China has the same, if not a bigger one, stake in a peaceful, stable, and prosperous Northeast Asia. China was indirectly involved in the Korean War more than six decades ago, and directly involved in the denuclearization of the Korean Peninsula in the past two decades. The Cold War in Europe was long gone, but literally the Korean Peninsula is still in a state of war with an armistice in place for almost six decades. Economic globalization has transformed relations among many countries, friend or foe, but not very much for countries in this region. Proliferation of Weapons of Mass Destruction and the potential arms race in this region still haunts the future of Northeast Asia. It is highly the time to address those fundamental issues which still maintain the negative status quo, and find solutions for a security arrangement in this region which will benefit all countries concerned. Several tries have been made since early 1990s including the solution of the nuclear crisis in 1994, the Four Party Talks, the Trilateral Talks, and the Six Party Talks, and China was, and is, one of the key player in this process. If any new proposal for this purpose, like the new approach to break the gridlock proposed timely by Dr. Morton Halperin, is to be initiated, and to succeed, the role China will play is not only important, but necessary as well.

This short paper will update China's official position in Nuclear Weapon Free Zone (NWFZ) in general, and analyze China's interests in Northeast Asia NWFZ (NEA-NWFZ) in particular, and address the two issues relevant to China and U.S. briefly.

1. China's official position on NWFZ

China's updated official position on NWFZ was reflected in its NWFZ Working Paper submitted to the Eighth NPT Review Conference on May of 2012, and included in the Final Document Volume II, Part III, and Page 679. To summarize:

a. The guidelines on establishing NWFZs adopted by the United Nations Disarmament Commission in 1999 should be faithfully observed.
b. NWFZ should be established on the basis of consultations among themselves and voluntary agreements in light of actual regional conditions.
c. China supports proposals and efforts on establishing new NWFZ.
d. The nuclear-weapon States should undertake unconditionally not to use or threaten to use nuclear weapons against non-nuclear-weapon States or NWFZs and conclude an international legal instrument in this regard.
e. All nuclear-weapon States should respect the legal status of, sign and ratify the protocols of NWFZ, and take concrete measures to implement the security assurance stipulated.

Generally speaking, in comparison with the past official position, China is getting more flexible on, and providing much bigger support for, NWFZ in general, and NEA-NWFZ in particular.

2. China's Interests in NEA-NWFZ

China believes that NWFZ could promote nuclear disarmament, prevent proliferation of nuclear weapons, and enhance regional and global peace and security. If the NEA-NWFZ, embedded in a comprehensive agreement on peace and security in Northeast Asia as prescribed by Dr. Morton Halperin, is established, China would benefit quite a lot in the following areas.
a. A stable Northeast Asia is in China’s interests, and China could save diplomatic energy and resources invested on six party talks.
b. By removing the nuclear component in the NEA security landscape, it will eliminate the possibility of nuclear domino chain reaction in Northeast Asia, namely, with a nuclear armed North Korea, the likeliness of Japan and South Korea going nuclear will increase.
c. It will reduce the chance of military competition or arms race in Northeast Asia among countries in this region and beyond this region.
d. It will reduce the justification of building a so called robust Missile Defense in this region or directed at this region.
e. China does not bear any burden in fulfilling its obligations to NEA-NWFZ, since NWFZ is in line with China long advocated No First Use policy, and unconditional Negative Security Assurance policy toward non-nuclear states and NWFZs.

China has nothing to lose in a peaceful, stable and prosperous Northeast Asia, and China will be one of the beneficiaries of NEA-NWFZ as well. China is part of the solution, and will contribute quite a lot in this process.

3. NEA-NWFZ: China and U.S. Core Issues

Whether it is the comprehensive agreement on peace and security in Northeast Asia, or a NEA-NWFZ embedded in such a comprehensive agreement, cooperation and coordination between China and U.S. is not only necessary but required.

China and U.S. share the common goals in Northeast Asia, that is, a stable and denuclearized Korean Peninsula, however, the sequence of priority may not overlap, or even in conflict with each other. Such difference could be superficial or substantial. To achieve a comprehensive agreement on peace and security in Northeast Asia or to establish NEA-NWFZ, China and U.S. should address the following two issues.

a. The policy toward North Korea aims at regime change or regime transformation?

To promote regime change proactively is not U.S. policy at this moment, but Obama Administration's policy seems to wait for North Korea to collapse. China had made efforts in the past, and China is making efforts now to promote regime transformation. Whether it is regime change or regime collapse, the fallout is not in the interests of any country in this region. China does not support such policy, and North Korea will be very reluctant to renounce its nuclear ambition, and there would not be any hope for NEA-NWFZ. However, China's effort to promote regime transformation, if without support or cooperation from U.S., is less likely to succeed in near term either.

Now there is a window of opportunity for regime transformation in North Korea. There is internal requirement for opening up and reform, and there is indication that North Korea wants to move toward such direction, and there is a new leader without many historical burdens. Then, whether both countries help to nurture such an external environment is the key for the window of opportunity.

For North Korea, two elements could seriously affect their decision to open up and reform, that is, how to maintain domestic stability while opening up and reform, and how to shift focus from developing military to developing economy. China could help North Korea with the first concern by sharing China's experience. However, the second concern can only be addressed by the United States. North Korea insisted that the nuclear issue is the outcome of the U.S. hostile policy toward North Korea, and according to the lengthy memorandum issued by North Korea Foreign Ministry on August 31, the United States' refuses "to recognize the DPRK as a sovereign state with whom it may co-exist in the international community" is hostile policy. If U.S. could provide the hope of establishing diplomatic relations with North Korea, then there is hope of regime transformation, which will be very conducive to the establishment of NEA-NWFZ.
b. American alliance system, NWFZ, and China

If NEA-NWFZ is to be established, U.S. is supposed to change its policy in extended deterrence. However, that might complicate Japan’s calculation of its security environment. In this region, different countries have different calculus in nuclear issues. Japan has worries over North Korea in near term, over China in a long run. Because of historical and territorial disputes between China and Japan, if Japan is no longer covered by extended nuclear deterrence, Japan may worry about its own security and pursue self-reliance in nuclear, which is reflected in its recent domestic debates over nuclear issues. Some suggest that by shifting the focus from the nuclear component in extended deterrence to a conventional one, it will help to alleviate Japan’s concern. Neither Japan’s self reliance on defense or strengthened extended conventional deterrence is conducive to the security environment in Northeast Asia. Two solutions might be helpful: first, to conduct trilateral talks among China, Japan and U.S. to address those issues of concern by strategic communication, reducing suspicion, and promoting cooperation, could be helpful. Second, as indicated by Dr. Morton Halperin, it is time to create a political and security framework to end the cold war state permanently in Northeast Asia, and this framework will be very inclusive to all countries in this region.

Among other issues, NEA-NWFZ might have impact on American military activities, especially naval operations. That is something China and U.S. need to address together to facilitate the validity of their commitment to NEA-NWFZ.