Despite an impasse in the US–DPRK dialogue, the United States and Republic of Korea largely voiced common cause while tacking to new realities. The allies showed flexibility by continuing the drawdown in military exercises and destroying military posts along the demilitarized zone following the Moon–Kim summit in Pyongyang. The outgoing and incoming USFK commanders both acknowledged challenges to readiness, but spoke in support of inter–Korean efforts to reduce military tensions. Secretary of State Mike Pompeo bristled at inter–Korean accords made without US consultation, while President Moon Jae–in credited the alliance with facilitating the dramatic improvements in inter–Korean relations. Moon sought to spur a second Trump–Kim Jong Un summit, with both seemingly committed. Chairman Kim Jung Un and Pompeo met in October, yet North Korea turned away both Pompeo and the new US special representative for North Korea policy, Stephen Biegun, a month later over sanctions concerns and a block on US aid workers. The US and ROK tacked on an updated KORUS free trade agreement and the launch of a bilateral working group aimed at coordinating North Korea policy. Domestic political developments – Trump’s midterm loss of the House and Moon’s skeptics and economic concerns – will check momentum, though a second Trump–Kim summit might stimulate some activity in relations.
What a difference a year makes

Tensions in Korea were high early in 2018, but “fire and fury” gave way to an Olympic moment–turned–movement by year’s end. In an address to the Council on Foreign Relations, Korea Society, and Asia Society group in late–September, Moon Jae–in marveled at “something miraculous happening on the Korean Peninsula.” Fueled by three inter–Korean summits in 2018 – the latest in Pyongyang in September – Moon reassured his main ally and the international community that his approach was viable and that Kim Jong Un was serious and sincere. Though Moon won over many in the UN General Assembly with his call for a peace regime, most on the Security Council and in Washington remained cautious, if not skeptical.

North Korea refrained from nuclear and missile tests for the entirety of 2018, last testing a nuclear device in September 2017 and a long–range missile in November 2017, affording Moon space to exercise his efforts at bringing in North Korea from the cold. Inter–Korean ties flourished in late 2018, and the Pyongyang summit in September saw South Korean business leaders dangle the prospect of investment and the two Koreas committed to significant confidence building measures. ROK Ministry of National Defense (MND) mid–December footage of South and North Korean troops surveying demolished guard posts and sharing cigarettes, coupled with scenes of the groundbreaking for a common rail corridor, suggest an inter–Korean dynamic with a head of steam, despite checks on rail and road upgrades until sanctions are lifted.

The White House portrayed the lack of missiles flying as a marked success, and Trump voiced enthusiasm for the process while counseling patience and no timelines. Despite his call to not rush the complicated process of denuclearization, experts in both Washington and Seoul pressed for real commitments. Many deem the test moratorium simply not enough, see the DPRK strategy as a repeat of past feints (or as insincere), and argue that the DPRK is proceeding with weapons development, despite the stated turn toward economic modernization.

US research institutions – the Center for Strategic and International Studies in Washington and the Middlebury Institute Nonproliferation Center in Monterey – confirmed in late 2018 the existence of 13 of a suspected 20 undeclared missile operating bases and an expansion of DPRK long–range missile housing facilities near the Chinese border. In late November, the International Atomic Energy Agency reported upgrades at Pyongyang’s main nuclear facility at Yongbyon.

There has been no progress on a DPRK declaration of facilities and weaponry and none or little on verification, with Moon suggesting that Kim committed to some verification at the Pyongyang summit, a point reiterated by the ROK Ministry of Foreign Affairs late fall. Secretary Pompeo left his early October meeting also noting assurances from Kim of verification of both nuclear and rocket test sites once logistics were coordinated. At Seoul’s urging, Washington agreed to withhold insistence on a declaration for the time being.

A primary reason for the summitry and increase in inter–Korean interactions and confidence building has been the steady ballast provided by Moon’s administration. Moon righted the ship in advance of the Trump–Kim meeting in Singapore when it looked like the summit might not happen and again in the fall to assuage criticism and build momentum for renewed talks. Pompeo’s meeting with North Korean counterpart Ri Yong Ho on the UNGA sidelines and Kim Jong Un’s reception of Pompeo weeks after the Pyongyang summit demonstrate the ongoing process.
Yet Seoul faces a tough balancing act with its increasing role as mediator between the US and the DPRK, wanting to advance inter-Korean ties while being checked by US doubts and constraints of the sanctions regime. Given the complexity of processes and players, it seems likely that North Korea will have to make at least tacit commitments in 2019 for momentum to hold.

