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NORTH KOREA AND REGIONAL SECURITY

COREA DEL NORTE Y LA SEGURIDAD REGIONAL

EDITED BY ALFONSO OJEDA
AND ALVARO HIDALGO

NORTH KOREA AND REGIONAL SECURITY

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Preface

November is always a fascinating month for the Spanish Centre on Korean Research - *Centro Español de Investigaciones Coreanas (CEIC)*. As we do every year during this month, in November we celebrated an international seminar devoted to encouraging Korean studies in Spain. The 2005 session took place at the Fundación Ortega y Gasset in Madrid and at the University of Castilla-La Mancha on their Toledo campus. The seminar, entitled *Consequences of the Nuclear Crisis on the Korean Peninsula*, has allowed us to follow with heightened interest the development of events that threaten to wipe out hopeful signs for peace and stability in the whole of northeast Asia.

Ambassador Charles L. (Jack) Pritchard gave the inaugural lecture, a transcript of which is included in this collection. Three days later, members of the CEIC and a group of university professors gathered to study and exchange points of view on the topics that have the greatest impact on collective security in Korea.

As is common practice in the CEIC, we always take advantage of our meetings to commission a group of experts with the elaboration of studies which later are published in printed book format. What's more, advances in information technology facilitate the task of "globalising" Korean studies. Hence, we have made available to anyone interested in the field the entire content of this work. (www.ceic.ws, click on "CEIC"- "publicaciones"- "libros CEIC").

We want readers to know that in the following pages they will find works in English, and, to a lesser extent, Spanish. We have made every effort to respect the original contributions of the authors. Acknowledging English's importance as the worldwide *lingua franca* in the diffusion of scientific work, we have also kept in mind that a great number of our readers communicate in Spanish, a language whose use is expanding all the time.

The quality of the works published here stems in part from the diverse backgrounds of the authors. It would be well to treat them in their conventional order of appearance: *How Has North Korea Managed To Survive In The Post-Soviet Era?* (Nicholas Eberstadt, American Enterprise Institute); *Assessment of the Joint Statement of the Six-Party Talks* (Koh Yu-hwan, Dongguk University); *Six Party Talks: Round Four – The Turning Point* (Charles Pritchard, the Brookings Institution); *The North Korean Nuclear Development: KEDO's Role and Failure* (Young Mok Kim, KEDO); *North Korea's ballistic and nuclear programs* (Rafael Bueno, Casa Asia); *China and the North Korean Nuclear Issue* (Zhang Xiaoming, Peking University); *The One and the Many: U. S. Security Strategy in Northeast Asia* (John Feffer, writer); *Influencia rusa sobre Corea del Norte: de gran hermano a convidado de piedra* (José Ignacio Ortega Vasalo, Agencia EFE); and *The Role of the United Nations in Ensuring Peace, Security and Stability in Korea* (Alfonso Ojeda, Spanish Centre on Korean Research). At the same time, the thematic variety of the topics studied, in content and methodological approaches, has its common thread in the perspectives for security and stability in the Korea Peninsula. North Korea is a key factor in it. Moreover, the editors consider that it would be wise to include as a work document an annex that includes the full text of the joint statement issued at the close of the fourth round of the six-party talks.

We wish to express here our gratitude to the authors of this valuable collection of stimulating and well-documented studies that open up new perspectives and will definitely be enriching to all, specialists and non-specialists alike, who are genuinely worried about the future of this dynamic region on the Asian Pacific rim.

To close, courtesy dictates we offer our sincerest thanks to Casa Asia and the Korean Foundation for their unstinting support.

It will be the reader's job to evaluate what is contained in *North Korea and Regional Security*. Our intention was to sow the seeds of fertile debate and in this way encourage analytical work on this complex issue.

Madrid, December 6, 2005.

Alfonso Ojeda (UCM) and Alvaro Hidalgo (UCLM)

Prólogo

Noviembre se convierte en un mes estimulante para el Centro Español de Investigaciones Coreanas (CEIC), toda vez que durante esa fecha organizamos todos los años un seminario internacional destinado a desarrollar los estudios coreanos en España. La sesión correspondiente al año 2005 ha tenido lugar en la Fundación Ortega y Gasset (Madrid) y en la Universidad de Castilla-La Mancha (Campus de Toledo). El seminario, titulado *Consecuencias de la crisis nuclear en la Península Coreana*, nos ha permitido seguir con encendida curiosidad la evolución de unos acontecimientos que amenazan con liquidar las perspectivas de seguridad y estabilidad en todo el territorio coreano. Nadie duda, por lo demás, que las tensiones provocadas sobre el solar coreano trascienden sus estrechos límites fronterizos, extendiéndose por todo el noreste asiático.

El Embajador Charles L. (Jack) Pritchard pronunció la conferencia inaugural, cuyo contenido se encuentra incluido en la presente obra colectiva. Tres días después, miembros del CEIC y un grupo de profesores universitarios nos reunimos para estudiar e intercambiar puntos de vistas sobre los temas que con mayor intensidad inciden sobre la seguridad colectiva en Corea.

Como suele ser una práctica habitual en el CEIC, siempre aprovechamos la celebración de estos seminarios para encomendar a una serie de expertos la elaboración de trabajos que, a la postre, se publican en formato de libro impreso. Pero además, los avances de la informática facilitan la tarea de "globalizar" los estudios coreanos. De ahí que hayamos puesto al alcance de cualquier interesado el contenido íntegro de la obra (www.ceic.ws "click" en CEIC – publicaciones – libros CEIC).

El lector queda avisado de que en las páginas siguientes encontrará trabajos redactados en inglés y, en menor medida, español. Hemos querido respetar las aportaciones originales de los autores. Partiendo de la relevancia mundial del inglés como *lingua franca* en la difusión de los estudios científicos, también hacemos notar que buena parte de nuestros lectores emplean frecuentemente la cada vez más expansiva lengua española.

La calidad de los trabajos aquí publicados se compagina bien con la distinta procedencia de sus autores. Conviene destacarlos siguiendo el

orden convencional de aparición: *How Has North Korea Managed To Survive In The Post-Soviet Era?* (Nicholas Eberstadt, American Enterprise Institute); *Assessment of the Joint Statement of the Six-Party Talks* (Koh Yu-hwan, Universidad Dongguk); *Six Party Talks: Round Tour – The Turning Point* (Charles Pritchard, Brookings Institution); *The North Korean Nuclear Development: KEDO's Role and Failure* (Young Mok Kim, KEDO); *North Korea's ballistic and nuclear programs* (Rafael Bueno, Casa Asia); *China and the North Korean Nuclear Issue* (Zhang Xiaoming, Universidad de Pekín); *The One and the Many: U. S. Security Strategy in Northeast Asia* (John Feffer, escritor); *Influencia rusa sobre Corea del Norte: de gran hermano a convidado de piedra* (José Ignacio Ortega Vasalo, Agencia EFE); *The Role of the United Nations in Ensuring Peace, Security and Stability in Korea* (Alfonso Ojeda, Centro Español de Investigaciones Coreanas). Igualmente, la variedad temática de los temas estudiados, rica en contenidos y enfoques metodológicos, tienen su común denominador en las perspectivas de seguridad y estabilidad coreanas. Corea del Norte es un factor clave en ello. Por último, los editores han considerado oportuno incluir como documento de trabajo un anexo que incluye el texto completo de la declaración conjunta emitida en la clausura de la 4ª ronda de conversaciones a seis bandas

Queremos dejar aquí constancia de nuestra gratitud a los autores de este valioso ramillete de estudios, estimulantes y bien documentados, que abren nuevas perspectivas y habrán de resultar ciertamente sugestivos para todos quienes, aun sin ser especialistas, muestran su preocupación por el futuro de la dinámica región del Pacífico asiático.

Para terminar, un deber elemental de cortesía nos anima a dejar constancia del sincero agradecimiento a Casa Asia y Korea Foundation por el apoyo recibido en cualquier momento.

Corresponde al lector valorar el contenido de la presente obra, titulada *Corea del Norte y la seguridad regional*. Nuestra voluntad consiste en propiciar una fértil discusión, así como fomentar el esfuerzo analítico en tan compleja materia.

Madrid, 6 de diciembre de 2005.

Alfonso Ojeda (UCM) y Álvaro Hidalgo (UCLM)

PAPERS/ ARTÍCULOS

HOW HAS NORTH KOREA MANAGED TO SURVIVE IN THE POST-SOVIET ERA?[1]

Nicholas Eberstadt*

Can the Democratic People's Republic of Korea (the DPRK, or North Korea) survive -as a distinct regime, an autonomous state, a specific political-economic system, and a sovereign country? Can it continue to function in the manner it has performed since the since the final collapse of the Soviet empire? Is it doomed to join the Warsaw Pact's failed Communist experiments in the dustbin of history? Might it, instead, adapt and evolve -"surviving" in the sense of maintaining its political authority and power to rule, but transforming its defining functional characteristics and systemic identity?

In 1995, I would not have expected to pose these questions writing paper a decade hence. My work on the North Korean economy has been characterized as part of the "collapsist"[1] school of thought, and not unfairly. As far back as June 1990, I published an essay entitled "The Coming Collapse of North Korea"; since then, my analyses have recurrently questioned the viability of the DPRK economy and political system[2]. How has the North Korean system managed to survive for another decade and a half? This essay offers an explanation. The first section discusses the epistemology of state collapse, focusing on a historical example of potential relevance. The second section analyzes some of the factors that may have abetted state survival in the DPRK case in recent years. The third section considers the sustainability of North Korea's current economic modus operandi. The final section examines

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[1] This is an extended and revised version of a paper first prepared for an AEI-Korean Economic Institute (KEI)-Korea Institute for International Economic Policy (KIEP) conference from February 2004.

* Nicholas Eberstadt holds the Henry Wendt Chair in Political Economy at the American Enterprise Institute in Washington DC. He also serves as Senior Adviser to the National Bureau of Asian Research in Seattle Washington. He has authored or edited more than a dozen books and monographs on issues in demography, economic development and international security. He earned his AB, MPA and PhD from Harvard University, and his MSc from the London School of Economics.

[1] Cf. Marcus Noland, *Korea After Kim Jong-il* (Washington, DC: IIE Policy Analyses In International Economics # 71, January 2004), pp. 12-19.

[2] Perhaps most memorably, including this quote from my 1995 study, *Korea Approaches Reunification*: "There is no reason at present to expect a reign by Kim Jong Il to be either stable or long."

questions pertaining to a DPRK transition to a more pragmatic variant of a planned socialist economy.

The Epistemology of State Collapse: A Cautionary Ottoman Tale

Although major efforts have been undertaken in the hope of systematizing the study of state failure[3], the modern world lacks a corpus of scientific writings that offer robust predictions about impending social revolution, systemic breakdown, or state collapse. At the very best, the anticipation of such dramatic political events might aspire to art rather than science[4] -just as the technique of successful stock-picking (or short-selling) has always been, and still remains, an art and not a science[5]. A common set of factors, furthermore, consign both of these endeavors to the realm of art: the extraordinary complexity of the phenomena under consideration; the independent and unpredictable nature of the human agency at their center; and the ultimately irresolvable problem of asymmetries of information. Hence there is no reason that students and analysts should be able to predict the breakdown of political-economic systems with any degree of accuracy on the basis of a regular and methodical model. Indeed, predicting breakdown for Communist systems is arguably even more difficult than for open societies, insofar as the asymmetries of information are much more extreme[6].

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[3] Cf. the large interdisciplinary State Failure Task Force, the US government-funded undertaking that spent six years attempting to devise econometric formulae by which to predict political upheaval and/or breakdown (Report from this project can be accessed electronically from the Univ. of Maryland's Center for International Development and Conflict Management, at http://www.cidcm.umd.edu/inscr/stfail).

[4] The distinction between art and science is elucidated in many places, but perhaps nowhere better and more clearly than in the writings of Michael Oakeshott. Cf. Michael Oakeshott, *Rationalism in Politics and Other Essays* (Indianapolis, IN: Liberty Press, 1991).

[5] This is not to gainsay the utility of particular new mathematical or quantitative techniques used by particular contemporary stock-pickers and investors (e.g., Black-Sholes option pricing models, etc). Some principals have enjoyed fantastic success with these tools, and have amassed enormous personal wealth as a result. The point is that these successes are not *generalizable*, as scientific knowledge in principle always is. George Soros and Warren Buffett are practicioners of art, not science (as they themselves have said).

[6] One scholar who has explored aspects of this asymmetry is Timur Kuran. See in particular Timur Kuran, "Sparks and prairie fires: a theory of unanticipated political revolution", *Public Choice*, vol. 61, nos. 1-2 (April 1989), pp. 41-78; *idem.*, "The East European Revolution of 1989: Is it surprising that we were surprised?", *American Economic Review*,

If anticipating state collapse is -at best- a matter of art, the most obvious failures fall into two categories of error. First, there are the failures to predict events that did actually take place. The 1989-91 collapse of the Warsaw Pact states -an upheaval that caught almost all informed Western observers unawares[7]- is the most memorable recent example of this type of error. Second, there is the error of predicting upheaval and abrupt demise for states or systems that do not end up suffering from such paroxysms. This category of error would encompass, inter alia, Marxist-Leninist prognoses for Western Europe over the past century; the apocalyptic assessments from the 1970s and 1980s on the future of South Africa[8], the premature predictions of the fall of Soviet Communism[9] -and, at least to date, the presentiments of the collapse of the DPRK.

These particular types of mistakes can be likened to "Type I" and "Type II" errors in statistical inference. For our purposes, however, the family of analytical errors in assessments of state failure or collapse is not dichotomous. Other types of errors can also occur, especially the failure to recognize imminent, but averted, collapse. This is not a fanciful hypothetical category. History is replete with examples of this phenomenon. One particularly relevant example involves the collapse of the Ottoman Empire, and the battle of Gallipoli.

As early as the 1853[10], the Ottoman Empire had been dubbed "the sick man of Europe" by other Great Powers engaged in the struggle for mastery of the continent. With a sclerotic and corrupt Byzantine administrative system and an overtaxed, under-innovating economy[11],

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vol. 81, no. 1, pp. 121-125; *idem.,* "Now or never: The element of surprise in the East European revolutions of 1989", *World Politics*, vol. 44, no. 1 (October 1991), pp. 7-48; and *idem.,* "The inevitability of future revolutionary surprises", *American Journal of Sociology*, vol. 100, no. 4 (Mat 1995), pp. 1528-1551).

[7] For an inventory and analysis, see Seymour Martin Lipset and Georgy Bence, "Anticipations of the failure of communism", *Theory and Society*, vol. 23, no. 2 (April 1994), pp. 169-210.

[8] For example, R.W. Johnson, Can South Africa Survive? (New York: Oxford University Press, 1977). Seventeen years before the RSA peace transition to pan-racial democracy, Johnson explained why this occurrence was an impossibility.

[9] Cf. Andrei Amalrik, *Will The Soviet Union Survive To 1984*? (New York: Harper & Row, 1970). In a bitter historical irony, the USSR *did* last to 1984 -but Amalrik did not.

[10] Christopher de Bellaigue, "Turkey's Hidden Past," *New York Review of Books*, March 8, 2001.

[11] For some background on the long relative decline of the Ottoman economy, see Suraiya Faroqhi, Bruce McGowan, Donald Quataert and Sevket Pamuk, *An Economic And Social*

Constantinople was set on a course of steady relative decline[12]. However, the Ottoman invalid survived for almost 70 years after this diplomatic diagnosis of its poor political health. The Empire was finally laid to rest in 1922/23, with Mustapha Kemal/Ataturk's revolution and the founding of the modern Turkish state. What is less well known, however, is that the Ottoman Empire very nearly came to an end in 1915 -in the World War I campaign of Gallipoli.

