The Korean Peninsula is reaching the boiling point. On February 12, 2013, after a series of harsh verbal exchanges between North Korea and the international community, Pyongyang announced that it had conducted a third nuclear test. Some three and a half weeks following, the United Nations Security Council approved new sanctions against North Korea, and less than one week later the United States and South Korea undertook a joint military exercise. In response, North Korea accused the United States of launching a cyber attack against it and announced that if necessary, it would use its nuclear capabilities to defend itself. In turn, the United States sent strategic bombers and stealth aircraft to the region, while North Korea disconnected its hotline with South Korea, which was intended for precisely such situations. Three days later, it announced that it was at war with South Korea (even though formally, this has been the state of relations for over six decades). In early April 2013, North Korea declared that it was restarting its nuclear reactor in Yongbyon as well as its uranium facilities, and immediately thereafter it announced that it would conduct test launches of ballistic missiles. North Korea even announced that it could not guarantee the safety of the foreign diplomats in the country. At this point, Pyongyang and Washington both took steps to ease the tension – for example, the United States announced that it was postponing an intercontinental ballistic missile test – but there is still serious concern about a possible, even unintentional, conflagration.

This crisis, which concerns first of all the Northeast Asian regional system, has its roots in the ongoing conflict between the two Koreas, their formal and informal alliances with states in the region, and relations with the United States. The results will mostly affect those who live in the region, the economies of the states involved, and the regional balance of power. However, given the issues at the heart of the conflict and the powers involved, the ramifications of the conflict are much broader. The immediate cause of the conflict is the struggle by North Korea’s dictatorial regime for survival, and it has engaged in extreme provocations in order to create a channel for direct communication with the United States and receive substantial aid. At the same time, it is playing a sophisticated diplomatic game with its ostensible patron, China, relying on China’s
economic support and diplomatic backing without involving China in its decisions. To this end, it has adopted the tactic of brinkmanship while making use of its limited nuclear capability and exploiting China’s fear that the US regional status will grow and that war will break out in the Korean Peninsula. Given North Korea’s status as both a traditional ally and a satellite state as well as a buffer against US forces, its survival is strategically important to China. Its collapse, on the other hand, would not only strengthen the US position in the region and perhaps even involve China in a war it does not want, but also likely flood China’s northeastern provinces with refugees who would place a further burden on its economy.

The central role played by China and the United States in the crisis and the implicit and explicit use of nuclear means and ballistic missiles is what gives the crisis global significance and commands the attention of countries outside the region. First, given China’s status as a rising global power and the strategic competition between China and the United States, any conflict or crisis that involves them becomes a global issue. Second, because of China’s aim to become a leading power in the international community and its involvement in a variety of global issues, the manner in which it conducts itself in this crisis implies how it might behave in other relevant situations. As for the nuclear and missile issues, since three of the five permanent members of the UN Security Council – the United States, China, and Russia – are involved in the Korean crisis, the approach to Pyongyang’s violations of the rules and the international sanctions could certainly show what can be expected with other similar violations, first and foremost, with Iran.

What in the meantime can we learn from the crisis? The most interesting development is the reaction by China, which has not given North Korea the backing it provided previously, sometimes even while violating international understandings and decisions to which it was a signatory. This was evident in the Chinese president’s implicit condemnation of Pyongyang on April 7, 2013, when he suggested that North Korea's self-centered motives were endangering the stability of the region and the world. Prior to that, Chinese officials called upon all parties to refrain from provocations on China’s doorstep, another allusion to North Korea. In addition, in response to Pyongyang’s call for foreign diplomats to leave the country, Beijing placed the responsibility for its representatives on North Korea.

One reason for the shift in Chinese policy is undoubtedly its difficulty in accepting North Korean ruler Kim Jong-un’s provocative policy against the backdrop of China's efforts to present itself as a normative power. In addition, China's new leadership, along with promoting China’s international position, is pursuing the stabilization of relations with the United States and in any case is in need of a stable regional environment in order to cope with extensive domestic challenges. Unlike its predecessor, the new leadership
includes several top leaders who served as heads of provinces bordering North Korea, and therefore are highly familiar with the issue. This allows China to consider carefully and at the highest level changes in its traditional policy toward North Korea.

Nevertheless, the main reason for Beijing's response is the damage North Korea's policy causes China. Given the close relationship between the two and the massive aid Beijing provides to Pyongyang, the North Korean provocations are seen as ingratitude and an insult toward China, which is forced to cope with repeated international accusations that it supports a dangerous rogue regime and does not do enough to restrain it. Whether this stems from unwillingness or inability, it shows China in a negative light. Furthermore, these provocations place it in a dangerous strategic situation. If the crisis escalates and there is a flare-up in the Korean Peninsula, China will suffer much of the damage. Even if the crisis is ultimately settled, China will still pay a stiff price since the North Korean threat to launch missiles is driving the United States to beef up its military deployment in the area, including placement of an anti-missile defense system that the Chinese assume is actually deployed against them. This would impair China’s strategic ability to maneuver in the region and would limit its ability to realize its ambitions to achieve regional dominance.

From the perspective of the United States, the crisis reinforces its assessment that the strategic focus in the world is moving eastward. The crisis has obliged it to increase its forces in the region, and the arms buildup by the countries in the region, already increasing, will likely accelerate even further. With North Korea, this might include missiles and nuclear technologies being leaked to other rogue states in the world. These processes can be expected to heighten the attention given by the United States to this part of the world, already announced by President Obama in his first term, and this could well come at the expense of other regions. The Middle East is undoubtedly one of the areas that will be affected by this, not only because the US focus will shift eastward, but also because how the international community handles the crisis could affect the dynamic of the Iranian crisis. The North Korean crisis is a test case not only for the new Chinese leadership, but also for the recently appointed American secretary of defense and secretary of state. The way in which they handle it will be a clear signal to Iran and the other countries concerning the US approach and the limits of American patience in this area.