Lead-up to the new year

Kim Jong Un may understand the political issues faced by Moon, to whom he’s expressed deference when meeting, or simply be exerting his self-perceived image as a new global leader, but the end of year saw a build-up toward the DPRK leader’s new year address that was starkly different than in years prior. In the final days of December, Kim sent a letter to Moon expressing regret for not fulfilling his promise to visit Seoul within the year and urging more summits with Moon in 2019. Kim also issued a “conciliatory” message to Trump, reportedly aimed at a second summit and breaking the impasse in talks – a message that the US president praised.

Kim’s New Year’s speech itself focused squarely on domestic economic issues, with only a third of the address related to foreign relations. Despite a threat to pursue new ways if the US failed to make progress in talks, Kim urged a new phase in relations with the US and suggested the rapid development of good relations with South Korea as a model. The address was also different in form, with the young, suited leader shown descending a staircase and delivering his address seated in a study, suggesting a warmer and more worldly fireside chat.

Whether Kim saw himself proffering a more sophisticated global persona – further evidence of Moon’s success at bringing the North in from the cold – or calculated stagecraft aimed at international support for economic opening, Trump, seizing on the end-of-year and New Year’s messages, focused on a perceived commitment by North Korea to halt nuclear and missile production. Proponents of Moon’s approach argue that the momentum is real, and that North Korea has seen through its early commitments: the test moratorium, closure of its nuclear test site, and a return of US war remains.

Aid, trade, and burden-sharing

Following the summer return of US war remains, efforts slowed as North Korea bristled over the maintenance of sanctions and Washington’s cut-off in visas for US-based humanitarian aid workers. North Korea’s KCNA and its New York channel representatives couched the DPRK effort – the only area from the Singapore summit on which it explicitly followed through – as a “humanitarian” gesture, and one requiring a quid pro quo from the Americans.

US aid organizations took a muscular approach in addressing the State Department’s denial of visas for its representatives to visit North Korea, citing the immediate and dramatic health and food needs of the North Korean public. Sanctions have curtailed incoming equipment and financing for humanitarian initiatives, complicating their efforts. The National Committee on North Korea in Washington, DC
expressed concern over the visa cut-offs, following US pressure that saw the Global Fund cancel activities in North Korea earlier.

NCNK Executive Director Keith Luse warned that the Trump administration regarded the provision of humanitarian assistance to the North Korean people as a legitimate target for its maximum pressure campaign. The NGOs met some success through meeting with special representative Steve Biegun, who in a mid-December visit to Seoul announced that US would revisit the aid and visa issues, and that assistance would be expedited. Seoul announced that Washington would provide support for flu treatments being sent north as well.

The US also tacked toward a corrective in seeing through an update of the KORUS Free Trade Agreement. Many wondered why the White House would threaten to abandon the FTA at a time when coordination with Seoul seemed essential to advance stability. The updated FTA afforded a few concessions, including that each US automaker may double to 50,000 the number of cars it can sell in South Korea without meeting local safety standards. The updated KORUS provided Trump his first such trade agreement.

However, military burden-sharing remains an unsettled issue, raising eyebrows in Seoul and among US supporters of a strong alliance. Washington wants Seoul to significantly increase its share of host nation support beyond 50 percent annually, with reports that Trump wants Moon to hike the $860 million commitment to $1.3 billion. Korea Society President Tom Byrne asked in a December Washington Post opinion piece about “what could strain the alliance, potentially crippling a coordinated diplomacy of engagement? ... failed negotiations on the Special Measure Agreements that govern burden-sharing for the 28,000 troops based in South Korea ... playing hardball with Korea on payments is puzzling at this historic moment, given the troops’ larger strategic purpose” he added.

Sanctions, alliance coordination, and human rights

Despite hyperbole about growing fissures, both the US and ROK agreed on the necessity of maintaining the current sanctions regime to curtail North Korea’s nuclear and missile development and lead it toward denuclearization. Several times in late 2018, US and ROK officials reiterated the need for DPRK compliance prior to any discussion of downgrading measures in place. US Treasury leveled sanctions against several individuals and entities over the period, with US Ambassador to the UN Nikki Haley calling out Russian efforts to undermine sanctions and ease banking regulations.

As Moon advances his plans for inter-Korean integration, South Korea will be obliged to call upon the United Nations Security Council (UNSC) to begin to make exceptions to the current sanctions regime. Seoul’s task will be easier as long as Pyongyang maintains its test moratorium. Meanwhile, China and Russia stepped up calls for downgrades to the sanctions regime, which left South Korea trying to balance impulses toward opening with the common cause of denuclearization shared with and primarily articulated by the United States.