The Gallipoli campaign of 1915-1916 is remembered as a military debacle for France and, more particularly, the British Empire. In a bold and risky bid to capture Constantinople by naval attack and amphibious invasion, the Allied troops were instead trapped on their own beachheads on the Gallipoli peninsula, unable to displace the Ottoman forces from their fortified positions on the high ground. For months the soldiers of the British Commonwealth -quite a few of them Australian and New Zealand regulars- were slaughtered in futile attempts to break the Ottoman line. At the end of 1915, the British began a total evacuation of the surviving combatants, a total of over 100,000 thousand Commonwealth casualties having been sustained in the campaign. In the course of the Gallipoli campaign, Ottoman General Mustapha Kemal secured his reputation as a brilliant and heroic military leader, while Winston Churchill, the then-young Lord Admiral of the British Navy, was obliged to resign his post in humiliation. Gallipoli is now widely deemed a textbook case of military blunder. The campaign was included in an influential treatise on great military mistakes[13]; for decades the campaign has been studied in military academies around the world. Unbeknownst to most, however, the Franco-British naval assault very nearly did succeed -and indeed nearly toppled the Ottoman Empire.

In early March 1915, a Franco-British flotilla that included sixteen battleships, cruisers and destroyers commenced Churchill's plan to "force" the Dardanelles Strait. Artillery fire from the Turkish gun

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History Of The Ottoman Empire: Volume Two, 1600-1914 (New York: Cambridge University Press, 1994).

[12] An indication of that decline may be gleaned from estimates by the economic historian Angus Maddison. In 1870, by his reckoning, per capita GDP for modern-day Turkey would have been $825 (in 1990 international dollars)—or about 39% the contemporary level for Western Europe. By 1913—on the eve of World War I—Turkey's per capita GDP had risen to an estimated $1213: but its relative standing had dropped to just 34% of the Western Europe level. [Derived from Angus Maddison, *The World Economy: Historical Statistics* (Paris: OECD Development Research Centre, 2003), pp. 61,156.]

[13] Elliot Cohen and John Gooch, *Military Misfortunes: The Anatomy of Failure in War* (New York: Vintage Press, 1990).

emplacements proved ineffectual against these mighty warships. On March 18, the flotilla prepared to advance through the Dardanelles Strait into the Sea of Marmora -from whence it would steam on to Constantinople. Over the course of a day-long battle between big guns, the Allied fleet slowly moved forward against the Ottoman emplacements. In the late afternoon, three British ships -one of them a battleship- unexpectedly struck mines and suddenly sank. The British commander of the operation, Rear Admiral John de Roebeck, was severely shaken by this setback, feeling certain he would be sacked for the loss of those ship.[14]. But the Allied fleet regrouped, though it not pursue its assault the next day, or in the weeks that followed. As David Fromkin notes, "only a few hundred casualties had been suffered, but the Admiralty's Dardanelles campaign was over[15]".

De Roebeck could not have known about the circumstances on the other side of the barricades. With the benefit of Ottoman and German records and memoirs, historians have since described these conditions: the Ottoman administration and its German military advisers were grimly convinced the Allied assault would spell doom for Constantinople -for they had no hope of putting up a successful resistance. As Alan Moorehead recounts, Ottoman Minister of the Interior Talaat himself was utterly despondent. As early as January he had called a conference (with the top German military allies and advisers). All agreed that when the Allied Fleet attacked it would get through[16]. In the days before the attempt to "force" the Dardanelles, Constantinople had begun to take on the smell of a defeated capital. As described by David Fromkin:

> Morale in Constantinople disintegrated. Amidst rumors and panic, the evacuation of the city commenced. The state archives and the gold reserves of the banks were sent to safety. Special trains were prepared for the Sultan and for the foreign diplomatic colony. Talaat, the Minister of the Interior, requisitioned a powerful

[14] Stephens has surmised that de Roebeck's "naval timidity" can be explained in part by "the high regard for battleships at that time. The loss of even one battleship was considered a national tragedy, more so than the loss of several thousand troops." Lt. Col. Cortez D. Stephens, "Gallipoli—What Went Right?", *Marine Corps Gazette*, vol. 77 no. 10 (October 1993), pp. 73-77, citation at 74.

[15] David Fromkin, *A Peace To End All Peace: Creating The Modern Middle East 1914-1922* (New York: Henry Holt and Company, 1989) , p. 154.

[16] Alan Moorehead, *Gallipoli* (London: Hamish Hamilton, 1956), p. 72

> Mercedes for his personal use, and equipped it with extra petrol tanks for the long drive to a distant place of refuge. Placards denouncing the government began to appear in the streets of the city… The [German ship] Goeben made ready to escape to the Black Sea… [Ottoman War Minister] Enver bravely planed to remain and defend the city, but his military dispositions were so incompetent that -as [German military adviser General Otto] Liman von Sanders later recalled- any Turkish attempt at opposing an Allied landing at Constantinople would have been rendered impossible[17].

Among the disadvantages weighing on the beleaguered Turks was the fact -unappreciated by de Roebeck- that the defenders were virtually out of artillery shells. As Moorehead observes,

> [Nothing] could alter the fact that they had so much ammunition and no more… [I]f the battle went on and no unforeseen reinforcements arrived it was obvious to the commanders that the moment would come when they would be bound to order their men to fire of the last round and then to retire. After that they could do no more[18].

As an historian who fought in Gallipoli would later note, the official records of Minister Enver's German advisers jotted the following entry on the fateful day of March 18, 1915:

> Most of the Turkish ammunition has been expended; the medium howitzers and mine fields have fired more than half their supply. Particularly serious is the fact that the long rang high explosive shells, which alone are effective against British Ship's armor are all used up.

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[17] David Fromkin, *A Peace To End All Peace*, p. 152.

[18] Moorehead, *Dardanelles*, p. 77. In recent years a revisionist literature has challenged the notion that the Turkish and German defenders were critically short of ammunition. See for example Edward J. Erickson, "One More Push: Forcing the Dardanelles in March 1915," *Journal of Strategic Studies*, vol. 24, no. 3 (September 2001), pp. 158-176. The literature does not account for, or explain, Ottoman and German military officers' own contemporary reports -and subsequent reminiscences- to the contrary.

> We stress the point that Fort Hamidieh has only seventeen shells and Kalid Bahr Fort only ten: there is also no reserve of mines; what will happen when the battle is resumed[19].

The Ottoman government and its German advisers could not believe their good fortune when the Allied naval assault inexplicably (from their perspective) halted. Looking back later, Enver is reportedly commented: "If the English had only had the courage to rush more ships through the Dardanelles, they could have got to Constantinople; but their delay enabled us thoroughly to fortify the Peninsula, and in six weeks' time we had taken down there over 200 Austrian Skoda guns[20]".

General Liman von Sanders later commented tersely that the evacuation procedures underway in Constantinople "were justified… Had the [Allied landing] orders been carried out… the course of the world war would have been given such a turn in the spring of 1915 that Germany and Austria would have had to continue without Turkey[21]". Fromkin stated the matter more plainly: "The Ottoman Empire, which had been sentenced to death, received an unexpected last-minute reprieve[22]". By the same logic, a state might be on the verge of collapse without interested outsiders' fully understanding that these circumstances were not merely an abstract theoretical possibility. The example of Gallipoli offers us an "existence proof" that such things do indeed happen, sometimes with great historical consequence[23].

From this Turkish parable, let us return to North Korea. The DPRK continues to function as a sovereign and independent state. But is the North Korean state's recent survival a modern-day variant of the Gallipoli phenomenon -in other words, a case of imminent but averted collapse? And, to address this question fully, what information would we require that we presently lack?

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[19] Lieutenant Colonel S.H.Watson, "The Gallipoli Blunder," *The Army Quarterly and Defence Journal*, vol. 112, no. 2 (April 1982), pp. 178-183, cite at p. 179.

[20] Cited in Henry W. Nevinson, *The Dardanelles Campaign* (London: Nisbet & Co., 1929), p. 62.

[21] Moorehead, *Dardanelles*, p. 74.

[22] Fromkin, A Peace To End All Peace, p. 154.

[23] Here again, we note the role of asymmetries of information in the outsider's analytical failure -circumstances that tend to be most acute in times of hostility, with little regular communication between the actors in question, and with strategic deception being actively practiced in the quest for state survival.

Financing the Survival of the North Korean State

These speculative questions unfortunately remain unanswerable - and for now, quite untestable. We will probably have to await the eventual opening of the Pyongyang state archives to delve into those issues with any precision -assuming that the DPRK's official files and data offer a sufficiently coherent and faithful record of events. Available data do, however, cast light on one aspect of the DPRK's struggle to avoid collapse in the wake of the Soviet bloc's demise. These are the international data on North Korean trade patterns as reported by the DPRK's trade partners, also known as "mirror statistics". Mirror statistics cannot tell us how close North Korea may have come to collapse in recent years: but they can help us explain how North Korea has managed to finance state survival.

It is incontestable that the DPRK national economy was in the grip of stagnation -or incipient decline- in the 1980s. It then began to spiral downward once the aid and subsidized trade from the Soviet bloc suddenly ceased at the start of the 1990s. The steep and apparently unbroken decline in North Korean economic performance in the first half of the 1990s led to the outbreak of famine in the DPRK by the mid-1990s. This is the only known instance of such mass hunger in an industrialized and literate society during peacetime. North Korea's patent economic dysfunction and the leadership's seeming unwillingness or incapability to address and correct it raised the possibility of one very particular kind of systemic collapse: economic collapse. I discuss this prospect in some detail in my 1999 book, *The End of North Korea*[24].

The prospect of "economic collapse" did not encompass judgments about the possibility of a dramatic political event that might bring the North Korean regime to an end, such as a coup at the top, or a revolt from below. Then, as now, the information that might permit such a judgment was unavailable to outside observers, especially to those with no access to sources of intelligence. "Economic collapse" seemed an exceedingly elastic term, but I attempted to use it with some conceptual precision. In my earlier study, "economic collapse" was not defined as an economic shock, economic dislocation, or a severe depression, or even a famine. It

[24] Nicholas Eberstadt, *The End of North Korea* (Washington, DC: AEI Press, 1999).

instead described the breakdown of the division of labor in the national economy -the process through which ordinary people in complex productive societies trade their labor for food. (This conception of "economic collapse" was first developed and defined by Jack Hirshleifer)[25].

North Korea in the mid- and late-1990s seemed set on a trajectory for economic collapse. Its domestic economy was incapable of producing the requisite goods necessary for the maintenance of a division of labor, and the regime seemed utterly unable to finance their purchase from abroad. Although it was impossible to determine from the outside the precise breaking point at which the division of labor would unravel, events were bringing the DPRK system progressively closer to that point. The present situation looks somewhat different. The ordinary North Korean today does not exactly live in the lap of luxury. However, by most accounts the typical North Korean no longer suffers from the desperate privation that characterized the mid-to-late 1990s. As best can be determined, the North Korean famine -which almost certainly claimed hundreds of thousands of victims, and may well have killed a million people between 1995 and 1998[26]- subsided by the late 1990s. The North Korean leadership indicated a new confidence in the DPRK's staying power in September 1998, at the Supreme People's Assembly that formally elevated Kim Jong Il to "the highest position of state". The convocation publicly declared that the "Arduous March" of the previous several years was completed, and announced that the DPRK was now on the road to becoming a "powerful and prosperous state" (Kangsong Taeguk).[27]

It is debatable whether the North Korean economy has enjoyed actual growth since 1998. However, the economic situation has in a

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[25] Cf. Jack Hirshleifer, *Economic Behavior in Adversity* (Chicago: University of Chicago Press, 1987).

[26] See Daniel Goodkind and Loraine West, "The North Korean Famine and its Demographic Impact,"*Population and Development Review*, vol. 27, no. 2 (June 2001), pp. 219-238. Goodkind and West's modeling conjectures center on a range of 600,000 to 1,000,000 deaths for the late 1990s.

[27] Not too long thereafter, the ROK Bank of Korea (BOK) declared that North Korea's economy had resumed economic growth. BOK reports have suggested positive growth in the DPRK for 1999, and every subsequent year. Whether the BOK analysis can withstand scrutiny is another question. For a skeptical look, see Nicholas Eberstadt, "Prospects for Economic Recovery: Perceptions and Evidence," in the 2001 edition of the Korea Economic Institute's *Joint US-Korean Academic Studies*, pp. 1-25.

meaningful sense stabilized, and improved, since the grim days of the "Arduous March". Mirror statistics provide some clues as to how this was accomplished. We can begin by looking at reconstructions of North Korea's overall trends for merchandise imports[28]. In 1990, the reported value of imports was nearly $3 billion (in current US dollars). By 1998, the reported level had dropped below $1.2 billion, a catastrophic fall of over 60 percent. After 1998, however, North Korea's imports rebounded markedly. By 2001, the reported level exceeded $2 billion -and appears to have risen still further in 2002, 2003, and 2004. To judge by these numbers, North Korea was obtaining almost twice as much in the way of supplies of goods from abroad in 2003 than it had in 1998. In 2004, the dollar volume of North Korean merchandise imports was at the highest level registered since the collapse of the Soviet Union.

How did North Korea pay for this upsurge in imports? To judge by the mirror statistics, it did so not through any corresponding jump in export revenues. Between 1990 and 1998, North Korea's reported merchandise exports collapsed, plummeting from about $2 billion to under $600 million. By 2004, these had recovered to a reported level of just under $1 billion. Nevertheless, by any absolute measure, the DPRK's reported export level remained remarkably low in 2004 -less than half as high as it had been in 1990, and even lower than it had been in the bitter "Arduous March" year of 1997.

In a purely arithmetic sense, North Korea substantially increased its merchandise imports despite only modest improvements in its almost negligible levels of reported merchandise exports by appreciably increasing its reported balance of trade deficit. In the "Arduous March" period -the famine years of 1995-98- North Korea's reported surfeit of imports over exports averaged under $600 million a year. By contrast, in the years 2000-2003 -the Kangsong Taeguk era- the DPRK's reported trade deficit was over twice that high, averaging about $1.2 billion annually.

How was this reported trade deficit financed? The answer is not self-evident. North Korea is a state with a commercial creditworthiness rating of approximately zero, having maintained for a generation its posture of defiant *de facto* default on the Western loans it contracted in the 1970s. Historically, the DPRK relied upon aid from its Communist allies -principally, the Soviet Union and China- to augment its imports.

[28] The methods used here in reconstructing North Korea's patterns of merchandise trade are outlined in Eberstadt, "Prospects for Economic Recovery".

After the collapse of the USSR, China perforce emerged immediately as North Korea's principal foreign patron. Beijing's largesse extended beyond its officially and episodically announced subventions for Pyongyang. The DPRK's seemingly permanent merchandise trade deficit with China actually constitutes a broader and perhaps more accurate measure of Beijing's true aid levels for Pyongyang (insofar as neither party seems to think the sums accumulated in that imbalance will ever be corrected or repaid).

Implicit Chinese aid, however, cannot account for North Korea's import upsurge of 1998-2004. To the contrary: China's implicit aid to North Korea -i.e., its reported balance of trade deficit- fell during these years, dropping from about $340 million in 1998 to about $270 in 2002 (nn 2003, implicit Chinese aid rose to about $340 million, meaning that it again attained its nominal 1998 level). North Korea's non-Chinese balance of trade deficit, by contrast, apparently soared upward. Whereas in 1997 the DPRK reportedly managed to obtain a net of $50 million more merchandise from abroad than its commercial exports would have paid for -after factoring out China- by 2003 the corresponding total was well over $900 million. Indeed, if China is removed from the picture, the line describing North Korea's net imports of supplies from abroad rises steadily upward between 1997 and 2003. It is this graphic which captures the economic essence of North Korea's shift from its "Arduous March" period to its Kangsong Taeguk epoch.

