The decision by Kim Jong Il’s regime to test launch missiles on July 5 and to test a nuclear device on Oct. 9, 2006, dramatically impacted China’s foreign policy toward North Korea. These incidents have served to undermine the six-party talks hosted by China and threaten to further exacerbate the forces destabilizing regional security in Northeast Asia. Pyongyang’s defiance of China’s stern warnings regarding these tests has finally signaled to Beijing that the “North Korea crisis” is catastrophically deteriorating.

Following both the missile and nuclear tests, China voted in favor of UN Security Council Resolutions 1695, 1705 and 1718, clearly indicating that Beijing is seeking new policies to deal with North Korea. There remains a degree of internal discussion on what that policy direction should be and the nature China’s relations to the Democratic People’s Republic of Korea (DPRK). For a variety of reasons, a residual sympathy for North Korea remains in China that is preventing a showdown between Beijing and Pyongyang. Yet China is

Zhu Feng is a professor of the School of International Studies and director of the International Security Program in Peking University. He is a leading Chinese security expert and senior research fellow of the Center for Peace and Development of China. He writes extensively on international security in East Asia, power relations and China-U.S.-Japan security ties.

decisively working to expand its cooperation with the international community to force North Korea to discontinue its pursuit of nuclear weapons and lower the threat arising from its weapons of mass destruction. Furthermore, if China’s own complex domestic and international cost-benefit calculus can be untangled, a significant shift in Beijing’s policy – entailing abandonment of its patron relationship with North Korea and coercion to roll back nuclear capabilities – may be just around the corner.

**Missile Tests: A Turning Point**

The DPRK’s last three missile tests conducted since the outbreak of the North Korean nuclear crisis in October 2002 had limited diplomatic impact mainly because the test launches involved only short-range or shore-based anti-ship missiles. Since North Korea already possessed such missile capabilities there was no evidence that North Korean missile technology had improved substantively since the Taepodong-1 was test fired in 1998. However, when intelligence confirmed that North Korea was going to test-fire long-range missiles in June 2006 capable of reaching the west coast of the United States the reactions of the United States and Japan fundamentally changed. These tests were also significant because they damaged Beijing’s credibility as a mediator and decreased its presumed influence on North Korea.

Following the long-range missile tests on July 5, 2006, an intense debate arose in the United States regarding the possibility of using a preemptive strike on North Korean missile facilities. Although the possibility of such a strike was ultimately ruled out by the White House, the United States announced that the missile defense system in Alaska would enter a higher alert level. In addition, the United States and Japan decided to step up deployment of missile defenses in Japan, and the United States sent its only Aegis cruiser equipped with a marine missile defense system into the offshore waters of North Korea. All these moves point to a marked escalation of the military confrontation revolving around the North Korean missile launch – a situation China had been working to avoid with its mediation efforts in the North Korean nuclear crisis and by hosting the six-party talks.

The possibility of North Korea’s long range missile tests did not at first draw a particularly swift or strong response from Beijing as it has grown accustomed to such tactics of intimidation so often employed by the DPRK whenever the six-party talks stagnate. It was difficult to tell whether this par-
ticular test-launch of missiles by North Korea was yet another bluff in order to pressure the United States to lift the financial sanction against it.

China’s reaction began to change, however, with the continuous string of reports regarding the imminent tests that were published in June of 2006. For the first time, the Chinese premier openly demanded North Korea to halt its erroneous action. On June 28, 2006, Chinese premier Wen Jiabao openly called on North Korea to stop the test launch in an attempt to avoid Chinese domestic alarm at growing tensions in the Sino-DPRK relationship. This reaction was unprecedented as China’s senior leaders had never officially demanded anything of the DPRK, even when it withdrew from the nuclear Treaty on the Non-Proliferation of Nuclear Weapons, or reopened its 5-megawatt graphite reactor or when it declared possession of nuclear weapons in February 2005.

The reasons for China’s change of position are numerous. First, it is important to note that the Chinese leadership’s direct call for a halt on the missile testing came after South Korea’s explicit request to China through official channels to prevent Pyongyang from carrying out the test launch. Since the second round of six-party talks on the North Korean nuclear issue in February 2004, China and South Korea have been moving ever closer in their approach and coordination of policies. Considering South Korea’s deep concern over the test launch, its direct request for Beijing to take action against this provocative move by the DPRK was a request that China could not decline.

