclear weapons program, provided a new security regime on the peninsula is established first.

This is not to say that other diplomatic blueprints and ideas cannot be explored and pursued. What matters is that the alternative to bilateral and multilateral diplomacy is further deterioration of the situation and a possible military conflict.

POLICY RECOMMENDATIONS FOR RUSSIA AND THE UNITED STATES

In case of North Korea, Russia and the U.S. are parties to the most dangerous crisis since the end of the Cold War. Fortunately, in this standoff, Moscow and Washington are not direct opponents, but neither are they true partners. They can choose to closely cooperate in resolving the situation, or they can obstruct each other's efforts. In the latter case, the risks of miscalculation will rapidly grow, potentially leading to the danger of an armed collision of U.S. and Russian forces on the peninsula. It goes without saying that such a scenario needs to be avoided.

It should be recognized that, as of now, the interests of Russia and the U.S. with respect to North Korea are characterized by a number of substantial differences that make it extremely difficult to arrive at a comprehensive diplomatic solution to the problem. However, both the Russians and Americans share one fundamental interest: non-proliferation of nuclear weapons. As the most basic common denominator, Moscow and Washington should collaborate to prevent possible horizontal proliferation of North Korean nuclear technologies and materials, such as attempts by the North Korean regime or by its rogue individual representatives to sell nuclear components to other states or non-state actors. Given North Korea's growing desperation due to the tightening sanctions, the likelihood is only growing that Pyongyang will undertake to sell its nuclear and missile technologies to whoever is willing to pay. Moscow, Washington, and other interested parties need to deal with this risk without blockading North Korea, since a forced physical isolation of the DPRK is unacceptable to Russia (and China). A mechanism of permanent U.S.-Russian consultations and exchanges on the Korean peninsula security problems needs to be established, and they should focus on non-proliferation and other concerns.



www.fpri.org

Foreign Policy Research Institute
1528 Walnut Street, Suite 610,
Philadelphia, PA, 19102