How was this jump in non-Chinese net imports financed? Unfortunately, we cannot be precise about this, since many of the sources of funds involve illicit transactions. North Korea's international counterfeiting, drug trafficking, and weapons/weapon technology sales all figure here, although the sums raised from those activities are a matter of some dispute. Nor do we yet know exactly how much of the South Korean taxpayers' money was furtively channeled from Seoul to Pyongyang during this period. One set of prosecutorial investigations has convicted former President Kim Dae Jung's national security adviser and several other aides of illegally transferring up to $500 million to Kim Jong Il's "Bureau 39" on the eve of the historic June 2000 Pyongyang summit[29]. The possibility of other unreported Seoul-to-Pyongyang

[29] For some of the details, see Andrew Ward, "Six convicted for Korea payments," September 27, 2003, p. 9; Samuel Lem, "Seoul Court convicts 6 over summit funds," *International Herald Tribune*, September 27, 2003, p. 2. US government researchers place these surreptitious payments to Pyongyang at a "mere" $200 million: see footnote 32 below.

payoffs during the 1998-2004 period cannot be ruled out -nor can the potential volume of any such attendant funds be determined.

Broadly speaking, the timing and the magnitude of the upswing in North Korea's non-Chinese net imports can be explained by the North Korea policies that were embraced during those years by the United States and its Northeast Asian allies. 1998 heralded the inauguration of ROK President Kim Dae-jung and the advent of South Korea's "Sunshine Policy" for détente and reconciliation with the North. In 1999, the U.S. followed suit with unveiling of the "Perry Process" (i.e., the "grand bargain" approach to dispute resolution with the DPRK that was hailed by the ROK Foreign Minister in 2000 as "based on our engagement policy toward North Korea")[30]. Between 1998 and mid-year 2004, according to one estimate from the US Congressional Research Service, Seoul spent over $3 billion on legally-approved "engagement" activities for North Korea[31]. Japan and the EU both joined in the pursuit of "engagement" with North Korea during these years as well, although in differing degrees.

In their strict performance specifications -that is, in their defining actions, as opposed to their official rationales or stated intentions- the "Sunshine Policy" and the "policy of peace and prosperity" continue to mean organized activity by Western governments to mobilize transfers of public resources to the North Korean state. (Though this formulation may sound provocative, the particulars of those multilateral policies include the Hyundai/ROK National Tourism Office payments for vacations to Mt. Kumgang; the US "inspection fee"[32] of 500,000 tons of food aid granted in 1999 for permission to visit a suspect underground North Korean facility at Kumchang-ri; the continuing food and fertilizer shipment from Seoul and the occasional food transfers from Japan; the secret payment for the historic June 2000 Pyongyang summit; and the new, albeit modest, flows of aid from EU countries in the wake of the flurry of diplomatic normalizations between Pyongyang and EU states in 2000/2001.) Thus it is perhaps not surprising that North Korea's financial fortunes should have improved so markedly since 1998.

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[30] "Seoul Firmly Backs 'Perry Process'," *Korea Times*, February 7, 2000.

[31] Mark E. Manyin, "Foreign Assistance To North Korea" Congressional Research Service, CRS-RL31785, May 26, 2005, Appendix A, p. 38. Note that this number, for a variety of reasons, is not a measure of *actual economic support* for North Korea. It does, however, suggest that scale of the subsidies in question.

[32] Pyongyang's description of the transaction.

It may sound perplexing and counterintuitive to hear the United States -the DPRK's longtime principal antagonist in the international arena- described as a major contemporary backer of the North Korean state. Yet this is in fact the case. Figures compiled by Mark Manyin of the Congressional Research Service provide the details. In the 1996-2002 period, Washington provided Pyongyang with just over $1 billion in food aid, concessional fuel oil, and medical supplies. (Interestingly enough, nearly $350 million of these resources were transferred in the years 2001 and 2002, under the aegis of the George W. Bush Administration).

By the second half of the 1990s, North Korea's reliance on U.S. aid for financing its international purchases and supplies of good was more pronounced than for almost any other recipient of military, economic, and/or humanitarian assistance programs from the United States. Total American aid allocations to key recipients Israel and Egypt for the five years 1996-2000, for example, amounted to 34% and 67% of those states' respective export earnings for the year 2000. US 1996-2000 assistance to North Korea, by contrast, actually exceeded the DPRK's reported year 2000 commercial export revenues. When considered in relation to the economy's evident capability to finance its international needs from its own regular commercial exports, Washington's aid lifeline for the DPRK in recent years looks more consequential than any of the bilateral assistance relationships that Washington arranged for treaty allies or friendly states in any spot on the globe.

This is not the first time that American aid has helped a Korean state to survive. After the 1953 Korean Armistice, Washington devoted tremendous resources to propping up and strengthening the Syngman Rhee government in Seoul -a regime fascinated with "aid-maximizing stratagems"[33] and manifestly disinterested in improving its then-miserable export performance. Judged by the metric of US aid to recipient-country exports, the American Cold War project for preserving the ROK was vastly more intensive than Washington's post-Cold War programs sustaining the North Korean state. In the late 1950s, however, U.S. bilateral aid was the only "game in town" for states seeking Western largesse. If we were able to consider all the aid packages -overt, covert, or semi-formal- that were extended to the DPRK by Western governments in the Kangsong Taeguk period, the ratio of such outside assistance to local commercial earnings very likely began to approach the scale of

[33] In the felicitious phrase of David C. Cole and Princeton Lyman, *Korean Development: the Interplay of Politics and Economics*, (Cambridge, MA: Harvard Unviersity Pres, 1971).

disproportion earlier witnessed in the late-1950s U.S. project to preserve the independence of the Republic of China (Taiwan)[34].

We will never know what would have happened if the United States and its allies in Asia and Europe had refrained from underwriting the survival of the North Korean state in the late 1990s and the early years of the present decade. (Such exercises in counterfactual speculation - "imaginary history", as they are known to their modern-day devotees[35]- can make for fascinating reading, but are ultimately inconclusive). We do not know, furthermore, how close North Korea came to the critical breaking point of an "economic collapse" during the "Arduous March" period between Kim Il Sung's death and Kim Jong Il's formal anointment. But the DPRK was failing economically in the mid-1990s - moving closer to the notional point of an "economic collapse". In the late 1990s and early years of the current decade, the prospect of "economic collapse" was diminished materially by an upsurge in provisions of goods from abroad -goods, in turn, that were financed in considerable measure by new flows of Western foreign aid.

Whether Western aid flows were the indispensable or instrumental factor in averting a North Korean collapse cannot yet be discussed with the historical knowledge and texture of the averted collapse of the Ottoman Empire in March 1915. However, the upsurge of Western aid for the DPRK under "Sunshine" and "peace and prosperity" policy played a role -possibly a very important role- in reducing the risk of economic collapse, and increasing the odds of survival -for the North Korean state.

Financing State Survival in the DPRK: "Ideological and Cultural Infiltration" and "Military-First Politics"

Although North Korea's flirtation with economic collapse did not commence until after the disintegration of the Soviet bloc, the DPRK's

[34] To be clear here: the earlier Taiwan effort would have undoubtedly been the more aid-intensive by our selected metric; while lower, however, the aid-intensity of the recent DPRK arrangements would perhaps fall within the same approximate order of magnitude.

[35] Interestingly, enough, a growing number of eminent historians and respected social scientists seem to be engaging in this pastime. See for example Nelson W. Polsby, ed., *What If? Explorations in Social-science Fiction* (Lexington, MA: Lewis, 1982); Niall Ferguson, ed., *Virtual History: Alternatives and Counterfactuals* (London: Picador, 1997); and Robert Cowley, *What Ifs? Of American History: Eminent Historians Imagine What Might Have Been* (New York: G.P. Putnam, 2003).

relative (and perhaps its absolute) economic decline has been a long-term process, and by some indicators was already well underway in the latter years of the Cold War. The DPRK's long-term trade performance vividly describes this record of economic decline. International trade bears directly upon the state's risk of economic collapse, on systemic survival prospects as well. From an early 21st century vantage point, we may not recall how steep and steady this long decline has been. The DPRK was not always known as an international trade basket-case. In 1970, the level of *per capita* exports in North and South Korea was roughly comparable ($21 vs. $27 -in then-much-more-valuable dollars)[36]. As late as 1980, North Korea's export profile, though hardly robust, was also not manifestly disfigured. In 1980, for example, the DPRK's level of reported per capita exports was just slightly higher than Turkey's, and over five times higher than India's. That same year North Korea's reported imports exceeded reported export revenues, but by a margin that was in keeping with performance of other developing economies, including quite successful ones. The DPRK's 1980 ratio of exports-to-imports, for example, was just slightly higher than Chile's -but it was a bit lower than either Thailand's or South Korea's.

By 1990, the picture had worsened considerably. Despite a politically-determined surge in exports to the USSR under the terms of the 1985-1990 Soviet-DPRK Economic Cooperation accord, *per capita* exports ranked in the lowest quartile of the world's economies -in a league with Equatorial Guinea and Kenya. The ratio of exports to imports had risen, so that North Korea was among the quartile of states where this imbalance was greatest. By 1990, North Korea's disproportion between import and exports revenues already placed in the ranking next to such heavily aid-dependent economies as Jordan and Ghana.

By 2000, the DPRK was an outlier within the world system. That year, the DPRK's reported *per capita* export level would have ranked 158th among the 168 countries tracked by the World Bank's World Development Indicators: below Chad, and at less than half of India's level. Reported *per capita* exports in Turkey were now nearly 25 times as high as in the DPRK. Although the nominal level of per capita exports for the world was nearly 2.5 times higher in 2000 than in 1980[37], North

[36] Nicholas Eberstadt, *Korea Approaches Reunification* (Armonk, NY: M.E. Sharpe, 1995), Chapter 1.

[37] Global calculations derived from IMF World Economic Outlook Database (September 2003) http://www.imf.org/external/pubs/ft/2003/02/data/index.htm and UN Population

Korea's nominal reported per capita export level fell by almost two-thirds over those years. At the same time, North Korea's imbalance between reported imports and export earnings (with the former nearly three times as great as the latter) ranked among the ten most extreme cases recorded that year. A glaring discrepancy between imports and exports did not automatically betoken aid-dependence. Several outliers, Lesotho and West Bank/Gaza among them, highlight the importance of remittances in the local balance of payments. But North Korea's ratio of reported commercial export revenues to reported imports was even lower in 2000 than in such all-but-permanent wards of the ODA community as Haiti and Burkina Faso.

In terms of trade performance and patterns of international finance, North Korea's downward trajectory and its current straits (that is, its structural descent from Turkey to Haiti in just one generation), represents in part the misfortune of circumstance. Clearly, the sudden and unexpected downfall of the Soviet bloc was a disaster for the North Korean economic system: a disaster, indeed, from which the DPRK economy has not yet recovered. But North Korea's aberrant and seemingly dysfunctional trade regimen is also a result a conscious purpose, deliberate design, and considered official effort. There is a deeply-embedded regime logic in the DPRK's tangential and precarious relationship with the world economy. Far from being irrational, it is based on careful and cool-headed calculations about regime survival.

Consider the DPRK's trade performance over the past generation with the 29 countries the IMF terms the "advanced economies[38]". Between 1980 and 2000 the total size of the import market for this collectivity grew from about $1.8 trillion to about $6.1 trillion. The DPRK is precluded from exporting any appreciable volume of goods to the United States by Washington's thicket of sanctions and restrictions against US-DPRK commerce, and America offers the world's single largest import market. But if we exclude the United States from the picture, the remaining "advanced economy" market for foreign imports is vast and (at least in nominal terms) rapidly expanding -growing from about $1.5 billion in 1980 to $4.6 billion in 2000. DPRK exports to this group, however, remained negligible and stagnant over these decades,

Division World Population Prospects Database http://esa.un.org/unpp ; accessed February 6, 2003.

[38] This grouping includes 24 of the current 30 OECD members (omitting Czech Republic, Hungary, Mexico, Poland, Slovak Republic and Turkey) and five others: Cyprus, Hong Kong, Israel, Singapore, and Taiwan.

even after the loss of Soviet bloc markets added some urgency to cultivating new sources of commercial export revenue. In 1980 and 1990, North Korea's reported sales to this grouping totaled roughly $430 million and roughly $470 million, respectively. In 2000, the reported aggregate was about $560 million, but that total may have been inflated somewhat by an unusual and perhaps questionable $60 million in North Korean imports recorded that year by Spain. Even accepting that year's exceptional Spanish data, the real level of North Korean exports to these "capitalist" countries would have been substantially lower in 2000 than it had been two decades earlier[39].

Pyongyang's remarkably poor long-term performance in the advanced economies' huge markets is no accident. Instead it is a direct consequence of official DPRK policy and doctrine -most particularly, Pyongyang's concept of "ideological and cultural infiltration". Official North Korean pronouncements relentlessly decry the dangers of this phenomenon, which is said to be a technique by which outsiders attempt to undermine the foundations of established Communist states. A recent declamation gives the flavor of the general argument:

> It is the imperialist's old trick to carry out ideological and cultural infiltration prior to their launching of an aggression openly. Their bourgeois ideology and culture are reactionary toxins to paralyze people's ideological consciousness. Through such infiltration, they try to paralyze the independent consciousness of other nations and make them spineless. At the same time, they work to create illusions about capitalism and promote lifestyles among them based on the law of the jungle, in an attempt to induce the collapse of socialist and progressive nations. The ideological and cultural infiltration is their silent, crafty and villainous method of aggression, intervention and domination…
>
> Through "economic exchange" and personnel interchange programs too, the imperialists are pushing

[39] Between 1980 and 2000 the US producer price index -the more appropriate deflator for international tradables- rose by 51%. Using that deflator, North Korea's inflation-adjusted export volume to this grouping of countries would have declined by about 16% between 1980 and 2000. Note that the grouping includes South Korea, and figures in inter-Korean trade.

> their infiltration… Exchange and cooperation activities in the economic and cultural fields have been on the rise since the beginning of the new century. The imperialists are making use of these activities as an important lever to push the infiltration of bourgeois ideology and culture…
>
> The imperialists' ideological and cultural infiltration, if tolerated, will lead to the collapse and degeneration of society, to disorder and chaos, and even to the loss of the gains of the revolution. The collapse of socialism in the 20th Century--and the revival of capitalism in its place -in some countries gave us the serious lesson that social deterioration begins with ideological degeneration and confusion on the ideological front throws every other front of society into chaos and, consequently, all the gains of the revolution go down the drain eventually[40].

DPRK party lecture notes published in South Korea late in 2002 put the point more succinctly:

> The capitalist's ideological and cultural infiltration will never cease, and the struggle against it will continue, as long as the imperialists continue to exist in the world… The great leader, Kim Jong Il, pointed out the following: "Today, the imperialist and reactionaries are tenaciously scheming to blow the wind of bourgeois liberalism into us"… Under these circumstances, if we turn away from reality and we regard it as someone else's problem, what will happen? People will ideologically degenerates and weaken; cracks will develop in our socialist ideological position; and, in the end, our socialism will helplessly collapse. A case in point is the bitter lesson drawn from the miserable

[40] *Nodong Sinmun*, April 20, 2003, translated as "DPRK Organ Scores 'Imperialists' for Ideological, Cultural Infiltration Schemes," US Foreign Broadcast Information Service (hereafter, FBIS), AFS Document Number KPP20030429000057.

> situations of the former Soviet Union and Eastern European countries[41].