Secondly, Beijing had become painfully aware of the significance of North Korea’s test of a long-range missile (the Taepodong-2). This would be an open provocation by Pyongyang, after which China would have little reason to further cushion the DPRK from the United States and Japan. Prior to this, Beijing had been hoping to “comfort” North Korea through softening the “pressure and isolation” policy adopted by the United States and Japan and protect North Korea from any further setback and harm. With Japan’s extreme sensitivity to Pyongyang’s missile test launching, the firing of the new Taepodong-2 missile would only provide a pretext for Japan to accelerate its cooperation with Washington in developing ballistic missile defense, enhance the U.S.-Japan military alliance and promote Japan’s plan to intensify.
its military development plan. These developments would in turn complicate China’s Japan policy considerably. Due to the current tension in Sino-Japanese relations, any moves by Japan’s military have the potential of stirring domestic nationalism in China that runs high with anti-Japanese sentiments. These changes in China’s security environment would provide a basis for the Chinese military to demand a bigger budget and scale up military forces. The Chinese leadership headed by Hu Jintao (China’s President) does not want to see the escalation of military confrontation between China and other big powers in the region, nor does it want China’s defense strategy to be manipulated by the internal nationalist passions.

North Korea’s missile tests have diverse implications for China. First, the missile tests show that Pyongyang has little regard for China’s own security interests. Beijing is deeply frustrated by the intransigent behavior and thinking of Pyongyang despite five rounds of six-party talks and the signing of the Joint Statement in September 2005. China had hoped that it could influence North Korea through a multilateral mechanism to create – and make routine – an exchange acceptable both to North Korea and the other parties. China’s strategy in attaining these goals can be characterized as a “soft approach,” aiming to arrive at a diplomatic solution, gradually but concretely affecting North Korea’s actions. China, time and again, sternly rejected calls by the United States to increase pressure on Pyongyang and even took various actions to protect North Korea from further isolation. At the same time, China teamed up with South Korea, continuously providing North Korea with substantial aid, supporting South Korea’s “peace and prosperity policy” toward North Korea and respecting the requirements of Kim for a “security assurance” and “fair treatment”. The quid pro quo of such an approach, however, was the willingness by North Korea to fully cooperate with China and South Korea, to give up its brinksmanship behavior and respect China’s role as host of the six-party talks. The launching of the missiles shows undeniably that Pyongyang not only lacks a basic appreciation of China’s painstaking efforts on its behalf, but contempt for China’s security interests in Northeast Asia.

The missile tests shook the Chinese leadership’s belief in the Kim Jong Il regime’s ability to carry out reform in emulation of China’s model.
The missile tests also deeply shook the Chinese leadership’s belief in the Kim Jong Il regime’s ability to carry out reform and opening up in emulation of China’s model. The Chinese people also hold highly negative views of the Pyongyang regime. A recent public opinion poll shows that 44 percent of Chinese people dislike North Korea more than any other country (closely following Japan, which 56 percent of people polled most disliked). Conversely, among the three East Asian nations, South Korea is considered by the Chinese public as the country that China most needs to deepen bilateral relations (48 percent), followed by Japan (40 percent), and North Korea a distant last (12 percent).  

The Chinese leadership now understands it may have deluded itself about the Kim government. Beijing has pursued a good neighborly policy with North Korea, thinking that Pyongyang would gradually be won over by China’s kindness. However, the missile tests have finally revealed to the leadership in Beijing the true nature of the Kim government. North Korea’s nuclear ambitions stem in large part from the need to safeguard the regime’s own security and interests rather than its country and people. It has also shown itself to be highly skilled in its resistance to internal reform. Pyongyang has refused to accept China’s advice and continues to take measures that intensifies confrontation and defies the international community. This can only mean that the current mentality of DPRK leaders is simplistic and arrogant. Pyongyang will not in the end give serious consideration or cater to the interests of China or take decisive steps on the road of reform and opening. Beijing now objectively concedes that it is fantasy to expect the Kim government to make wise decisions and restart the process of merging itself into the world community.