Official pronouncements describe a US-ROK alliance that is steadfast. President Moon reiterated to Vice President Mike Pence in November that “it is entirely the power of the strong Korea-US alliance that drew North Korea into dialogue and made the current situation possible.” At the transition of the UNC/CFC/USFK commander – from Gen. Vincent Brooks to Gen. Robert Abrams – the generals acknowledged operational challenges, but emphasized the greater unity in US-South Korea relations. Seoul reported that Pompeo balked at a lack of coordination and consultation in adopting the inter-Korean military accord that took effect Nov. 1. Although the US is supportive of the inter-Korean processes, it is concerned over implications of some of the changes, including the no-fly zone, which in the event of a crash or altercation could ratchet tensions with a North Korea that might feel justified in a more belligerent response. The US, through the UNC, and ROK and DPRK military representatives, met several times to discuss the rapid changes within the Joint Security Area (JSA). Pompeo reminded Seoul that inter-Korean relations should improve in conjunction with denuclearization.

The Nov. 20 launch of a new senior-level US-ROK working group aims to strengthen coordination on diplomacy, verifiable denuclearization, UNSC resolution implementation, inter-Korean cooperation, and lasting peace. In doing so, the new working
group may temper fissures in the alliance, narrow divisions of opinion on policy, and facilitate better communications and understanding.

Though the impasse in US-DPRK talks slowed movement toward an end-of-war declaration or peace regime, Seoul has made its priorities clear, and the US will need to take those expectations into consideration. Ultimately, only Pyongyang knows if it intends to trade away its nuclear and missile capabilities. The US and ROK strive to make the DPRK understand that those capabilities do not enhance its security; security lies in abandoning them. Trump and Moon have made it clear to Kim that economic prosperity lies with denuclearization, which at present is the only articulated path to sanctions relief.

Some US observers have argued the benefits of more manageable, near-term goals: partial denuclearization, demilitarization, and arms control. Trust-building after 70 years of hostilities – hot and cold – is formidable, yet a basic issue underscored by North Korea's foreign minister and others.

The agenda of concerns grows. The Dec. 24 Federal District Court decision awarding Otto Warmbier's parents $501 million in damages from North Korea (not simply symbolic given the US State Sponsors of Terrorism victims fund) reminds us that human rights looms large in future discussions with North Korea. US Treasury leveled sanctions against three senior DPRK officials over human rights violations – leading to a strong retort from Pyongyang and its mid-December contention that denuclearization applies to the entire peninsula – albeit not a new call, yet another stumbling block in the US-DPRK impasse.

Domestic determinants will check both Trump and Moon in 2019. The shift of control in the House of Representatives to the Democrats means more congressional engagement on Korea. Though the impact on general policy will be limited, a Democratic House may engage more on issues like human rights and humanitarian assistance or seek more frequent testimonial on the pace and scope of negotiations with North Korea. Trump’s longer term viability – especially relative to Russia and the Mueller investigation – will impact the time and attention paid to North Korea, perhaps in unexpected ways.

The departure of Defense Secretary James Mattis on Dec. 31 especially worried US allies; Mattis was the “adult in the room” on many Korea-related decisions. Although he had stepped back somewhat with Pompeo’s arrival at State, Mattis was a stable, sensible leader at a time of flux. A common voice on Korea among State, Defense, and the National Security Council is increasingly important.

For Moon, who has staked his presidency on inter-Korean progress, time is important. He needs results as his popularity declines and as Seoul skeptics grow in number. Domestic issues remain a drag, especially in the areas of jobs and the economy. Political cleavages in Seoul have deepened.

Moon’s steady rudder made the earlier breakthrough in US-DPRK dialogue and summitry possible, but managing Washington and Pyongyang, issues at home, and the pace of inter-Korean reconciliation present persistent and profound challenges. Empowered, flexible, and well-oiled relations between the United States and Republic of Korea are essential to advance peace and avoid a return to heightened tensions on the Peninsula.
CHRONOLOGY OF US-KOREA RELATIONS

SEPTEMBER – DECEMBER 2018

Sept. 4, 2018: US President Donald Trump speaks with South Korea President Moon in advance of ROK delegates heading north and Moon’s visit to New York.

Sept. 6, 2018: President Moon underscores the need for the DPRK’s “complete denuclearization; and Trump thanks Kim Jong Un for “unwavering faith” after Kim suggests a denuclearization timeline.

Sept. 6, 2018: US accuses North Korea of engaging in a global cyber-crime wave.

Sept. 7, 2018: President Trump states he is expecting a “positive” letter from Kim Jong Un.

Sept. 9, 2018: North Korea military parade features floats and no long-range missiles. Kim Jong Un tells Chinese envoy North Korea he is upholding US nuclear deal.

