

# The Cheeseburger Summit: What Trump Could Say to Kim

---

 [blog.keia.org/2018/03/cheeseburger-summit-trump-say-kim/](http://blog.keia.org/2018/03/cheeseburger-summit-trump-say-kim/)

March 13, 2018

**By William B. Brown**

Everything else has been tried, and failed, so why not have Kim Jong-un and Donald Trump meet face-to-face? I've advocated for it for more than a year now, and it looks like it might happen. Many details need to be worked out but, given it is a North Korean request, coming on the heels of Kim's willingness to meet President Moon Jae-in next month in the middle of the DMZ, and his apparent new willingness to talk nuclear issues while refraining from testing, there is no reason not to say yes. Even better, the meetings are being brokered by Seoul, so allied coordination problems have been lessened. Expectations, difficult in this time of media frenzy, need to be kept under control, and, as Trump might say, a great outcome might be in the works or it might be just a quick stop at the Burger King, with more threats forthcoming. Despite the naysayers, we must give it a try.

Why is Kim venturing his offer now? My impression is he is feeling very strong pressure from China's virtual embargo on North Korea's exports, only since November. And what he must see as a gradual ratcheting down of needed imports, even petroleum. This an enormous economic hit of a sort the country has never had to deal with on this scale. And it comes at a point where dollarization, the use of foreign currency, usually U.S. dollars, to replace the domestic currency, already is moving ahead rapidly, sapping Pyongyang of the one power all governments want to have, the issuance of currency. We need to take advantage quickly, while China is giving us the chance, and use it cleverly to get what we want out of the nuclear program and systemic reform. It's not so impossible if you realize everyone, even young Kim, can benefit.

So, what is Trump going to tell Mr. Kim? Here is my suggestion. As you can imagine, I focus on economics since, in following North Korea since 1976, I am convinced its broken socialist system is the root of all of its problems with itself, with the world, and of course with the United States.

Trump could say to Kim, "In your message you indicated that to climb down from this nuclear path you need to have assurances that the U.S. is not your mortal enemy. This makes great sense, and I congratulate your scientists and military industry for their hard work in achieving some success in building what some might call impossible, a deterrent against a superpower. So, let's work on that piece of the problem, nothing else. If we can solve that we can solve everything.

This is what I propose. Explanations and fine tuning can occur in a committee we will set up today to begin work on the problem.

Our side:

1. We will mentor your accession to the World Trade Organization, starting a long process that will enable the U.S. to have normal or even preferential trade with your country, and all the investment prospects that will come with that. This is far more important than sanctions relief and will make your economy better integrate with ours. The best security assurance you can have is profitable U.S. investments in Pyongyang, even perhaps, a Trump hotel.

2. We will advocate your membership in the ILO, a body to which all other UN members subscribe and which allows healthy, not parasitic employment, investment and trade conditions.

3. Our Federal Reserve will step in with a partnership to help the Chosen (central) Bank create a solid won currency, with requisite hard currency reserves. As it did with South Korea in 1963, we would invite the Bank of Japan to help and likely add the People's Bank of China and Bank of Korea. But we will take the lead, as we did in Seoul, a move that began the transformation of the South Korean economy. Given the volume of foreign currency already in use in your economy, a currency board mechanism might be best, in which your money trades as solidly as the Hong Kong dollar. Combined with your hard working and smart people, it is hard to imagine better economic security for your country.

4. With progress in denuclearization talks, and actions, on both sides, we will ask the UN Security Council to gradually remove sanctions on your exports, as would we. Sanctions on imports, except military or nuclear related, can come off very quickly as we expect you need the petroleum, and funds to buy grain and fertilizer, even as we speak.

5. Food relief can begin to occur quickly, although on terms that reward private growth of farm output in your country and improved distribution. We are concerned that too much commodity aid may have stunted your agricultural sector and harmed your economy. We made that mistake in South Korea in the 1950s but corrected it in the 1960s to great success and we think we can help a great deal in removing malnutrition and the threat of starvation.