Soon after the missile tests of July 5, 2006, China voted in favor of UN Security Council Resolution 1695 (which condemned DPRK’s missile launches and imposed limited sanctions on North Korea), clearly indicating the most significant change of China’s policy toward North Korea in recent years. It signifies China’s growing resentment toward North Korea and implies an end to China’s “umbrella” policy for North Korea, a policy that has been in effect since the end of the Cold War and meant to prevent the UN Security Council from getting entangled in North Korean affairs, and protect North

\[ \text{The nuclear test was no less than a slap in China’s face.} \]
Korea from UN sanctions. With North Korea’s deep dependence on China’s economic and diplomatic assistance, anything that causes China to distance itself from Pyongyang will no doubt have implications for the survival of the Kim government. From Pyongyang’s perspective, Beijing’s support of the resolution was an act of treachery by its socialist big brother. China’s refusal to continue as North Korea’s ‘protector’ in the Security Council opens the door for the possibility of new, tougher UN sanctions.

The Nuclear Equation: A New Era

China’s ire over North Korea’s missile test had not yet subsided when the DPRK decided to test a nuclear bomb on Oct. 9, 2006. In Beijing, ire turned into fury. Pyongyang’s nuclear test was a reckless violation of the September 2005 Joint Statement and squandered Beijing’s good will policy to accommodate Pyongyang in their legitimate pursuit of security guarantees and national interests demands. It was no less than a slap in China’s face. The test shows that Pyongyang has been genuinely indifferent to China’s continuous opposition and warnings against the DPRK’s pursuit of nuclear weapons. There is little doubt that the North Koreans consider their nuclear capability more important than their friendship with its only patron state, China. Without question, Beijing has become fully disillusioned about the nature of the Kim government, and has come to recognize that its previous nuclear appeasement policy for the North must come to an end.

There is a range of speculation as to why Kim risked jettisoning China’s long-term support in favor of going nuclear. Some in China argue that Kim did not believe that Beijing would truly punish him by cutting off oil and other provisions. Certainly, Pyongyang is convinced that an anti-American North Korea has been a valuable strategic buffer for China vis-à-vis the United States’ military presence in East Asia. Kim likely calculated that China would never abandon him for this reason. Others contend that Kim and his diplomats frequently hint to China that Pongyang will do an about-face and embrace the United States if China pushes too hard. In this way, Pyongyang probably believes it holds a ‘trump card’ over Beijing by playing

---

Following the nuclear test, the traditionally defined ‘friendship’ between the two countries has evaporated.
such cat and mouse tricks. His gamble has proved him wrong. Following the nuclear test, the traditionally defined ‘friendship’ between the two countries has evaporated. Even though Beijing did not fully flex its muscle against the DPRK, the reality is that Chinese leaders’ resolve to dismantle the North Korean nuclear program has intensified. Beijing’s harsh words of protest on the nuclear test fully reinforce this. China called Pyongyang’s action “flagrant,” a word that is normally employed only for criticizing actions by an adversary, a clear break from past language by the Chinese leadership, and a lucid expression of dissatisfaction and even resentment toward Kim.

China’s interest in preventing North Korea from developing nuclear weapons is fundamentally not different from Japan and the United States. Although Beijing is not willing to speak with one voice alongside Tokyo and Washington in public statements and therefore its opposition and threats toward North Korea are watered down to some extent, a North Korea with nuclear weapons is unacceptable to China.

Of primary concern, in Beijing’s judgment, is that the DPRK’s nuclear test has decisively shifted the nature of the problem from the ‘North Korean nuclear issue,’ which has revolved around concerns over nuclear proliferation, to the far more dangerous and broad ‘North Korean issue.’ China has long tried to limit its approach with North Korea to the nuclear issue rather than the comprehensive problems – regime legitimacy, its refusal to end the Cold War on the Korea Peninsula and integrating itself into the regional community, unpredictability of its behavior – fearing negative influence on Sino-North Korean relations and a destabilization of the DPRK regime itself.