"Economic exchange" with the "capitalist" world is thus explicitly and officially regarded by Pyongyang as a process that unleashes powerful, unpredictable and subversive forces -forces that ultimately erode the authority of socialist states. Viewed from this perspective, North Korea's record of trade performance with vis-à-vis the advanced market economies is a record of failure -i.e., failure to integrate into the world economy- but rather a mark of success -i.e., effective containment of a potentially lethal security threat.

Moreover, the DPRK's public misgivings about "ideological and cultural infiltration" are longstanding, almost precisely paralleling the state's record of minimal export outreach to advanced market economies over the past generation. Although DPRK pronouncements about "ideological and cultural infiltration" have attracted some attention abroad since the downfall of Soviet bloc socialism, the slogan itself was not a response to that defining historical event. To the contrary, the North Korean leadership had been highlighting the dangers of that tendency for at least a decade before the final collapse of the Soviet Union. At the Sixth Congress of the Korean Workers' Party in 1980, for example, Kim Il Sung inveighed against the dangers of "cultural infiltration". And by 1981, he was urging North Korea's "workers and trade union members" to "combat the ideological and cultural infiltration of the imperialists and their subversive moves and sabotage"[42].

It is true that official directives from Pyongyang have from time to time discussed the desirability of significantly increasing the DPRK's volume of international trade. Against such comments, North Korea's extraordinary and continuing weakness in export performance may seem especially curious. But Pyongyang's conspicuous neglect of the revenue potential from trade with advanced market economies is not to be explained away as a prolonged fit of absent-mindedness. Instead, it speaks to fundamental and abiding calculations in Pyongyang's strategy for state survival.

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[41] *Chosun Ilbo*, December 20, 2002; translated as "'Full Text' of DPRK Lecture Program in Capitalists' 'Ideological and Cultural Infiltration'," *FBIS*, AFS Document Number KPP20021222000016.

[42] *KCNA*, November 30, 1981, reprinted as "Kim Il-sung's Speech to Trade Union Congress", *BBC Summary of World Broadcasts*, FE/6896/B/1, December 3, 1981.

If staying out of the poisonous embrace of the world economy is viewed as an imperative for state survival by DPRK leadership, a corollary question inevitably arises: how can North Korea generate sufficient international resources to forestall economic collapse? To date, Pyongyang's answer has been through non-market transactions. The DPRK has always pursued an "aid-seeking" international economic strategy -but in the post-Soviet bloc era, the particulars of that approach have mutated. In the Kangsong Taeguk era, North Korea's main tactics for generating international resources are viewed through the prism of the current state campaign for "Military-First Politics" [Songun Chongchi].

Like the concept of "ideological and cultural infiltration", the theory and recommended practice of "Military-First Politics" have received a tremendous amount of air-time in the North Korean media over the past five years. As a long official analysis in March 2003 instructed, it was a renewed emphasis on military development that enabled North Korea to conclude its "Arduous March" and to step onto the pathway to power and prosperity:

> Today, the peoples' struggle for their nations' independent development and prosperity is waged in an environment different from that of the last century… In building a state in our era, it is essential to beef up the main force of the nation and fortify the revolutionary base, and, in this regard, it is most important to build up powerful military might. In today's world, without powerful military might, no country can…achieve development and prosperity.
>
> During… "the Arduous March" in our history, great Comrade Kim Jong Il firmly believed that the destiny of the people and the future of the revolution hinged on the barrel of a gun, and that we could break through the difficulties and lead the revolution to victory only by depending on the Army… Through the arduous practice in which the Army was put to the fore and the unheard-of trials were overcome, the revolutionary philosophy that the barrel of a gun was precisely the revolution and the barrel of a gun was precisely the victory of socialism was originated…

> Our theory on the construction of a powerful state… is the embodiment of the profound truth that the base of national strength is military might, and the dignity and might of a country hinges on the barrel of a gun… In a powerful state, the defense industry takes a leading and key position in the economy… Today, by firmly adhering to the principle of putting prime effort into the defense industry and, based on this, by developing the overall economy ceaselessly, our party is brilliantly resolving the issue of consolidating the national strength of a powerful state[43].

How exactly does military power conduce to prosperity? A statement the following month hinted at the answer:

> A country's development and the placement of importance on the military are linked as one… *Once we lay the foundations for a powerful self-sustaining national defense industry, we will be able to rejuvenate all economic fields, to include light industry and agriculture and enhance the quality of the people's lives*[44]. [emphasis added]

This is a fascinating, and revealing, formulation. For most states, a country's defense outlays are regarded as a weight that the value-adding sectors of the national economy must shoulder (thus the phrase "military burden"). The North Korean leadership, however, evidently entertains the concept of a "self-sustaining" defense sector -implying that Pyongyang views its military activities as generating resources, and not simply absorbing them. In the enunciated view of North Korean leadership, the DPRK's military sector is the key not only to unlocking the resources necessary to finance its own considerable needs, but to finance the recovery of the national economy as a whole.

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[43] *Nodong Sinmun*, March 21, 2003; translated text available on Nautilus Institute's website at http://www.nautilus.org/pub/ftp/napsnet/special_reports/MilitaryFirstDPRK.txt; accessed February 4, 2004.

[44] *Nodong Sinmun*, April 3, 2003; translated text available on Nautilus website at http://www.nautilus.org/pub/ftp/napsnet/special_reports/MilitaryFirstDPRK.txt; accessed February 4, 2004.

The operational details of this approach seem straightforward. While forswearing any appreciable export revenues from legitimate commerce with advanced market economies, North Korean policy today seems to be banking on the possibility of financing state survival by exporting strategic insecurity to the rest of the world. In part, such dividends are derived from exports of merchandise (e.g., missile sales, or potential transfer of WMD technology). But these revenues also depend heavily on what might be described as an export of services: in this case, military extortion services (what we might better call "revenue-sensitive threat reduction services") based upon Pyongyang's nuclear development and ballistic missile programs.

The export of strategic insecurity, in its different components, helps account for much of the upsurge in North Korea's unexplained surfeit of imports over commercial export revenues since 1998, especially when Western aid policies in recent years can be described as appeasement-motivated[45]. In an important tactical sense, that approach has enjoyed a success, since it has facilitated state survival under imposing constraints. But the territory demarcated by "ideological and cultural infiltration" on one side and "Military-First Politics" on the other is also a no-man's land: an inherently unstable niche in which survival is utterly contingent, and sustained development utterly unlikely. North Korea's current strategic policy, in short, may be deferring the question of economic collapse, but it has not yet answered it.

Avoiding Economic Collapse through Economic Reform?

If the DPRK is currently sustaining its system through aid-seeking stratagems grounded in military menace, it has settled upon a particularly meager and highly uncertain mode of state finance. It is not clear that it generates sufficient funding to maintain (much less improve) the nation's aging and badly decayed industrial and transport infrastructure. Moreover, the stratagem may fail at any time for any number of reasons (for example, donor "aid fatigue", DPRK miscalculation, or an external

[45] Even ostensibly humanitarian food aid transfers to North Korea are informed by the reality of military extortion: think in particular of Kumchang-ri, more generally whether the opaque rules under which food relief is administered in the DPRK would be tolerated by the international donor community in any other setting.

push for "regime change" in Pyongyang). Under these circumstances, a more secure and ultimately satisfactory path for avoiding economic collapse and preserving the sovereignty of North Korean state might be a pragmatic reorientation of policy reorientation in the name of promoting sustained growth. In some variants of this argument, China and Vietnam have already demonstrated that it is feasible for Marxist-Leninist governments in Asia to execute a shift to an outward-oriented economic regimen, to achieve rapid economic growth, and to maintain leadership authority and political stability.

Whether "reform" and "outward orientation" could be consonant with the preservation of unquestioned power for North Korea's leadership is a question that will not detain us here[46]. Nor will we be diverted by a discussion of the potential problems and preconditions of any "reform" worthy of the name under contemporary North Korean conditions. Instead we will briefly address two practical and subsidiary questions. First, how far have North Korea's much discussed "reforms" progressed to date? Second, if the DPRK were truly moving in the direction of "reform" and self-sustaining growth, how would we tell and what would we see?

North Korea's Economic Reforms To Date

Predictions that the DPRK would soon be embracing economic reform come from a family tree that is, if anything, even more prolific and older in lineage than predictions about imminent or eventual DPRK collapse. Scholars and analysts have detecting quiet signs of reform and opening in the North Korean system since at least the 1980s[47]. The intensity of these premonitions typically waxed and waned according to

[46] However, both Robert Scalapino and Ezra Vogel have suggested that North Korea might plausibly evolve from today's hermetic *Juche* totalitarian system to a more familiar, Park Chung Hee-type authoritarian state -and the judgment of these two leading American authorities on modern Asia should be respectfully weighed in this consideration. Robert Scalapino, *The Last Leninists: The Uncertain Future of Asia's Communist States* (Washington, CSIS, 1992); Ezra Vogel, personal communications with the author, 1994-2004.

[47] See, for example, Hy-sang Lee, "North Korea's Closed Economy: The Hidden Opening," *Asian Survey*, vol. 28, no. 12 (December 1988), pp. 1264-1279; Kongdan Oh, "North Korea's response to the world: Is the door ajar?" *RAND Paper Series* P-7616 (1990); and John Merrill, North Korea's halting efforts at economic reform," in Chong-Sik Lee and Se-Hee Yoo, eds., *North Korea In Transition*, (Berkeley, CA: Institute of East Asian Studies, 1991), pp. 139-153. Each of these papers was written and initially presented in the 1980s.

the current temperatures in Pyongyang's relations with Washington and/or Seoul[48].

In July 2002, however, Pyongyang enacted a package of macroeconomic policy changes that marked a notable departure from DPRK practices over the previous generation. Moreover, North Korea sometimes describes these measures as "economic reform"[49] -a term the DPRK had vigorously rejected heretofore, on the understanding that no reforms were needed for the real existing DPRK system. Some observers see these changes as evidence that far-reaching or even systemic economic reforms are now underway in North Korea. These examples include: the emergence (or re-emergence) of small markets for food and consumer goods in many urban and rural localities; construction of a number of commercial billboards in Pyongyang and environs; an announcement that North Korea will soon open a large-scale supermarket; and an indication in North Korean media in June 2004 that the Dear Leader made a positive reference to "the principle of profitability"[50].

Unfortunately, the meaning of this trickle of anecdotes is a matter very much in the eye of the beholder. In July 2004, for example, news

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[48] The announcement of the Pyongyang North-South Summit occasioned an especially vigorous pulsation of such premonitions. Thus, for example, Marcus Noland in June 2000: "The secret visit to Beijing last month by Kim Jong Il supports the argument that this is the real deal and that the North Koreans are serious about opening to the outside world." [Marcus Noland, "The Meaning in the Meeting of the Two Koreas: Out of Isolation," *Washington Post*, June 12, 2000, p. A21.] This was before the "outside world" had learned the true details of the "real deal" underpinning that historic summit.

[49] Thus SPA President Kim Yong Nam in August 2002 in a conversation with UN officials: "We are reactivating the whole field of the national economy… we are reforming the economic system on the principle of profitability". [Cited in United Nations, *Consolidated Inter-Agency Appeal 2003: Democratic People's Republic of Korea*, (November 2002), p. 127, available electronically at http://www.reliefweb.nt/appeals/2003/files/dprk03.dpf; accessed February 8, 2004.] Note, however, that the term "reform" has not yet been embraced by the DPRK media, which still treats the concept as anathema. This March 2003 formulation from *Minju Choson* remains representative: "Even though the imperialists are trying to stifle our economy by inducing it to 'reform' and 'opening', our economic management is being improved without deviating even an inch from socialist principles". [*Minju Choson*, March 6, 2003, translated as "DPRK Cabinet Organ Discusses Improving Economic Management," *FBIS*, AFS Document Number KPP 20030313000122.]

[50] See, among many such items, "North Korea's Largest Supermarket Will Open at the End of 2004", (KOTRA North Korean Team, April 27, 2004, available electronically at http://crm.kotra.or.kr/main/common_bbs/notice_read_nk.php3?board_id=21&pnum=899711&cnum=0); Bertil Lintner, "North Korea; Shop Till You Drop," *Far Eastern Economic Review*, May 13, 2004; and James Brooke, "Kim Jong Il now extols the virtues of profit," *International Herald Tribune*, June 4, 2004.

reports from South Korea claimed that the DPRK has caught been selling a bogus knock-off of Viagra overseas[51] -should this, too, be taken as proof of a new spirit of entrepreneurship and market-awareness and profit-orientation? Rather than descend into the swamp of semiotics, it is more fruitful to attempt a more structural assessment of North Korea's recent program of deliberately-induced economic change.

The specifics of the July 2002 measures have been described in detail elsewhere[52]. Scholars and analysts have offered some initial assessments of the significance and portent of these policy changes[53]. By comparison to North Korea's economic policy adjustments since the late 1960s, these measures may indeed seem quite bold. Yet this only attests to how impoverished our expectations for DPRK policy have become over the decades. The July 2002 package of economic changes are rather modest: either by comparison to "economic reforms" undertaken in other troubled economies, or by comparison to the job that needs doing in the DPRK.

In practical terms, the July 2002 package -consumer price increases, wage hikes, currency devaluation, and ration system devolution- accomplished one important function: it re-monetized a limited portion of the DPRK domestic economy. By the late 1980s, the DPRK was already shockingly demonetized. Back of the envelope calculations for 1987 suggest that the wage bill in that year would have amounted to less than a third of North Korea's official net material product. Over the following decade and a half, the role of the national currency in domestic economic activity was progressively diminished. By

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[51] Andrew Ward, "Pyongyang may have potent new cash raiser: Fake Viagra," *Financial Times*, July 3, 2004.

[52] See, for example, United Nations, *Consolidated Inter-Agency Appeal 2003: Democratic People's Republic of Korea*, (November 2002), pp. 127-132, available electronically at http://www.reliefweb.nt/appeals/2003/files/dprk03.dpf; accessed February 8, 2004.

[53] For cautiously optimistic analyses, see Marcus Noland, "West-Bound Train Leaving the Station: Pyongyang On The Reform Track," October 2002, available electronically at http://www.iie.com/publications/papers/noland1002.htm; Ruediger Frank, "A Socialist Market Economy In North Korea? Systemic Restrictions And A Quantitative Analysis" (unpublished paper, Columbia University, 2003), and *idem.* , "North Korea: 'Gigantic Chance' and a Systemic Change," *NAPSNET Policy Forum Online PFO 3-31*, May 9, 2003, available electronically at http://www.nautilus.org/for_a/security_/0331_Frank.html>; all accessed January 30, 2004. For a more cautiously skeptical assessment, see William J. Newcomb, "Economic Development In North Korea: Reflections On North Korea's Economic Reform," in *2003 Korea's Economy*, (Washington, DC; Korea Economic Institute, May 2003), pp. 57-60.

the turn of the century, North Korea was perhaps the modern world's most completely demonetized economy -excepting only Khmer Rouge Cambodia, where for a time by decree money was abolished altogether.

The re-emergence of money in North Korean economic life -and with it, the re-emergence of a limited measure of open market activity- mark an incontestable and important improvement for the DPRK's tiny consumer sector. But it is important to recognize that the July 2002 package does not represent an unambiguous move toward market principles. To the contrary: re-monetization of the domestic economy is a *sine qua non* for resurrecting the DPRK's badly broken central planning mechanism ("a planned economy without planning", in Mitsuhiko Kimura's apt phrase)[54] -which has not managed to launch another multiyear national plan since 1993.