Sept. 10, 2018: Kim Jong Un sends Trump a letter requesting a follow-on meeting.

Sept. 11, 2018: Two more US service members’ remains returned in DPRK handover.

Sept. 12, 2018: Two Koreas open liaison offices with around-the-clock communications channels.

Sept. 13, 2018: Two Koreas hold working-level military talks. US imposes North Korea-related sanctions on Russian and Chinese technology firms. US approves possible $2.6 billion in military sales to ROK.

Sept. 13, 2018: US accuses Russia of covering up breaches of North Korea sanctions. Despite US warning, North Korea coal shipped into South Korea. DPRK decries US accusations of computer network hacking as a “smear campaign.”

Sept. 14, 2018: New Yorker article describes US North Korea policy advisors: “None of them is where the President is.” Pompeo accuses Russia of actively undermining sanctions.

Sept. 17, 2018: Moon meets Kim, who credits earlier meeting with Trump as stabilizing region and promises to visit Seoul. US Ambassador to the UN Nikki Haley accuses Russia of “cheating” on DPRK sanctions.

Sept. 18, 2018: Kim Jong Un says North and South Korea agreed to denuclearization efforts.

Sept. 19, 2018: DPRK invites foreign experts to watch closure of missile engine testing site and launch pad at Tongchang-ri. US says it is ready to resume talks with North Korea.

Sept. 20, 2018: Moon says Kim wants another Trump summit to speed denuclearization.

Sept. 24, 2018: Updated KORUS Free Trade Agreement is finalized.

Sept. 25, 2018: Incoming USFK Commander Gen. Robert Abrams suggests a slight dip in readiness with the suspension of exercises and acknowledges tactical risk if US troops were removed from the Korean Peninsula in Senate confirmation hearings.

Sept. 25, 2018: Trump praises Kim, but says sanctions must stay for now.

Sept. 26, 2018: Moon tells UN General Assembly that “ending the Korean War is an urgent task” and calls for a peace regime.

Sept. 27, 2018: Trump underscores there is no timeframe for denuclearization and anticipates a second summit with Kim. Pompeo tells UNSC the only path for the DPRK is diplomacy and denuclearization.

Sept. 29, 2018: DPRK Foreign Minister Ri Yong Ho tells UNGA that the DPRK in “no way” will disarm without trust.

Oct. 2, 2018: Washington announces Pompeo will visit Pyongyang again despite negative signals. Pyongyang says its steps toward denuclearization must be met by US concessions.

Oct. 3, 2018: ROK FM Kang Kyung-wha suggests that the US should hold off its demand for a DPRK declaration and accept a verified closure of the Yongbyon nuclear facility.

Oct. 4, 2018: US Treasury sanctions a Turkish firm and a DPRK diplomat for weapons trade.


Oct. 5, 2018: Pompeo suggests optimism for “better understandings, deeper progress and a plan forward.”


Oct. 8, 2018: Secretary Pompeo says North Korea is ready to let inspectors into the Punggye-ri nuclear test site and Sohae missile engine test facility after US and DPRK agree on logistics.

Oct. 9, 2018: President Moon suggests that a “new order is being created on the Korean Peninsula.” Pompeo describes seeing a “path” to denuclearization. Trump says a second summit will come after midterm elections.

Oct. 10, 2018: ROK says Secretary Pompeo complained about inter-Korean military agreement.

Oct. 11, 2018: Seoul says it has made no change on DPRK sanctions.

Oct. 12, 2018: Seoul says Pyongyang intends to abolish all nuclear weapons.

Oct. 15, 2018: Moon argues that Kim is sincere and should see rewards for abandoning nuclear weapons.

Oct. 16, 2018: ROK MND announces that UNC, ROK, and DPRK representatives are meeting about disarming the joint security area. State Department announces Special Representative for North Korea Policy Stephen Biegun is traveling to Moscow, Paris, and Brussels for working-level meetings.

Oct. 18, 2018: Media reports suggest the US is opposed to inter-Korean agreement on a no-fly zone. The Wall Street Journal describes a US-ROK “wrangle” over DPRK policy.

Oct. 20, 2018: US and ROK agree to suspend more drills in an effort to bolster diplomacy with the DPRK. US official suggests that the next US-DPRK summit will take place in the new year.

Oct. 22, 2018: US Treasury expresses “deep concern” over ROK bank plans for DPRK. UNC, ROK and DPRK hold second round of military working-level talks aimed at demilitarization.

Oct. 25, 2018: US and ROK chairmen of respective Joint Chiefs of Staff hold annual Military Committee Meeting, underscoring the alliance.