If North Korea fully develops and possesses nuclear weapons then fissures in the geopolitical landscape of East Asia will emerge. In the long run, this will negatively affect China’s strategic interests. First of all, since the brunt of dealing with a nuclear North Korea in the region will primarily fall to China and South Korea they will have to strengthen their coordination efforts to this end. China simply cannot shoulder the burden alone. A closer China-South Korean cooperation could alert Japan and further drive the U.S.-Japanese military alliance. On the other hand, North Korea’s nuclear tests will also cause Japan to accelerate its conventional military buildup as well as reopen

---

A Japan rearmed with nuclear weapons is entirely unacceptable to China.
the debate in Japan on its pursuit of nuclear weapons. This will instigate a backlash in China and South Korea, further aligning the two countries while driving a bigger wedge between them and Japan. A Japan rearmed with nuclear weapons is entirely unacceptable to China, but may be welcome to the United States. This divergence of interests will lead to increased divisions between China-South Korea on the one side and the United States and Japan on the other—a separation between continent states versus sea powers.

A nuclear North Korea will have its greatest direct impact on the relationship between Japan and China and each country’s domestic reactions to developments. The problem of North Korea is a double-edged sword and has the potential of either promoting or seriously harming Sino-Japanese relations. Naturally, China’s hope is that the North Korea problem will become the lubricant for better communication between the two countries. It could be a catalyst for greater discourse over regional security and cooperation. This environment probably won’t lead to breakthroughs on the historical issues, but may be a beginning in bringing the two closer. On the other hand, there is a real danger for a worsening of Sino-Japanese ties if a spirit of cooperation is lacking; Japan’s tough stand toward North Korea unsettles China because Japan also has strong nationalist sentiments against China, which will inevitably instigate similar nationalist response from China, further engendering hostility toward one another.

As for China and the United States, while the recent events are an important factor between them, their relationship also has a dynamic that is substantially independent of the North Korean issue. There is no question that American policy towards North Korea has been a failure and conservatives and moderates in the United States continue to be divided over China’s role in the North Korean nuclear issue. As serious as it is, the side effects in solving this problem will not hugely impact the Sino-U.S. relationship in the near and medium term. Nevertheless, in this context, there are many uncertainties for China’s national security if force is used to resolve the North Korean nuclear issue. One great uncertainty is what future orientation North Korea will take. In the past 40 years, resistance against America was the basis of Sino-North Korean friendship. But in 1992, by establishing diplomatic relations with South Korea, China sent a clear message that it would not support North Korea’s extreme
anti-American stance. This action by China was regarded by North Korea as a betrayal and its distrust still factors in Pyongyang’s thoughts. If China uses force to dissuade North Korean nuclear aspirations it is possible China would not only ‘lose’ North Korea but the country could become anti-Chinese in nature. Most Chinese policymakers are loathe to see this happen. Another uncertainty comes from America’s future military presence in the Korean Peninsula. Will it decrease or increase? If China and the United States can come to a consensus on North Korea, a future North Korean regime would at least not be hostile to China, alleviating one of China’s principal concerns.

Most critical from Beijing’s perspective is to confirm whether and to what extent the United States will commit to collaborating with China in firmly yet constructively rolling-back North Korea’s nuclear program. Until this point, Beijing has not received sufficiently clear signals from Washington on its real intention to dismantle the DPRK’s nuclear capability. That confirmation and trust notably revolves around America’s resolve to settle the issue as well as its willingness to share in the costs and responsibilities of any lasting solution. One of Beijing’s greatest fears is that if China was at the forefront of any confrontation with the DPRK, the United States would back down and Beijing would be caught flatfooted to deal with North Korea alone. Beijing and Washington may be trapped in a dilemma where each side is unwilling to get too close to one another and act together decisively to deal with North Korea due to the logic of great power politics.

Perhaps the greatest casualty of North Korea’s nuclear tests has been the six-party talks. Some in the United States have wanted to kick-start such a mechanism with China at the helm. However, this was always a false hope. It was never going to be realized in the medium- or near-term without strong buttressing by others, especially the United States. As a regional security coordination mechanism, China has been carefully examining the six-party talks and their potential. However, the reality is that a regional security structure evolving from the six-party talks is not something China can do by relying on its own strength, nor is it a mechanism in China’s interests. It is not practical and is therefore no longer a policy priority for China.

President George W. Bush has said the six-party talks are the best way
to solve the North Korea problem, to which Japan and South Korea have agreed as well. All are talking about a multilateral security mechanism in East Asia, however, neither the United States, Japan or South Korea has a feasible blueprint. Therefore, such a regional security mechanism has lost substantial attraction to China.

The current state is that the six-party talks cannot reach any agreement and cannot solve the problem effectively. Yet, they will not disappear in practice because any progress on the North Korean issue must be the result of agreement by the six parties. Unfortunately, the result will be temporary paralysis.