Limited re-monetization of the domestic economy, furthermore, does not signify transformation of the DPRK's badly distorted production structure. To the contrary: the manifestly limited supply-response of the DPRK economy to the July 2002 measures is indicated by the subsequent steep drop in the black market exchange rate for the DPRK won[55], and on the other by Pyongyang's hurried introduction, barely ten months after the July 2002 package, of new "people's life bonds" -worthless, utterly

[54] Mitsuhiko Kimura, "A Planned Economy Without Planning: *Su-ryong's* North Korea,"*Discussion PaperF-081*, March 1994, Faculty of Economics, Tezukayama University.

[55] The initial July 2002 exchange rate was set at 153 won to the US dollar. By October 2003, DPRK government foreign exchange booths in Pyongyang were paying 900 won per dollar. *Yonhap* (Seoul), "N. Korea Depreciate (*sic*) Its Currency. Adopts Floating Rates: Asahi,"October 4, 2003. By July 2004 -two years into the July 2002 measures- the unofficial rate for the DPRK won was reportedly about 1600 to the US dollar. *Chosun Ilbo*, July 27, 2004; translated as "South Korea reports defections rising despite North efforts to tighten border," *BBC Worldwide Monitoring*, July 29, 2004. By those numbers, the pace of depreciation against the dollar (a serviceable proxy for the implied pace of domestic price inflation) averaged 10% per month since the advent of the new economic measures. And the decline continues: in August 2004 the director of the World Food Programme office in Pyongyang stated that prices in local North Korean markets has risen 10%-15% during the previous two months. Cindy Sui, "No turning back for North Korea's reforms: UN official", *Agence France Presse,* August 18, 2004. If that estimate is roughly correct, the rate of inflation in these markets is running at an annualized rate of 75% to 130% per annum -fairly compelling testimony that too much currency is still chasing too few goods in the DPRK domestic market.

illiquid, and involuntarily assigned- in lieu of wages for workers or payments for enterprises[56].

To be sure, the limited re-introduction of money in the DPRK domestic economy may elicit some supply response, for example a Leibenstein-style increase in "x-efficiency"[57]. But without the possibility of a re-allocation of state resources in accordance with new demand conditions -the supply response must perforce be tepid and superficial. Thus, the World Food Program (WFP) has warned prospective donors that North Korea faces an imminent return to mass hunger barring an influx of new food aid into the relief pipeline[58] -heartening signs of newly-sprouted "people's markets" notwithstanding. The contrast is not a contradiction, but rather faithful reflection of the scope and limits of the July 2002 reforms.

Thus, the July 2002 reforms do not necessarily stave off the specter of DPRK economic collapse. Nor do they have any obvious or direct bearing on the prospects for a shift to China-style or Vietnam-style export-led growth. Contrasting North Korea's patterns of trade performance over the past generation with those of China and Vietnam illustrates this consideration. Vietnam began its push for export-orientation when its Soviet subsidies abruptly ended, whereas North Korea's export performance markedly worsened, and its aid dependence increased, after 1991. Though still predominantly agrarian societies, Vietnam and China both manage to export far more merchandise on a per capita basis today than does the ostensibly industrialized DPRK (precisely because of the linkages and supply-response mechanisms that the DPRK has assiduously prevented from taking root). The DPRK has not even begun to tinker with the macro-policies, or to promote the micro-institutions, that would permit a China- or Vietnam-style export

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[56] *KCNA*, May 8, 2003, reprinted as "North Korea reports 'brisk' sale of public bonds", *BBC Worldwide Monitoring*, May 8, 2003.

[57] Harvey Leibenstein, "Allocative Efficiency versus 'X-Efficiency," *American Economic Review,* vol. 56, no. 3 (June 1966), pp. 392-415.

[58] Kim So-young, "WFP warns of N.K. food crisis," Korea Herald, February 11, 2004; Joe McDonald, "WFP makes emergency food appeal for North Korea, saying supplies nearly exhausted", Associated Press, February 9, 2004. The WFP's own institutional interests, to be sure, comport with an alarmist reading of the North Korean food situation -but that does not mean the WFP's recent warnings are wrong.

response[59]. Thus for the time being, economic survival through export-orientation is simply not in the cards for North Korea.

What Would A Genuine Reform And Opening Look Like?[60]

Instead of sketching the full contours of a DPRK transition to sustainable export-led growth, we will focus on three essential and inextricably linked features: the outward opening itself; military demobilization; and normalization of relations with the ROK.

1) Economic Opening.

If Pyongyang were to embark upon a genuine move toward an economic opening, what initial signs would outsiders be able to see? Some of these might include: 1) meaningful departure from old "economic" themes, and new dialogue about economic issues, in DPRK propaganda and guidance organs; 2) doctrinal reorientation regarding the treatment of profit-generating transactions in official DPRK pronouncements, especially profits involving transactions with foreign concerns; 3) an attempt by the DPRK to settle its longstanding international "debt default" problems[61]; 4) a move toward greater economic transparency, i.e. the publication of economic and social statistics describing the North Korean domestic situation; and 5) serious attempts to promulgate a legal framework for potential foreign investors that might assist in attracting profit-seeking overseas entrepreneurs to North Korean soil. Although some observers may see glimmers of conditions 1) and 2), none of these "blinker lights" are yet flashing brightly and consistently.

[59] To date the only appreciable movement in these general areas would seem to be the events that found their denouement in the September-October 2002 Yang Bin fiasco.

[60] The following paragraphs draw on Nicholas Eberstadt, "If North Korea were Really Reforming, How Could We Tell—And What Would We be Able To See?" *Korea and World Affairs*, vol. 26, no. 2 (Spring 2002), pp. 20-46.

[61] For the past quarter century, the DPRK has been in effective default on roughly $1 billion in European, Japanese and Australian loans contracted in the early 1970s. For more detail, see Nicholas Eberstadt, *Korea Approaches Reunification* (Armonk, N.Y.: M.E. Sharpe, 1995), Chapter 1.

2) Military Demobilization.

Military demobilization would represent a critical aspect of a North Korean program or "reform" and "opening." A dismantling of Pyongyang's WMD programs would indicate that North Korean leadership was committed to earning its living from activities other than international military extortion, and reallocation of resources from the hypertrophied military to the civilian sectors would permit much more potentially productive economic activity in the DPRK. To this date, there is little evidence that North Korea has ever voluntarily abjured any new instrument of military force that might possibly lie within its grasp. Indeed, such a renunciation today would seem fundamentally inconsistent with the state's established policies of Kangsong Taeguk and "military-first politics". Moreover, North Korea's commitment to developing weapons of mass destruction was implicitly reaffirmed in the exhortation that "We should hold fast to the military-first politics and *build up our military strength in every possible way*"[62]. [emphasis added].

If North Korea were to head on a different road regarding proliferation, the first clear sign of a change in attitude would be a new stance toward outside verification of North Korean WMD activities. However, Pyongyang maintains that U.S. calls for verification conceal "a dark ulterior motive to thoroughly investigate our national defense and military bases… [a plot to] completely dig out our interior organs [sic]…"[63] and that "the issue [of verification] can never be on the agenda for DPRK-U.S. talks"[64].

3) Normalization of DPRK-ROK Relations.

The DPRK cannot execute a successful economic opening unless it demobilizes, and it cannot demobilize unless it comes to terms with the right of the Republic of Korea to co-exist with it on the Korean Peninsula. Consequently, an indispensable marker of movement toward reform and opening would be a change in North Korea's official stance concerning

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[62] *Nodong Sinmun*, June 1, 2001, translated as "DPRK Daily Full Front-Page Article Discusses 'National Pride'", *FBIS*-EAS-2001-0629, July 3, 2001.

[63] *Pyongyang Central Broadcasting Station*, July 8, 2001, translated as "North Korea demands compensation from USA for delay to reactor project," *BBC Monitoring Asia Pacific—Political Supplied by BC Worldwide Monitoring*, July 8, 2001.

[64] *Yonhap* News Service, August 1, 2001, reprinted as "ROK's Yonhap: N.K. Says U.S. Demands for Verification Ruse to Disarm It," *FBIS*-EAS-2001-0801, August 2, 2001.

the legitimacy of the ROK. If North Korea displayed a new attitude toward the legitimacy of the ROK, the indications of this change would be direct and unmistakable: its highest figures and its official media would simply disclose that they were prepared to accept the existence of the South Korean state, that they recognized the ROK's right to conduct its own foreign policy, and they respected (while respectfully disagreeing with) Seoul's decision to maintain a military alliance with the United States. No such disclosures have been offered to date.

In sum: there is little evidence that North Korea has yet embarked upon a path to "reform" and "opening", with all the transformations in polity this path would foreshadow. That oft-discussed strategy for economic survival appears, as yet, to be an option not chosen by the DPRK's own leadership. How long the DPRK can survive on its current trajectory is anyone's guess. My personal guesses on this score have admittedly been off the mark. But if our analysis is correct, the specter of an economic collapse is a ghost that haunts the DPRK to this very day - and one that will not be exorcized unless or until North Korea's leadership agrees to undertake what, in a very different context, they have called "a bold switch-over". Whether Pyongyang accepts such a challenge remains to be seen.

ASSESSMENT OF THE JOINT STATEMENT OF THE SIX-PARTY TALKS

Koh Yu-hwan*

The so-called "Agreed Framework", which the United States and North Korea concluded in Geneva in October 1994 for the dismantlement of the North's nuclear program, made it possible for Pyeongyang regime to secure a "bridgehead" to overcome the impending crisis. While snags in North Korea-U.S. relations continued to persist under the Clinton administration, in spite of the Geneva agreement, the underlying structure of the agreement remained intact overall. Although relations between the two adversaries were frayed on occasion, Pyeongyang and Washington were able to negotiate and reach a compromise on the key issues that divided them.

These matters included the North's promise to "freeze its nuclear program", in accordance with the terms of the Agreed Framework (October 1994); Pyeongyang's agreement for a U.S.-led "inspection" of suspected underground nuclear facilities at Kumgchang-ri (March 1999); the North's decision to declare a moratorium on the testing of its Daepodong 2 long-range missile (September 1999); and the exchange of high-level special envoys and issuance of a U.S.-North Korea joint communiqué (October 2000). In this regard, a mutually beneficial arrangement, which was aligned with the U.S. "engagement and enlargement" strategy as well as North Korea's strategy of ensuring its "survival", appeared to have been in place.

However, the January 2001 inauguration of the George W. Bush administration, which adopted a "policy of using U.S. power to reestablish American hegemony", dealt a serious body blow to North Korea's efforts to improve its heretofore hostile relations with the United States. Along with labeling North Korea as a "rogue regime" that produces weapons of mass destruction, since the onset of the Bush administration, Washington has repeatedly insisted that North Korea can only hope to improve its relations with "normal states" like the United States, Japan, and South Korea, by fully abandoning its WMD arsenal, including nuclear weapons and missiles. In response, North Korea has

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time and again claimed that the "security concerns" identified by the U.S. side are in fact the result of its own "hostile policy and aggressive actions toward North Korea", and as such these concerns could be dealt with once Washington abandons its hard-line policy.

This confrontation between North Korea and the United States is rooted in the differing perspectives that each side brings to the negotiation table. While the United States deals with North Korea in accordance with its global strategy, which is focused on the war against terror and non-proliferation of weapons of mass destruction, North Korea has sought, as part of its survival strategy, to improve its relations with Washington by playing a WMD card, including the threat of nuclear weapons and missiles. As such, this conflict between the two countries is bound to persist until a package deal is reached that would resolve the key issues pending between the two sides, such as the U.S. demand that North Korea address its security concerns and North Korean calls for Washington to abandon its hard-line stance toward Pyeongyang and extend security assurances to North Korea's regime.

Three years have passed since U.S. officials first raised concerns in October 2002 about North Korea's development of highly enriched uranium (HEU), which could be used for the development of nuclear weapons. Based on a series of summit and Trilateral Coordination and Observation Group (TCOG) meetings in April and June 2003, South Korea, the United States, and Japan agreed on a basic strategy that the North Korean nuclear crisis should be resolved in a peaceful manner, as part of an approach that combined dialogue with pressure. In accordance with this strategy, the international community has, on the one hand, pushed for the operation of multilateral dialogue frameworks, such as three-party and the subsequent six-party talks, while on the other hand, maintaining pressure on the North through such means as the U.S.-led "Proliferation Security Initiative" (PSI) and "North Korean Human Rights Act".

Roh Moo-hyun Administration's Policy Approach to North Korea

The Roh Moo-hyun administration (Participatory Government) has established the following objectives: (1) adoption of a "policy of peace and prosperity" toward North Korea and Northeast Asia, (2) continuation and expansion of the previous administration's "sunshine policy", (3) pursuit of a "Northeast Asian business hub" endeavor as its primary

economic development objective, and (4) promotion of a "Northeast Asian Cooperative Initiative" as a national vision for the future. The policy for peace and prosperity is focused on peaceful development of the Korean peninsula, and as such encompasses unification, diplomacy, and defense-related matters, while also emphasizing the need to strike a balance between "peace and prosperity" in regard to security and economy-related issues.

This policy for peace and prosperity is centered on two overarching goals: first, assuring peace on the Korean peninsula, and second, pursuing the mutual prosperity of South and North Korea and contributing to the prosperity of Northeast Asia. In broadening the scope of its application, the Participatory Government's policy for peace and prosperity promotes peace and prosperity not only on the Korean peninsula but throughout Northeast Asia as well.

The Roh Moo-hyun administration has thus adopted four fundamental principles for satisfying the objectives of its policy for peace and prosperity: (1) resolution of issues through dialogue, (2) promotion of mutual trust and common interests, (3) international cooperation between the parties directly concerned, and (4) expansion of public participation. In accordance with these guiding principles, the Roh administration has placed significant emphasis on public opinion and sought to ensure that its policies toward North Korea and unification are implemented in a transparent manner. The Roh government has emphasized the importance of mutual trust and common interests in order to bring about changes in North Korea's attitude, along with focusing efforts on enhancing the public's participation in the formulation and implementation of policy toward the North. In response to the current crisis related to North Korea's nuclear endeavors, the Seoul government has also announced, in terms of its overall policy toward North Korea, that it would oppose: war on the Korean peninsula, imposition of sanctions or a containment policy toward North Korea, and efforts to promote collapse of the North Korean regime.

The Roh administration, which came to power with the North Korean issue unresolved, has further declared that North Korea's possession of nuclear weapons would not be accepted under any circumstances and the North Korean situation can be peacefully resolved through dialogue. Moreover, the South should play an active role in resolving the North Korean problem, while preventing any heightening of tension on the Korean peninsula and guiding the current situation to a peaceful settlement. In coming into its own at a time when the security

crisis on the Korean peninsula had reached an apex, the Roh administration has, under its principle of bring about a peaceful resolution to the North Korean nuclear issue, called for North Korea to completely and verifiably abandon its nuclear ambitions, security assurances to be extended to Pyeongyang, and economic assistance to be provided to the North.

Following a meeting of Korea's National Security Council held on July 12, 2005, the Seoul government officially announced that an "important proposal" had been offered to North Korea during the meeting between South Korea's Unification Minister Chung Dong-young and North Korea's leader Kim Jong-il on June 17, 2005. This "important proposal" has enabled South Korea to assume the initiative in playing a facilitator role in resolving the North Korean nuclear issue by offering the North a substantial incentive, in the form of the provision of large-scale electricity assistance, to accept a negotiated resolution. In terms of the security guarantees and economic reconstruction assistance that North Korea has repeatedly demanded, the South Korean government is likely to urge Washington to conduct direct negotiations with Pyeongyang, for the provision of security guarantees to the regime, while Seoul would assume the primary role of assisting with North Korea's economic reconstruction.