Oct. 26, 2018: ROK and DPRK agree to scrap 22 guard posts along the DMZ. ROK Defense Minister Jeong Kyeong-doo reaffirms the temporary status of THAAD deployments.

Oct. 29, 2018: Special Representative Biegun meets ROK counterpart Lee Do-hoon.


Oct. 31, 2018: Secretary of Defense Mattis and South Korean Defense Minister Jeong Kyeong-doo meet for the 50th Security Consultative Meeting in Washington, DC. The agree to strategic guidelines that aim to reduce uncertainty over transfer of wartime operational control.


Nov. 1, 2018: No-fly zone and military drill ban take effect along DMZ.
Nov. 2, 2018: Defense Secretary James Mattis describes “continuity for the ROK-led future CFC.”

Nov. 4, 2018: US and ROK resume low-key military drills. North Korea warns of strengthening its nuclear arsenal without US sanctions relief in advance of Pompeo meeting.


Nov. 6, 2018: Joint Chiefs of Staff Chairman Gen. Joseph Dunford notes that US-DPRK talks could affect US military posture.

Nov. 6, 2018: Gen. Brooks meets FM Kang, saying the alliance has “overcome a range of challenges as a team amid the changing situation on the Korean Peninsula.”

Nov. 6, 2018: Secretary of State Pompeo’s meeting in New York with North Korean Kim Yong Chol is abruptly canceled.

Nov. 9, 2018: Democratic Sen. Ed Markey calls on Trump to ease the ban on US aid workers to DPRK.

Nov. 12, 2018: Center for Strategic and International Studies says it identified 13 of an estimated 20 undeclared missile bases inside North Korea. Trump says DPRK missile sites are “nothing new.”

Nov. 12, 2018: DPRK’s Rodong Sinmun condemns US-ROK small-scale exercises by the Korean Marine Exchange Program as a violation of the Sept. 19 Pyongyang accords.

Nov. 14, 2018: US Congressional Commission reports China has relaxed sanctions enforcement on North Korea.

Nov. 15, 2018: President Moon tells visiting Vice President Mike Pence that the alliance has made the current situation possible. Pence says Trump will meet Kim in 2019, but won’t allow broken promises.

Nov. 16, 2018: North Korea state media reports that Kim Jong Un visited the site of a successful test of a “newly developed, ultramodern tactical weapon.” Pompeo thanks North Korea and Sweden for the release of US citizen Bruce Byron Lowrance, detained in October.

Nov. 20, 2018: US Treasury sanctions a South African for helping supply oil to the DPRK. North Korea destroys 10 guard posts in the JSA.

Nov. 20, 2018: Special Representative Biegun and counterpart Lee Do-hoon convene a US-ROK working group aimed at strengthening coordination on DPRK policy.

Nov. 21, 2018: Secretary Pompeo suggests progress on denuclearization should accompany better inter-Korean relations. Defense Secretary Mattis announces reduction in scope of 2019 US and ROK Foal Eagle exercises.

Nov. 23, 2018: IAEA reports the DPRK is expanding operations at its main nuclear site at Yongbyon.

Nov. 26, 2018: Secretary Pompeo suggests a need for patience in resolving the denuclearization issue and underscores that sanctions will remain in place.

Nov. 27, 2018: US Army Pacific Commander Gen. Robert Brown describes the alliance as rock solid, and that to maintain readiness, high-level exercises should take place off-peninsula.

Dec. 4, 2018: Defense Secretary Mattis identifies North Korea as the most urgent threat to the US. National Security Advisor John Bolton says despite lapses, a second summit will occur.

Dec. 6, 2018: Middlebury Institute Nonproliferation Center report suggests North Korea is expanding facilities to house long-range missiles.


Dec. 17, 2018: KCNA commentary warns the US over stalled negotiations.
Dec. 19, 2018: Special Representative Biegun announces that the US will try to expedite humanitarian aid and review a ban for aid workers on his arrival for a four-day visit to Seoul.

Dec. 20, 2018: ROK MND announces smaller military drills with the US in 2019 given North Korea negotiations.

Dec. 20, 2018: North Korean state media says denuclearization includes “eliminating the US nuclear threat.”

Dec. 21, 2018: Defense Secretary Mattis announces his resignation.

Dec. 22, 2018: ROK announces that the US will help it get flu drugs to the DPRK, despite stalled nuclear talks.


Dec. 26, 2018: Inter-Korean groundbreaking for rail and road reconnection occurs.


Dec. 31, 2018: Chosun Ilbo reports that Kim sent Trump a “conciliatory message” about the stalled negotiations. Departing Defense Secretary Mattis urges the US to stand firm alongside its allies.