Internal Dynamics

The question of how China’s policies toward North Korea are determined is not straightforward. First of all, the current policies adopted by Beijing are not dominated by military authorities. North Korea is now considered far less of a vital strategic “buffer zone,” than it was in the past. Any ultimate decision regarding Beijing’s policy toward North Korea is directly subject to judgment and selection at the highest level, yet, the influence over that policy has always oscillated between the Ministry of Foreign Affairs, which focuses on coordination with the international community, and the International Department of the Chinese Communist Party’s Central Committee (CCPCC), which stresses the relationship between China and North Korea. While the former camp can hardly be called a ‘pro-West’ group it does advocate coordination with the West. The latter camp, on the other hand, can be called ‘pro-Pyongyang’ and advocates strongly for cooperation with North Korea.

The CCPCC’s International Department oversees exchange with other political parties and is generally sympathetic to North Korea, often calling for a strengthened relationship between the Chinese and the North Korean political parties and governments and advocating full “political trust” in Pyongyang. This pro-Pyongyang element also believes that North Korea will in the end accept China’s advice to reform and open up and that China has great influence over North Korea.

Beginning with North Korea’s decision to launch the missile tests, and now the nuclear tests, the International Department has had declining influence on Beijing’s formulation of policy toward North Korea. This is evidenced by the meeting held by the Central Committee on Foreign Affairs in late August of 2006, which said that China would adhere to its new concept for
diplomacy, including “taking the road of peaceful development”, “opening up and mutual benefit”, “building of a harmonious world”, and a “focus on the individual.” Most importantly, the conference proceedings proclaim that a nuclear North Korea is a formidable challenge to China’s “core interests.” In Beijing’s discourse, only Taiwan’s independence movement has been previously interpreted in that way. The gist of these principles is that China will strengthen coordination of its own diplomacy with that of the mainstream of the international community.

The policies currently being adopted by North Korea strongly conflict with China’s diplomatic goals and have greatly narrowed Beijing’s space for diplomatic maneuvering in the six-party talks. It has impaired Beijing’s ability to influence the United States, Japan and other hardliners to compromise with North Korea. These difficulties are plaguing China’s mediation efforts on the North Korean nuclear issue, generating unprecedented political pressure within the government. However, the reassessment of its North Korea policy does not automatically lead to more decisive and harsher actions against Pyongyang. It’s not so easy for the Hu Jintao-Wen Jiabao team (president and premier of China) to stand up to the threat imposed by nuclear North Korea. Beijing is still weighing all options and considering the most workable roadmap to proceed with its policy objective of denuclearization. Considering the delicacy and complexity of its options, Beijing will not make up its mind quickly. But what is certain right now is that a nuclear North Korea holds bleak and adverse implications for China and threatens to undermine almost all elements of Hu’s foreign policy strategy of a “harmonious world,” upon which he has invested a lot.

The decision by the Hu government in May 2003 to mediate the North Korean nuclear crisis was a defining moment for Chinese diplomacy. It signaled that China would become more proactive and self-confident in its diplomatic efforts and strive to make innovative use of China’s rising international influence toward playing a positive role in maintaining the country’s important peripheral diplomacy. This has been proven successful with the five rounds of six-party talks on the North Korean nuclear issue. This is why China’s participation in the six-party talks received extensive support in domestic

North Korea is now considered far less of a vital strategic “buffer zone,” than it was in the past.
mainstream public opinion. However, some academic and policy circles in China have opposed the nation’s role as mediator, suggesting that Beijing’s hosting of the six-party talks is tantamount to “a small horse pulling a large cart”, or China’s diplomatic clout is not sufficient for the task.

In a similar vein, Hu’s proactive and rational international policy approach is facing new challenges. Some in China have expressed sympathy for North Korea, believing that its actions are still a kind of support to China’s strategic position and even a counter-balance to the United States and Japan. "Conspiracy theory" (the United States deliberately delayed the resolution on the nuclear issue with North Korea in order to invigorate Japan’s rearming process) and “transference theory” (U.S. intentions to transfer more strategic pressure on China by broadening hostilities among East Asian regional members) have arisen to contradict the Bush administration’s moderate response and non-military intimidation against North Korea.