North's Nuclear Declaration and Attempts to Sway Six-Party Talks

The fourth round of the six-party talks was originally scheduled for September 2004. However, North Korea refused to attend at that time. In all likelihood, this refusal was intended to make known its dissatisfaction and opposition to Washington's adoption of the North Korean Human Rights Act, immediately after the third round of six-party talks, as well as its desire to assess the political landscape after the U.S. presidential election, slated to be held in November 2004. Washington's efforts to legislate the North Korean Human Rights Act, aimed at undermining the Pyeongyang regime, immediately after its announcement of presenting a "constructive proposal" during the third round of the six-party talks, probably caused North Korea to have second thoughts about participating in another round of six-party talks. In this regard, North Korea announced that it could only wonder whether there was any purpose in continuing to hold talks with the U.S. side, under the prevailing circumstances in which the United States had adopted the nuclear and human rights issues as the

two pillars of its isolation and pressure policy toward North Korea, while Washington continued to agitate the North with its deeply rooted hostility and rejection of the North Korean system.

North Korea expected that, following the U.S. presidential election, Washington would tone down its hostile attitude toward North Korea. However, upon the re-election victory of Bush, his administration wasted no time in labeling the North as an "outpost of tyranny" and calling for an expansion of freedom, which seemed to have significantly disappointed the North and forced it to resort to a "high risk" strategy of publicly announcing its possession of nuclear weapons. Such an admission represented the highest level to which North Korea could ratchet up its rhetorical gamesmanship. Should North Korea create an even more serious crisis, through such tactics as a nuclear test or the proliferation of nuclear weapons, the very survival of North Korea could be threatened.

North Korea and the United States have been playing a game of chicken, like two cars driving directly toward each other at full speed, ever since the latest North Korean nuclear crisis emerged in October 2002. In exaggerating its nuclear capability, North Korea has consistently ratcheted up the war of words with its brinkmanship tactics, which reached a climax with its nuclear declaration. Conversely, Washington has adopted a stance in which it has alternated between overstating and downplaying North Korea's nuclear threat, along with demanding that, in accordance with the "Libyan model", Pyeongyang should agree to abandon its nuclear program.

North Korea's nuclear declaration and refusal to participate in the six-party talks, both of which were announced in a statement issued by its foreign ministry on February 10, 2005, served to escalate tension on the peninsula. For their part, South Korea, the United States, and Japan responded to the North's announcement by stating that that all issues of concern and interest, including the provision of security guarantees, abandonment of a hostile policy toward North Korea, and extension of energy and economic support to the North, would be on the table if North Korea agreed to return to the six-party talks and engage in earnest discussions with the lead negotiators.

Meanwhile, China responded by hurriedly dispatching Wang Jiarui, Minister of the International Department of the Central Committee of China's Communist Party, to Pyeongyang to ascertain the specific factors behind North Korea's refusal to attend the six-party talks. North Korea's National Defense Commission Chairman Kim Jong-il is said to have told Wang during their meeting on February 21 that the North would

"return to the negotiating table when the conditions for the six-party talks are ripe". In addition, Chairman Kim is reported to have told Wang that North Korea would resume the talks if the United States agreed to: (1) offer the North a security guarantee, (2) treat the North as an equal party at the negotiating table, (3) present realistic proposals, and (4) clearly explain its reasons for labeling North Korea as an outpost of tyranny.

Kim Jong-il's comments can be regarded as a reaffirmation of North Korea's intention to realize a nuclear-free peninsula, which the North has repeatedly advocated, and to reiterate its demand that the United States abandon its hostile policy toward North Korea, which Pyeongyang has established as a precondition for resumption of the six-party talks. Thus, Chairman Kim's remarks serve to again demonstrate that the ultimate objective of the North in announcing its possession of nuclear weapons was not to become a nuclear country, but to express its willingness to give up its nuclear programs and denuclearize the Korean peninsula, provided that acceptable conditions are in place. North Korea has gone to great lengths to emphasize the fact that the realization of this objective has been greatly complicated by the U.S. intransigence. Believing that the talks could only be restarted if Washington made known its intentions, China sought to expeditiously coordinate the U.S. position. To this end, Beijing postponed President Hu Jintao's scheduled visit to Pyeongyang and carried out various efforts to prevent the North Korean nuclear situation from worsening, while pushing for timely resumption of the six-party talks.

In a foreign ministry statement released on March 2, 2005, North Korea officially announced that it was willing to return to the six-party talks provided that there was adequate justification for its participation and the conditions were ripe. It also claimed: "Since this crisis has been the product of the extremely hostile policy of the Bush administration, the key to the resolution of the nuclear issue is for the United States to change its hostile attitude toward North Korea and adopt a policy of peaceful co-existence".

The North's nuclear declaration was followed by its emphasis of a need to link the eventual denuclearization of the peninsula to such issues as arms reduction and dismantlement of the Cold War structure. Of note, this linkage of the six-party talks, with denuclearization of the Korean peninsula and dismantlement of the Cold War structure on the Korean peninsula and in Northeast Asia, represented a new approach for Pyeongyang.

In a *Rodong Shinmun* article, the North contended that the U.S. security policy in Northeast Asia was a part of an effort to use its security alliance with South Korea and Japan to ensure perpetuation of the Cold War structure, and thus contain North Korea and China. Furthermore, Pyeongyang has argued that Washington has used the perceived threat of North Korea as an excuse to hasten the reinforcement of its trilateral alliance with Japan and South Korea and the development of a trilateral missile defense system. Consequently, North Korea claims that this would enable the United States to launch a preemptive attack against North Korea at any time, while in the long run serving to check China's missiles and nuclear weapons. In short, the North maintains that the United States is seeking, at the expense of North Korea and China, to maintain the Cold War structure in Northeast Asia.

A notion of dismantling the Cold War structure on the Korean peninsula was also advanced by the Kim Dae-jung administration, which advocated the establishment of a permanent peace regime on the peninsula. Although somewhat different, in terms of its objectives and means of dismantling the Cold War structure on the Korean peninsula, North Korea's new approach to resolution of the nuclear issue can be seen in a similar light as the Kim Dae-jung government's initiative, and therefore should be recognized as a significant shift in the North's outlook.

The North's nuclear declaration and announcement of its refusal to attend the six-party talks (February 10, 2005) was followed by a statement issued by its foreign ministry on March 31, in which Pyeongyang stressed that the six-party talks should be expanded to discuss denuclearization as well as arms reduction measures. U.S. Secretary of State Condoleezza Rice's acknowledgement of North Korea as a sovereign state during a trip to Asia in mid-March led to North Korean calls for the United States and North Korea, as a "sovereign state in possession of nuclear weapons", to conduct comprehensive discussions as equal parties on the denuclearization and disarmament of the Korean peninsula at the six-party talks.

North Korea then went on to claim that the six-party talks should serve as a venue to comprehensively discuss methods for satisfactorily realizing denuclearization of the Korean peninsula, rather than involving a give-and-take process, since the time to talk about a tit-for-tat solution, such as a nuclear freeze in exchange for compensation, had already passed. In addition, the North stressed: "Now that we have become a country in possession of nuclear weapons, the six-party negotiations

should, as a matter of fact, become negotiations on arms reduction involving all participants on an equal footing".

Suspicions that North Korea was developing highly enriched uranium for nuclear weapons were alleged in October 2002 during U.S. Assistant Secretary of State James Kelly's visit to North Korea. In a foreign ministry statement issued on October 25, 2002, North Korea demanded that the United States recognize its sovereignty, conclude a non-aggression treaty, and remove all obstacles to the North's economic development. North Korea's demand for a non-aggression treaty with the United States appears to have been aimed primarily at eliminating the threat of war and serving as a transitional measure prior to a formal peace agreement.

The General Association of Korean Residents in Japan, a pro-North Korean organization, stated in its *People's Korea* publication: "North Korea and the U.S. still remain in a state of armistice, technically at war. North Korea appears to have raised the issue of a non-aggression pact in lieu of a peace treaty because it believed that the resolution of all of its problems rests with the elimination of threats to its sovereignty and right to survival. And in this regard, the most pressing matter was that of preventing the military confrontation between the two countries from deteriorating any further".

Here, attention should be paid to the fact that the North Korean foreign ministry statement of March 31, 2005 outlined terms, in regard to the resolution of the crisis, that were notably different from those included in the statement issued some 28 months earlier. Now that it has become a declared nuclear state, North Korea believes that a package settlement and tit-for-tat process, under which U.S. actions are premised upon North Korea's abandonment of its nuclear programs, must be fundamentally altered. As such, the previous "freeze for compensation" proposal is thus no longer open for discussion. While nuclear programs can be frozen in exchange for compensation, such a give-and-take solution is not applicable when dealing with a country that is already in possession of nuclear weapons.

In this light, *People's Korea* argued that while in the past a non-aggression pact was seen as a means of preventing the military confrontation from worsening and avoiding conflict on the peninsula, now that North Korea is a declared nuclear state, the focus must be shifted from a desire to maintain the status quo to a need for fundamental adjustment of the attitude of the United States, which for long has repeatedly made nuclear threats against the North. The North Korean

regime seems to have determined that it should move beyond mere pronouncements and immediately enter a phase of rooting out all elements conducive to war in order to end the military confrontation through practical actions, including arms reduction.

North Korea maintains that since it now possesses nuclear weapons there is no reason for a multi-phased process to resolving the nuclear problem. According to the North, this is because the methods for denuclearizing the Korean peninsula will materialize when the United States and North Korea, as nuclear powers, can agree to discuss the undertaking of simultaneous actions. Asserting that the North Korean people consider the current situation as a point of no return in regard to a comprehensive resolution of the confrontation with Washington, Pyeongyang appears to believe that the declaration of its possession of nuclear weapons means that the conflict between North Korea and the United States over the nuclear issue has now entered a final phase.

To this end, North Korea now claims that the six-party talks should be expanded to discuss arms reduction measures in order to transform the Cold War-related military and political structure that still can be seen throughout Northeast Asia. The North thus claims its desire to pursue disarmament talks means that it has already started to draw up plans to ensure the emergence of permanent peace and security in Northeast Asia. This implies that North Korea is formulating comprehensive measures for the purpose of dismantling the 60-year-old Cold War structure that has remained in place since the end of World War II.

North Korea's nuclear declaration was followed by speculation as to whether the North might carry out nuclear tests, or the United States would refer the North Korean nuclear issue to the U.N. Security Council, or even launch preemptive measures. Immediately following the declaration, the United States and North Korea exchanged barbs about each other's leader. As such, after U.S. President Bush described Kim Jong-il as a "tyrant," North Korea responded by calling President Bush a "hooligan". Meanwhile, although U.S. Secretary of State Rice repeatedly acknowledged that North Korea was a sovereign state, North Korea continued to insist that a U.S. apology, for labeling the North as an "outpost of tyranny," would be a precondition for resumption of the six-party talks.

In this way, tension on the Korean peninsula sharply intensified after North Korea's nuclear declaration on February 10, 2005, and its subsequent announcement that it would no longer participate in the six-party talks. The passage of almost a full year since the third round of six-

party talks led to rumors about a June crisis, as patience began to wear thin. For awhile, foreign media outlets carried what seemed like daily reports about how North Korea might be in the process of preparing for a nuclear test, which on occasion was cited for having a negative impact on the U.S. stock market.

However, from May 2005, North Korea sought to turn this crisis situation into an opportunity for dialogue by announcing that it had completed removal of spent fuel rods and was prepared to resume inter-Korean talks. These measures were undertaken as a result of the North's growing unease about an increasingly perilous atmosphere on the Korean peninsula amidst swirling rumors about a North Korean nuclear test and an impending June crisis. North Korea's claim on May 11 that it had completed the extraction of spent fuel rods was thought to indicate that while it would not carry out a nuclear test at this time, it nevertheless planned to further expand its nuclear arsenal.

Recognizing the drastic risks and reactions that would result from any nuclear test, North Korea appears to have sought to apply pressure on the United States by implying that it was pursuing efforts to bring about a quantitative change in the equation by increasing its nuclear arsenal rather than a qualitative advancement by conducting nuclear testing. Pyeongyang's bluster about spent fuel rods seems to have been aimed at putting pressure on the Bush administration by taking advantage of U.S. domestic criticism that Washington's failure to address the North Korean nuclear issue in a timely manner had enabled the North to increase its nuclear arsenal. This strategy also appears to have been designed to use the two-month or so period, required for the cooling of spent fuel rods before they can be reprocessed, as an opportunity to negotiate with the U.S. side. In this context, the rumors of a June crisis can be seen as the result of groundless reports by the foreign media.

An exacerbation of the North Korean nuclear situation will have a negative impact on South Korea's economy and international credit rating, both of which have only recently started to recover. Therefore, the South needs to objectively assess the current nuclear crisis, while playing a leading role in safely managing the situation and reaching a peaceful settlement. In this regard, the current crisis should neither be underestimated nor overestimated. Above all, North Korea's intentions must be accurately assessed for a proper understanding of the situation and related developments. North Korea's rejection of the U.S. demand that it first proceed with the dismantlement of its nuclear weapons and programs is based on its negative perceptions of the way that events

unfolded in Iraq. Even though Iraq allowed U.N. inspections and no weapons of mass destruction were found, the Hussein regime was nevertheless toppled by a U.S. military invasion. Because of this scenario, North Korea regards sanctions and a referral of the North Korean nuclear issue to the U.N. Security Council as the equivalent of a declaration of war.

For North Korea, a military state that imposes a "military-first" policy, abandoning its nuclear weapons and programs without any reciprocal action from the United States would be tantamount to its disarmament and submission. North Korea's leadership would be hard-pressed to maintain their grip on power if they agreed to abandon its nuclear weapons and programs before an acceptable settlement. Accordingly, North Korea has persistently demanded that the United States enter into a non-aggression treaty, while also indicating its receptiveness to a multilateral security guarantee. In this regard, North Korea will in all likelihood agree to abandon its nuclear weapons and programs and implement reforms and a policy of more openness once it receives a security guarantee from the United States.

The bottom line is that the ability of the North Korean regime to survive would be seriously undermined should it decide to press ahead with a nuclear test under the current circumstances. The Kim Jong-il regime has played the nuclear card as a means of ensuring its survival, and would not be so foolish as to cross over the line and ensure its own demise. Should it in fact go ahead with a nuclear test, North Korea could very well fall into a trap set by Washington. On March 23, President Bush announced he was a patient person and that he had set no deadline for resumption of the six-party talks. Although the Bush administration must deal with the pressure created by widespread domestic criticism that its failure to resolve the North Korean nuclear crisis has enabled the North to expand its nuclear arsenal, it may also be thinking of using the perceived North Korean threat as the justification for developing the missile defense system it seeks to keep China in check.

North Korea's exacerbation of a crisis atmosphere through such actions as a nuclear test or the transfer of nuclear materials could result in the imposition of sanctions, including referral of the North Korean nuclear issue to the U.N. Security Council, along with finding itself hard-pressed to secure much-needed assistance from China and South Korea. Under the current circumstances, in which Washington has simultaneously focused attention on both the nuclear and human rights issues together with intensifying pressure on North Korea directly and

indirectly, it has been China and Korea that have played a meditative role to keep the situation under control.

If North Korea crosses the "red line" by taking actions that worsen the situation, including a nuclear test, China and Korea will find it difficult to maintain their support of the North. Amid signs of a leadership crisis due to a series of policy failures, the North could find itself faced with a dire situation that could lead to an "implosion", if it takes the wrong steps or agrees to resolve the nuclear issue prematurely. The U.S. president may enjoy a prerogative of exercising patience, but the North Korean people, who have had to endure an "arduous march" over the past ten years, might not be willing or able to survive their ongoing hardship if the nuclear issue continues to drag on indefinitely.