6. We have noticed your new interest in tourism, which we agree has great potential and is likely a great comparative advantage of your country. But your treatment of tourists, including visiting Americans, has been deplorable. Let's make some agreements here that will make safe tourism possible and, at the earliest point, I will propose creation of an official U.S. tourism office in Pyongyang, along with a liaison office and ultimately an Embassy.

7. If requested, we will help your government stabilize its budget, affording large pay increases for state employees in a smaller state and military sector. The key, as we see it, is to liquidate some of the state's huge assets—it effectively owns the whole country—and burdens, offering them to private North Korean investors and perhaps a few foreigners, who will make much better use of them. Profits from assets sales, and from ongoing taxes, easily can fund the state's welfare, investment, and military requirements. This privatization is China's great and surprising success. Again, it is something you already are doing half-way, but as disinterested outsiders we can provide unbiased support for an equitable process. This we did in Japan, following WWII, in South Korea before and after the Korean War, and in Taiwan, all to great positive effect.

8. The U.S. will stop any aggressive exercises in South Korea, or provocative military movements, once we are convinced your country has no threats on us or our allies in the region. Over time, successful change in your relations with the region and the world can make our forces in South Korea redundant, and we can withdraw as regional security relationships allow.

We ask, insist, that your side:

1. Begin economic reforms that unify your price and wage system according to WTO rules. Unified prices are the first important step in improving the productivity of your very extensive labor, capital and natural resources. We ask for these since they will help your economy grow and they will enable our companies to trade with yours on a competitive basis. Otherwise, we must continue the very high tariffs that we employ against all non-market economies, which now only include North Korea and Cuba.

2. As the WTO and ILO will require, change your wage system so that all workers are paid directly, not through an agency that does not necessarily operate in their best interests. This is the rule of the ILO and is employed everywhere in the world except North Korea. And even in your country, many, perhaps most workers are now paid directly, a huge benefit that needs to include everyone. We have noticed revitalization in some parts of the North Korean economy due to what we think is the success of pilot wage projects you initiated soon after you took power; this ongoing change is what we think is working and needs to be expanded to everyone.

3. Elimination of the 19th century, archaic "guilt by association" criminal system and an end to political camps. This will be a difficult transition but there are many NGOs who will help the process. Some emigration may be needed. But with the above reforms, your country will need every spare worker it can find and former inmates, and the land and resources (coal) of the camps, can be very effectively employed to everyone's benefit.

4. Progress on the nuclear issue sufficient to reduce or eliminate trade sanctions, will require a continued halt in testing and a new process laid out that will convince us you are taking down your fissile material programs, both plutonium and HEU, or converting them to purely civilian activities and that you are on a path to eliminating the weapons you now have. The IAEA will have to come back in to work with you on that. Export of low enriched uranium, plutonium rods, and uranium ore to South Korea, explored some years ago but not fulfilled, should be reconsidered, along with viable employment for your highly skilled workers in civilian industry. Your ballistic missile program also must stop, although some cooperation might be arranged to allow and develop your space program. And, with sanctions ultimately removed, the larger issue of your fixed price system must be addressed, as in the WTO negotiations and reform as laid out above, to put your country on normal trade status with everyone. Otherwise removal of sanctions alone will ultimately prove dissatisfying, as they have before.

5. And, of course, your country should agree with South Korea to never attack each other and that unification, desired by all parties, and especially by the U.S., will occur only in a peaceful matter over time. Both of you can begin adjusting your force structures accordingly, as well as can the United States. We think that economic integration, as in an EU type process, offers the best avenue for this to occur and we think the program we have outlined will do just that.

Believe me, there is no better way for us to guarantee the external and internal security of your country.

*William Brown is an Adjunct Professor at the Georgetown University School of Foreign Service and a Non-Resident Fellow at the Korea Economic Institute of America. He is retired from the federal government. The views expressed here are the author's alone.*

*Image created by Jenna Gibson, Director of Communications at the Korea Economic Institute of America, with images from Gage Skidmore and Prachatai's photostreams on flickr Creative Commons.*

© 2007-2011 Korea Economic Institute | All Rights Reserved.

Web Design by Blue Water Media