For the ossified forces within the conservative camp that were originally discontent with Hu and Wen and their new style government, the missile launches and nuclear test only provide them with new fodder for attacking the Hu-Wen team. In the run up to the 17th Party Congress, Chinese politics are now entering a sensitive period. North Korea’s actions have, on balance, damaged the diplomatic prestige of the Chinese reformists represented by Hu and Wen. If China’s policy toward North Korea is dragged into the domestic struggle over political power, the future orientation of China’s diplomatic policies towards North Korea will become even more complicated.

Re-orienting China’s North Korean Policy

The test launch of missiles by North Korea has shaken Beijing’s confidence in its past policy toward North Korea. The nuclear test conducted by North Korea was the last straw to substantively spur Beijing to rethink its relationship with the North.

China has implemented a range of measures in response to North Korea’s defiant attitude, its missile test firing as well as the negative consequences that may arise in North Korea’s internal situation as a result of its actions. In terms of its overall approach, following the missile test (and before the nuclear test), China began to initiate coercive diplomatic measures toward Pyongyang. This
can be seen by a number of changes in China’s actions toward North Korea.

In the first place, whereas trade between China and North Korea should theoretically be growing, it remained stagnant between January and July of 2006 and even decreased in key products such as iron, steel, chemical and plant products (see Appendix). China temporarily froze an existing agreement for a large-scale development project for border trade between the two countries. An important outcome of Kim’s visit to China in January 2006 was to step-up economic and trade cooperation between the border cities and regions. A large-scale border trade summit was originally scheduled for September 2006, which would have been attended by high-ranking officials from both sides, but the meeting was cancelled.

Meanwhile, Beijing delayed large-scale aid measures for North Korea following the flood disaster in July and only initially provided some symbolic aid through the Red Cross. Although South Korea announced a large-scale aid worth 200 billion won, Beijing stated subsequently on Aug. 30 that “the Chinese government is very concerned about the disaster in North Korea, and has decided to give humanitarian as- 


distance, including grain, food, diesel and medicine,” although Beijing had yet to decide on specific amounts of the goods.

China later decided to provide 50,000 tons of aid, the equivalent of half of South Korea’s aid. It is a rare occurrence that China lags behind South Korea in providing disaster relief for North Korea and is a bellwether of Beijing’s new tendency to use economic leverage to punish Pyongyang.

Besides economic and aid measures, China has sent more troops to the Sino-North Korean border region. Although the Chinese media reported that China was sending reinforcements to the border and carrying out missile drills in Changbai Mountains in mid-July as part of a “routine military exercise,” the fact is that China wants to enhance its ability to react in case of a contingency involving North Korea.

This does not represent the position of the military, rather, it indicates that China’s senior leadership is very concerned about the possibility of an emergency in North Korea and has to intensify any preparation for it in the days to come.

How China addresses nuclear North Korea has more to do with its resolve and less to do with its policy.
In addition, China has tightened visa management for North Koreans entering China to prevent the DPRK from making further use of China as a conduit for illegal activities, such as the lynching of its own citizens that try to seek sanctuary in China, and smuggling.

China is also, for the first time, participating in multilateral sanctions. But furthermore, China is carrying out bilateral sanctions against North Korea. China will not obstruct strict economic sanctions and may temporarily suspend oil supplies to North Korea via the UN Security Council, though it would likely stop short of allowing military action against the DPRK.

Yet, despite the tremendous diplomatic and political pressure exerted on China by the DPRK’s missile and nuclear tests, China’s leaders will continue to explore the boundaries of influencing North Korea. Before the North Korean nuclear test, Beijing would not have pushed its close neighbor and “brother” into a corner because this would not only have contravened China’s own interests, but would have also departed from the broadly accepted thinking of the Chinese people. However, if sanctions cannot move North Korea to abandon its nuclear weapons, the possibility that China will employ other means to roll back North Korea’s nuclear weapons program is real. If this is the only alternative, China will use a variety of methods to accomplish that goal, including coercive diplomacy and perhaps ultimately regime transformation. The crucial issue here is that China will have to make up its mind.