Joint Statement from the Fourth Round of Six-Party Talks

Basic Structure for Resolving the Crisis

After a three-year-long standoff, a basic framework has finally been formulated to resolve the North Korean nuclear crisis, which emerged in October 2002 when U.S. officials made known their "suspicion" that North Korea was secretly developing highly enriched uranium for nuclear weapons. The joint statement, which was agreed to by the parties on September 19, 2005, during the second phase of the fourth round of the six-party talks, outlines a structure and principles for moving forward with resolving the North Korean nuclear issue, as well as a process for pursuing a peace system on the Korean peninsula and multilateral security cooperation in Northeast Asia, thereby laying a foundation for dismantlement of the Cold War structure throughout the region. This joint statement can be perceived as a willingness of the six-party talks participants to pursue a new peace process for the Korean peninsula that would replace the Geneva Agreed Framework signed by North Korea and the United States in October 1994.

By agreeing to discuss the provision of light water reactors (LWR), a serious bone of contention that remained an obstacle to a breakthrough in the negotiations up to the very last minute, at "an appropriate time", North Korea and the United States reached the agreement needed to avert a potential catastrophe and normalize relations based on a principle of peaceful coexistence. North Korea "committed itself to abandoning all nuclear weapons and existing nuclear programs", while the United States

"reaffirmed that it has no intention to attack or invade North Korea with nuclear or conventional weapons". In this way, the two countries essentially exchanged an abandonment of nuclear weapons and programs in return for a guarantee of the regime's security. Both sides pledged in the joint statement to "respect each other's sovereignty, exist together peacefully, and take steps to normalize their relations in accordance with their respective bilateral policies". Such a promise can be interpreted as a demonstration of U.S. recognition of North Korea as a sovereign state and its resolution to coexist with the North.

The U.S. side emphasized its strong desire to provide the North Korean regime with a security guarantee by clearly stating that it has no intention to attack North Korea with nuclear or conventional weapons. In a joint statement issued on June 11, 1993, the United States agreed to provide the North with "assurances against the threat and use of force, including nuclear weapons". Then, in the Geneva accord, Washington granted "assurances against the threat or use of nuclear weapons". The specific reference to conventional weapons in the six-party talks joint statement was intended to alleviate the insecurity of the North Korean regime, along with laying a foundation for the establishment of a peace regime on the Korean peninsula and eventual disarmament, once the North Korean nuclear issue has been resolved. Such U.S. assurances that it had no intention to use aggression against the North will provide the Pyeongyang leadership with an opportunity to rein in its hard-line military elements and to transform its existing "garrison state system" and military-first policy into a more normal state structure.

Of note, North Korea displayed an exceptionally positive attitude during the latest session, while even stating that denuclearization of the Korean peninsula had once been decreed by President Kim Il-sung himself. North Korea has probably been increasingly concerned that continuation of the confrontation over the nuclear issue with the international community would serve to worsen the regime's crisis and even lead to an implosion of its society. In the face of increasing isolation and intensifying pressure from the international community since the outbreak of this nuclear crisis in October 2002, the North Korean leadership seems to have concluded that it had no other choice than to make a strategic decision of agreeing to abandon its nuclear weapons and to pursue economic reconstruction.

For its part, the United States appears to have retreated from its original stance in deciding to recognize North Korea's right to use nuclear power for peaceful purposes and to discuss the provision of light water

reactors at an appropriate time. This apparent shift has in all likelihood been the result of the Bush administration's precarious position due to such factors as the seemingly endless war in Iraq, the extensive damage caused by Hurricane Katrina, and the complex Iranian nuclear issue. Washington's decision to respect North Korea's right to peaceful use of nuclear energy and to reach a negotiated agreement with North Korea seems to have considered the criticism that President Bush might face from the international community if the United States was blamed for a breakdown in the talks due to its unwillingness to accept North Korea's right to use nuclear power for peaceful purposes, to which all sovereign states are entitled. In other words, the Bush administration appears to have perceived a need to reach an agreement on the North Korean nuclear issue to prevent its approval rating from slumping any further. The conclusion of the fourth round of the six-party talks without an agreement would have created a perception that the six-party talks are in fact a futile process, and thus strengthened the hand of those who favored a tougher stance toward North Korea. Fortunately, the agreement reached during the eleventh hour of this round of talks has provided a boost to those who supported negotiating with North Korea.

Controversy over Provision of Light Water Reactors

On September 20, 2005, the day after the joint statement was announced, North Korea created a stir by declaring in a foreign ministry statement that it would return to the Nuclear Non-Proliferation Treaty (NPT) only after its receipt of light water reactors. It is thus no exaggeration to say that the key to implementing the joint statement provisions will involve the resolution of how light water reactors are provided, the timing of North Korea's return to the NPT, and its compliance with IAEA safeguards. Since North Korea has established its receipt of a light water reactor as a precondition for its return to the NPT, there is a high probability that such a light water reactor and inspection and verification matters will be intertwined. A difficult situation may arise if North Korea seeks to link the scope and sequence of the inspection of its nuclear facilities to its receipt of light water reactors.

If North Korea adopts a positive attitude toward denuclearization of the Korean peninsula, it may well find itself with an opportunity to receive nuclear power reactors within the framework of the six-party talks. However, implementation of the joint statement will reach an impasse if the North insists on the provision of light water reactors as a

precondition to denuclearization. The recognition of its right to the peaceful use of nuclear energy during the recent talks has made it possible for North Korea to receive much-needed electricity aid, while also leaving open the possibility of being provided a light water reactor somewhere down the road.

By standing pat about its right to the peaceful use of nuclear power during the six-party talks, North Korea was able to get the other parties to agree to discuss the provision of light water reactors at an appropriate time. Such an agreement may have been sought by the North Korean side in order to prevent the executive board of the Korean Peninsula Energy Development Organization (KEDO) from putting an end to the Sinpo light water reactor project. The partially completed light water reactor facilities at Sinpo are of great significance to North Korea, because it was part of the Geneva Agreed Framework, which brought the first North Korean nuclear crisis of 1993-94 to a close.

It can be said that North Korea has sought to preserve the light water reactor project, for which it utilized "brinkmanship diplomacy" and endured a more than 10-year "arduous march" ordeal, because it regards the reactors as the fruit of its hard-fought negotiations. In this regard, the North Korean leadership would be seriously undermined if construction of these light water reactors should be discontinued before completion. Such an outcome could lead to severe criticism within North Korea about what was gained by the arduous march, which contributed to the death by starvation of perhaps 10 percent of the North Korean population. Thus, North Korea in all likelihood was compelled to demand recognition of its right to the peaceful use of nuclear energy and provision of light water reactors in order to avert a potential domestic catastrophe.

North Korea has also demanded that light water reactors be constructed to compensate for the loss of electrical output related to its agreement to freeze the construction of its graphite-moderated reactors and related facilities, Taechon plant 200MW(e) and Yongbyon site 50MW(e), in accordance with the Geneva agreement. In terms of practical benefits, North Korea is eager for light water nuclear power plants to become operational because they would provide the electricity needed for the North's economic recovery, once the nuclear issue is settled.

During the first phase of the fourth round of the six-party talks, the U.S. side stated that it could not accept North Korea's right to the peaceful use of nuclear energy for several reasons. First, was the U.S. dissatisfaction with North Korea's refusal to acknowledge the existence of its secret highly enriched uranium program, which triggered the second

North Korean nuclear crisis. In this regard, the United States was more worried about the potential for nuclear weapons to be made from highly enriched uranium than the existing plutonium-related program, because the former can be produced in underground nuclear facilities, which are easier to conceal, and then distributed to terrorist groups or nations, and used against U.S. interests.

Second, in all likelihood, Washington did as much as possible to deny North Korea's right to nuclear power for peaceful purposes as a means of applying pressure on Pyeongyang to accept South Korea's "important proposal". The Seoul government held a National Security Council meeting on July 12, 2005, during which it officially announced details of the "important proposal" that had been presented by South Korea's Unification Minister Chung Dong-young to North Korean leader Kim Jong-il at their meeting on June 17, 2005. From a strategic standpoint, this "important proposal" marks a turning point because it demonstrates South Korea's willingness to take the initiative in resolving North Korea's nuclear issues and to play a facilitator role by offering to the North an incentive, in the form of substantial electricity aid, to negotiate in good faith.

This proposal can be interpreted as Seoul's desire to encourage Washington to hold direct talks with Pyeongyang on the provision of a security guarantee, based on South Korea's agreement to assume the leading role in providing the needed assistance for North Korea's economic reconstruction. The 2 million KW(e) of electricity assistance that South Korea has pledged to provide the North is equivalent to the electric output that would have been generated by the two light water reactors, which under the Agreed Framework had originally been slated to be completed by 2003. In fact, this amount of electricity aid would be roughly equal to North Korea's current electric output overall. Shortly after the announcement of this important proposal, U.S. Secretary of State Condoleezza Rice praised the initiative for being "a very creative proposal that will be conducive to the resolution of the North Korean nuclear issue". From the U.S. standpoint, South Korea's important proposal was indeed welcome news since it has been conditioned on North Korea's abandonment of nuclear weapons and discontinuance of the construction of the Sinpo light water reactor project, thereby effectively preventing North Korea from developing additional nuclear weapons, along with not calling for cost-sharing from the U.S. side.

As such, there is widespread belief that the United States refused to acknowledge North Korea's right to the peaceful use of nuclear energy in

order to pressure Pyeongyang to accept Seoul's important proposal. U.S. Assistant Secretary of State for East Asian and Pacific Affairs Christopher Hill, the U.S. representative at the six-party talks, has maintained a view that the light water reactor issue is simply an implausible pipe dream for North Korea. Citing the example of an individual who may have the right to purchase a Porsche but could not afford to actually do so, he has urged North Korea to abandon the idea of acquiring light water reactors and to instead accept South Korea's important proposal.

Third, the U.S. desire to have the Geneva accord scrapped so that construction of the Sinpo light water reactor project would be discontinued appears to be another factor behind its refusal to recognize North Korea's right to the peaceful use of nuclear energy. Claiming that North Korea had breeched the terms of the Agreed Framework, Washington suspended the provision of heavy oil to the North and halted construction of the light water reactors in response to North Korea's apparent admission of its operation of a highly enriched uranium program in October 2002.

North Korea has yet to officially respond to South Korea's important proposal. Although it has persistently demanded that construction of the light water reactors be resumed in order to assure a stable source of electricity, the North seems likely to end up accepting South Korea's proposal as a transitional measure. Nevertheless, Pyeongyang is concerned that changes in Seoul's political situation could result in a suspension of this assistance and thus does not want to be overly dependent on the South for its electric power. In addition, North Korea will be extremely reluctant to accept an abandonment of the Sinpo light water reactor project. Due to such North Korean concerns, immediately following the public announcement of the important proposal, South Korea's Unification Minister Chung Dong-young noted that it would be more appropriate to refer to the light water reactor project as being "frozen" rather than "terminated".

The United States has presented three preconditions that would have to be in place before it could recognize North Korea's right to the peaceful use of nuclear energy: abandonment of all nuclear programs, return to the NPT, and restoration of trust with the international community. As such, Washington has not ruled out providing the North with light water reactors after its nuclear programs have been completely abandoned. U.S. negotiator Christopher Hill stated, right after the talks in Beijing, that the United States would discuss the North's use of nuclear

energy for peaceful purposes, including the provision of a light water reactor, only when North Korea has been found to be in full compliance with the NPT and IAEA safeguards. Meanwhile, U.S. Secretary of State Condoleezza Rice stressed that a number of other nations have also made it clear that the appropriate time to discuss the light water reactor issue will come after North Korea has returned to the NPT and abided by IAEA safeguards (Yonhap News, September 20, 2005).

While the United States made it clear after the announcement of the joint statement that North Korea's denuclearization would have to come before any discussion about the provision of light water reactors, North Korea stated in its foreign ministry statement that it would only return to the NPT and sign the Safeguards Agreement with the IAEA after it had been provided with light water reactors, which it claims to be essential for the building of confidence between the two sides. North Korea views the U.S. demand that its abandonment of nuclear ambitions should serve as the starting point for negotiations as being tantamount to disarmament and submission, and as such has declared that it will only give up its nuclear programs once confidence-building measures have been implemented, including the provision of light water reactors.

North Korea clearly stated in its foreign ministry statement that the basis for finding a solution to the nuclear issue was to eradicate the historical distrust between the two countries, such that "the physical groundwork for building mutual confidence would be for the United States to provide the North with light water reactors". Pyeongyang also stressed the fact that it would only abandon its nuclear weapons after it sees a change in the U.S. hostile policy toward North Korea, the root cause that led the North to seek a nuclear deterrent in the first place, and that such a policy shift would be demonstrated by the U.S. agreement to provide the North with light water reactors. As North Korea hastily agreed in the joint statement to discuss the provision of light water reactors at an appropriate time, it was forced to make known that it would only return to the NPT after being provided light water reactors in order to gain an upper hand in the upcoming negotiations.

Although North Korea and the United States both agreed to the joint statement, they have interpreted the terms differently, in that, while North Korea has demanded that it be provided with light water reactors before it gives up its nuclear weapons, the United States has called for a reverse sequence of events. As such, the timing of the provision of such light water reactors will undoubtedly represent a contentious issue. Under these circumstances, the South Korean government has stated that

discussions on the provision of light water reactors could get underway as soon as possible, even if this is conditioned on North Korea's compliance with the NPT and IAEA safeguards. Although the concerned parties were able to reach an agreement to prevent a catastrophic breakdown of the talks through "creative ambiguity", a clash arose over the interpretation of the joint statement even before the ink had a chance to dry.

Even though North Korea has been adamant in insisting on its receipt of light water reactors as a prerequisite to denuclearization, it probably did not expect the U.S. side to accept such a position. Previously, Pyeongyang had demanded the conclusion of a non-aggression treaty between North Korea and the United States (October 25, 2002), but wound up settling for a multilateral security guarantee. It also called for the six-party talks to be broadened to include discussion of arms reduction on March 31, 2005, but then did not raise this issue during the fourth round of the six-party talks.

Tasks to Implement Agreement

Due to the mutual distrust that has built up between North Korea and the United States since the conclusion of the Agreed Framework, Pyeongyang has called for confidence-building measures and demanded that light water reactors be provided prior to its return to the NPT. However, the joint statement issued at the conclusion of the fourth round of the six-party talks is fundamentally different from a bilateral agreement. In the case of a bilateral agreement, mediation between the two parties can be difficult when one side blames the other for a failure to comply with the agreement terms, leading to mutual distrust.

But in the case of multilateral negotiations, such as the six-party talks, a multilateral system is in place under which the results of bilateral negotiations between North Korea and the United Stated are more likely to be properly implemented due to the involvement of the other parties. Therefore, it is necessary for North Korea to discard its fixation that abandonment of its nuclear weapons beforehand would be tantamount to its disarmament or submission. Rather, it should agree to give up its nuclear weapons in order to gain the trust of the international community and subsequently position itself for an opportunity to acquire light water reactors. Such a shift in attitude of the North Korean leadership will provide a shortcut to the ultimate resolution of this crisis.

The North Korean nuclear issue, a product of the hostility that has existed between North Korea and the United States since the end of the

Korean War, includes both historical and structural characteristics. The resolution of decade-old North Korean nuclear issues through short-term negotiations will not be a simple task, as much time and effort are required to develop a workable structure to denuclearize the Korean peninsula. Moreover, the longstanding distrust between North Korea and the United States cannot be overcome in a brief period of time. Nevertheless, the subject nations, in accordance with an "action for action" principle, should conduct high-level political talks to devise a detailed roadmap to implement the broad commitments outlined in the six-party joint statement.