How China addresses nuclear North Korea has more to do with its resolve and less to do with its policy. Prior to the nuclear test, Beijing saw no imperative to act decisively against North Korea. The situation has dramatically changed however. Beijing has no alternative but to employ any and all means to get North Korea to return to its commitments to abandon nuclear weapons (exemplified in the September 2005 Joint Statement) and map out with other parties a feasible plan to trade its nuclear capabilities for economic compensation and diplomatic normalization. Thus, as Amb. Wang Guangya said at the UN, "no one is going to protect North Korea if it continues with its bad behavior." If Beijing has lost its patience and will not allow this issue to stagnate in multi-lateral talks. Presently, Hu looks like he has more resolve than ever to safeguard China against any diversion from the country’s economic construction. Firmly addressing a nuclear North Korea is a great test for Hu and for China. If done successfully, it will add significantly to his capability and power within China and bolster China’s prestige internationally.
## Appendix

### China’s Imports from North Korea from January to July 2005 and 2006 ($ in U.S. millions)

<table>
<thead>
<tr>
<th>Product</th>
<th>[Jan.-July 2005]</th>
<th>[Jan.-July 2006]</th>
<th>Difference</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Value</strong></td>
<td>281.626</td>
<td>236.687</td>
<td>-44.939</td>
<td>-15.96</td>
</tr>
<tr>
<td>Animal Products</td>
<td>66.616</td>
<td>18.055</td>
<td>-48.561</td>
<td>-72.90</td>
</tr>
<tr>
<td>Mineral Products</td>
<td>112.300</td>
<td>124.712</td>
<td>+12.412</td>
<td>+11.05</td>
</tr>
<tr>
<td>Chemical Products</td>
<td>0.368</td>
<td>0.235</td>
<td>-0.113</td>
<td>-30.71</td>
</tr>
<tr>
<td>Leather, Fur and Fur Products, Rubber</td>
<td>0.077</td>
<td>0.009</td>
<td>-0.068</td>
<td>-88.31</td>
</tr>
<tr>
<td>Wood and Wooden Products</td>
<td>7.124</td>
<td>14.112</td>
<td>+6.988</td>
<td>+98.09</td>
</tr>
<tr>
<td>Jewelry and Precious Metal</td>
<td>0.015</td>
<td>0.033</td>
<td>+0.018</td>
<td>+120.00</td>
</tr>
<tr>
<td>Basic Metal</td>
<td>50.413</td>
<td>25.942</td>
<td>-24.471</td>
<td>-48.54</td>
</tr>
<tr>
<td>......</td>
<td>......</td>
<td>......</td>
<td>......</td>
<td>......</td>
</tr>
</tbody>
</table>

### China’s Exports to North Korea from January to July 2005 and 2006 ($ in U.S. millions)

<table>
<thead>
<tr>
<th>Product</th>
<th>[Jan.-July 2005]</th>
<th>[Jan.-July 2006]</th>
<th>Difference</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Summary</strong></td>
<td>618.100</td>
<td>678.498</td>
<td>+60.398</td>
<td>+9.77</td>
</tr>
<tr>
<td>Mineral Fuel, Mineral Oil, Asphalt.</td>
<td>168.965</td>
<td>211.699</td>
<td>+42.73</td>
<td>+25.29</td>
</tr>
<tr>
<td>Fertilizer</td>
<td>16.482</td>
<td>21.618</td>
<td>+5.136</td>
<td>+31.16</td>
</tr>
<tr>
<td>Ceramics, Glass and Other Mineral Products</td>
<td>12.793</td>
<td>8.695</td>
<td>-4.098</td>
<td>-32.03</td>
</tr>
<tr>
<td>Jewelry and Precious Metal</td>
<td>0.067</td>
<td>0.043</td>
<td>-0.024</td>
<td>-35.82</td>
</tr>
<tr>
<td>Basic Metal</td>
<td>46.212</td>
<td>34.501</td>
<td>-11.711</td>
<td>-25.34</td>
</tr>
<tr>
<td>Machinery &amp; Electronics</td>
<td>60.517</td>
<td>106.365</td>
<td>+45.848</td>
<td>+75.76</td>
</tr>
<tr>
<td>......</td>
<td>......</td>
<td>......</td>
<td>......</td>
<td>......</td>
</tr>
</tbody>
</table>

Source of data: January - July 2006 statistics from China Customs


Qiu Yongzheng, “Who is Fabricating Rumors about the PLA?” Elite Reference, Aug. 6, 2006.