As such, the Seoul government should conduct a comprehensive review of the various elements of this critical accord, including the provision of a light water reactor and promotion of energy cooperation among the six nations. It also needs to adopt a proactive attitude toward the costs of such support for North Korea by accepting the financial burden as being part of the unification process. Moreover, this assistance will be used to build the infrastructure needed to facilitate inter-Korean economic cooperation, along with helping to reinforce the Korean economy and its international credit standing once the nuclear issue is settled. On September 22, South Korea's Unification Minister Chung Dong-young stated that the amount of support extended to North Korea by the South, pursuant to the six-party joint statement, would range from a minimum of 6.5 trillion won to a maximum of 11 trillion won over a period of 9-13 years (*The JoongAng Ilbo*, September 23, 2005).

Meanwhile, the Hyundai Research Institute has projected that the agreement related to the six-party talks will enable the Seoul government to realize an 11- to 18-fold return on its investment outlays. It also estimated that this agreement will result in economic benefits of some 120 trillion won for the South and about 58 trillion won for North Korea (Yonhap News, September 30, 2005; *The JoongAng Ilbo*, September 30, 2005). Thus, the time has come to end the squabbling over cost-sharing and to mobilize the resources and wisdom needed to implement the agreement. The special demands of the "northern economy" will mean explosive growth for the South Korean economy once the North Korean nuclear problem is resolved, while opening the way for an era of peace and prosperity in Northeast Asia.

Of particular note, as compared to the previous Agreed Framework, the six-party joint statement is much more likely to be effectively implemented due to its scope of application and binding force. The Geneva accord was in essence an agreement between the United

States and North Korea to exchange a nuclear freeze for security assurances and compensation. Meanwhile, the joint statement calls for North Korea's normalization of relations with the United States and Japan and dismantlement of the Cold War structure on the Korean peninsula, as well as guaranteeing the security of the Pyeongyang regime, if the North proceeds with verifiable denuclearization.

As the joint statement provisions are implemented, North Korea will be able to realize co-existence with the West, become a regular member of the international community, and rebuild its economy. Furthermore, the process of converting the truce system, which has remained in place on the Korean peninsula for more than half a century, into a peace structure, will be greatly energized as well. In addition, the establishment of a multilateral security system will do much to bolster the regional prosperity of Northeast Asia. North Korea should recognize that this might well be its final opportunity to rejoin the international community as a good-faith member, and thus overcome the "lost decade" that has been experienced since the Geneva agreement.

Conclusion

The ongoing North Korean nuclear crisis is highlighted by the clash between Washington's global strategy and Pyeongyang's survival strategy, the conflict between those who seek to maintain the Cold War structure in Northeast Asia and those who advocate its dismantlement, and the competition between the four neighboring powers for influence on the Korean peninsula to secure an advantageous position in the new Northeast Asian order that is being formed. Indeed, we now stand at a historical turning point in which the Cold War structure in Northeast Asia will either be dismantled as a result of peaceful resolution of the North Korean nuclear issue or the confrontation will continue and a "new Cold War order" will take root.

In order to realize peaceful resolution of the North Korean nuclear issue, the reconciliation and peace efforts between the two Koreas should proceed, despite the current crisis. North Korea itself has recently called for dismantling of the Cold War structure. The Perry Process (Report), released in the autumn of 1999, outlined a peace process for the Korean peninsula that was based on harmonizing the interests of the Clinton administration's engagement and enlargement policy, the Kim Dae-jung government's sunshine policy, and the Kim Jong-il regime's survival

strategy. In order to draft an "updated Perry Process", the Seoul government will need to identify the common interests of the concerned countries, formulate an innovative proposal, and then persuade North Korea and the United States to accept this approach.

To date, the U.S, policy toward North Korea appears to be focused on three objectives: preventing the proliferation of weapons of mass destruction, using the alleged North Korean threat to justify development of a missile defense system, and promoting a change of regime in North Korea. However, the specific intention of Washington has at times been unclear, which has led to occasional disagreement between South Korea and the United Stated over the means for resolving the North's nuclear issue.

Meanwhile, during a speech in Los Angeles in November 2004, President Roh Moo-hyun expressed his personal thoughts about North Korea's intentions, in regard to its effort to develop nuclear weapons, while also noting that there was certain justification for Pyeongyang's stance. His remarks seemed to have moderated Washington's hard-line policy and multifaceted strategy toward North Korea, along with having an influence on the Bush administration's formulation of its policy toward North Korea during its second term.

A peaceful resolution of the North Korean nuclear issue will require a diplomatic approach under which the United States agrees to provide the North with another opportunity to transform itself into a "normal country". Once North Korea receives a security guarantee from the United States, there is a very real possibility that it will agree to abandon its nuclear weapons and implement reforms and a policy of full-fledged openness. Since the North Korean nuclear crisis is a "product of the hostile relations between North Korea and the United States", a solution will prove elusive until the two countries are able to have serious discussions based on mutual trust and a principle of peaceful co-existence. The United States and the international community will have to provide North Korea with another opportunity to become a member of the international community; however, it is imperative for North Korea to not pass up this chance.

SIX PARTY TALKS: ROUND FOUR – THE TURNING POINT[I]

Charles L. (Jack) Pritchard*

After a hiatus of thirteen months Pyongyang announced on July 8, 2005, that it was ready to return to six party talks. There were three levels of change that took place within the administration that are responsible for a rejuvenated negotiating process that occurred over a 20-day period in Beijing, beginning in late July 2005.

The first critical change was an assessment that involved the President--probably with a small group of close advisors that took a look at the administration's North Korea policy over the last couple of years, and reached the obvious conclusion that the policy had failed. That led to the second level of change, which is extraordinarily important, and is the appointment of Condoleezza Rice as Secretary of State. In her former role as National Security Advisor, Rice was not at the center of Korea policy. She was not in charge of implementation of the president's foreign policy. But as Secretary of State she has that responsibility and is held publicly accountable. It is clear that she wants to succeed in her public role of chief diplomat. The combination of the talks that she had with the president and her ability to understand that a new direction had to take place before results could happen, led to the third level of change, which ultimately was the most important for tactical reasons: the appointment of Ambassador Chris Hill as the Assistant Secretary for East Asia and Pacific Affairs at the State Department, and as the head of delegation for discussions with the North Koreans on the six-party process.

Chris Hill is a professional diplomat; a career foreign service officer whose most recent assignment was as Ambassador to the Republic of Korea. On February 14, 2005, he was named as the Head of the U.S. delegation to the Six-Party Talks on the North Korean nuclear issue. Previously he has served as U.S. Ambassador to Poland (2000-2004), Ambassador to the Republic of Macedonia (1996-1999) and Special

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Envoy to Kosovo (1998-1999). He also served as Special Assistant to the President and Senior Director for Southeast European Affairs in the National Security Council[1]. Hill's experience in some extraordinarily tough assignments in Eastern Europe, where he was in charge of or participated in some extremely tough negotiations, has given him the qualifications to be in charge of the negotiations on behalf of the United States. But he has at heart the instinct of a professional negotiator to engage, to look for ways around problems, to seek solutions, and to support the policies of the administration as he's been given them, and also to influence development of those policies.

In addition to these policy review and personnel changes, other events have taken place that have come together to allow a fourth round of talks to occur. The constant pressure by the Chinese and the need for the North Koreans to manage that relationship is the fundamental reason why the North Koreans chose to come back to the talks at the time they did. The requirement of maintaining a relationship with China is fundamental to the national well-being of North Korea. Without it, the Kim Jong-il's regime's very survival would be in question.

I believe Pyongyang made the decision to announce their return to Six Party Talks long before the North Korean leader met with the South Korean Unification Minister, Chung Yong-dong and they were simply looking for a way to justify that decision. During the meeting with Chung, North Korean leader Kim Jong-il said that it was his father's deathbed wish that the peninsula be denuclearized. That is extraordinarily important. He did not have to make that a public announcement. He chose to do it. Had he not already made that decision to come back to the talks, we would not have heard him invoke his father's name. He also said that they were prepared to come back to the NPT and accept IAEA inspectors. The other event that some point to as an inducement for North Korea to return to talks was the South Korean decision to offer, as part of a potential settlement, 2 million kilowatts of electricity. While it certainly got the attention of the North Koreans, I do not think it was part of their decision-making process. The South Koreans' provision of 500,000 metric tons of food aid was also useful, but it was not part of the calculus of why the North Koreans came back to the talks.

More importantly, why did the North Koreans remained engaged at this point in time? It is one thing to come back to the talks, it is quite another to stay fully engaged. The conduct of Ambassador Hill and what

[1] Department of State biography, April 13, 2005.

he has been allowed to do is responsible for the first-ever two-week period of negotiations during the Bush administration. Objectively, the trilateral session involving the United States, China and North Korea in April 2003 and the first three rounds of six party talks objectively cannot be considered negotiations. The fourth round can reasonably be described as the start of actual negotiations. But what changed? If you listened to Secretary Rice when she appeared on *The NewsHour* with Jim Lehrer in the midst of the fourth round of negotiations, you would conclude that the administration has had a consistent policy of direct bilateral dialogue with North Korea throughout:

> **MR. LEHRER:** Much is being made today over the fact that Secretary Hill has had three one-on-one -- at least three one-on-one conversations with the North Korean representative. And this is being seen as a breakthrough policy change by you, that you said, "Okay, it's all right to talk to the North Koreans, one-on-one," and it hadn't been before. Is that a correct reading?
>
> **SECRETARY RICE:** Jim, I don't know where this comes from because we have always talked to the North Koreans within the context of the six-party talks, one-on-one if necessary in bilaterals. We had bilaterals also with the South Koreans. We have had bilaterals with the Chinese. It is not unusual in a negotiation that is multi-partied as this one is to have breakout sessions in which people talk directly. But we have always said that contacts and discussions with the North Koreans, bilaterally in the context of the six-party talks, were just fine. And I believe Jim Kelly had done that on occasion, too.[2]

Secretary Rice's remarks leads one to conclude that in order for the administration to accept a compliment on its new, realistic approach to negotiating it had to first admit to the failure of its North Korea policy over the past four years. Admitting failure is not in the nature of the administration. Secretary Rice's appearance on *The NewsHour* was not meant to be a cross examination. If it had been, Secretary Rice would have been reminded of the National Security Council instructions to Jim Kelly (signed by her deputy Stephen Hadley on her behalf) in April 2003

[2] The NewsHour with Jim Lehrer, July 28, 2005.

that forbid Kelly from meeting his North Korean counterpart bilaterally under any circumstance.

Part of the decision to engage Pyongyang meant that the administration had to control its rhetoric. When the President referred to North Korean leader Kim Jong-il as "Mister" Kim Jong-il, rather than some of the other derogatory terms that have been used in the recent past -- such as “dictator” and “tyrant” – the North Koreans took notice. The United States uses what is referred to as the “New York channel” to communicate between either Ambassador Joe DeTrani or the head of the Korea Desk at the State Department and their counterparts at the North Koreans' mission in New York, either Ambassador Pak Gil-yon, the North Korean ambassador to the United Nations, or Ambassador Han Song-ryol, his deputy permanent representative. While members of the administration periodically and publicly recite “no hostile intent” or other catch phrases meant to convey a sense of commitment to diplomacy, Pyongyang routinely dismisses these utterances as lacking appropriate authority. Once the decision was made to change administration policy and seriously engage North Korea, DeTrani used the New York channel to convey in an official manner those things that had been said previously in public. Most importantly, DeTrani repeated, as an official message, the United States recognition of the sovereignty of North Korea. It is one thing to say it; it is another to package it as part of an official message through official channels and present it to the North Koreans.

The North Koreans in the past have complained bitterly about a lack of direct communications. Too often Pyongyang has had to settle with information from the United States that has been filtered through the Chinese or hearing about U.S. policy in some public fora. What followed from the DeTrani - Pak meeting was an initiative by Ambassador Hill to create an opportunity for direct contact prior to the fourth round being announced. DPRK Deputy Six Party negotiator Li Gun participated in a conference organized by Professor Donald Zagoria, Trustee, National Committee on American Foreign Policy in New York at the end of June, 2005. In a Press Briefing on June 29th, the State Department Spokesman had the following exchange with a reporter regarding the possibility of a substantive meeting between DeTrani and Li Gun:

> **QUESTION:** Do you expect them (DeTrani and Foster) to have any dealings with North Korean official Li Gun at the meeting, any substantive exchanges, if I can put it that way?
>
> **MR. MCCORMACK:** There are no meetings scheduled with Mr. Li outside the context of the conference. I suspect, since they will be at the conference, that they will be in the same room together but there are no planned meetings or exchanges. [3]

For public consumption DeTrani and Li Gun appeared together on stage during the conference, but unseen was the room set up off stage in which the two met privately for two or three times. At a prearranged time when DeTrani and Li were meeting privately, Assistant Secretary Hill telephoned DeTrani on his cell phone. DeTrani then passed the phone to a Li Gun. It was during this "impromptu" telephone call between Hill and Li that the groundwork was set for Hill to meet with his counterpart, Vice Minister Kim Gye Gwan, in Beijing on July 9th in advance of the opening of the fourth round of Six Party Talks.

That Hill had taken the initiative to get to know his counterpart, struck a positive chord with the North Koreans. Up until then, they only had second-hand information about Ambassador Hill. They had followed what he had to say publicly, but now they were going to have an opportunity, first-hand, to make their own judgment as to how he would be dealing with them on a professional basis. Until that point, the North Koreans were sending mixed signals about the future of the Six Party process. On the one hand, Kim Jong-il had signaled his readiness to return to talks, but he had also was hedging his bets when he confided to South Korean Unification Minister Chung Dong-young on June 17th that he wanted to wait out the remaining three years of the Bush administration.

The relationship between China and North Korea is a complicated one -one not particularly understood by many in the United States. One example of this misunderstanding was the April 26, 2005 suggestion by Ambassador Hill that China shut down its oil pipeline to North Korea as a method of pressuring Pyongyang to return to talks. A senior Chinese

[3] Daily Press Briefing conducted by Sean McCormack, Spokesman**,** Washington, DC June 29, 2005

official rejected the idea outright[4]. For the Chinese, they have their own national security interests that include a nuclear free Korean Peninsula, but it is not their top priority. Maintaining stability along their border and in the region is a higher priority. In his first visit to Pyongyang on October 28, 2005, PRC President Hu Jintao said, "China stresses the need to stick to the objective of a nuclear-free peninsula, and stick to a course of dialogue and peaceful resolution, so as to preserve peace and stability on the peninsula and in the region"[5], Beijing has and will continue to exert an appropriate level of influence on Pyongyang to denuclearize, but not at the expense of its top priority. Pushing Pyongyang too far or cutting off oil and food assistance risks creating a dangerous and unstable situation -something Beijing will not do. In the six month period from January to June 2005 when Pyongyang had declared itself to be a nuclear weapons state and Washington was sharply criticizing Beijing to increase pressure on Pyongyang, China was, in fact, increasing its exports of oil and food to North Korea. During that tense period, China increased its crude oil exports by 45 percent and cereal exports by 96 percent[6].

The manner in which Ambassador Hill went about his business in both the plenary sessions and in the bilaterals with the North Koreans kept the North Koreans engaged over the initial 13-day period. In a July 3 meeting with me in New York with Pyongyang's deputy negotiator, Li Gun, complained bitterly about the format of the first three rounds of the Six Party Talks. The plenary session of the six parties with their delegations of eight to twelve and a total of 24 interpreters spent little time in actual negotiations. Each head of delegation, in turn, gave an opening speech. Li Gun and his colleagues said they were beside themselves, describing how they hated the plenary sessions, "They just bore us to tears. We know what everybody's position is in terms of their formal statements. We want to get beyond that".

Maintaining the authority of the Six Party structure, but minimizing non-productive time coincided directly with Ambassador Hill's view of what ought to be done. As a result, the opening of the fourth round of Six-Party Talks was a 30-minute opening meeting and then the

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[4] *Washington Post*, May 7, 2005, "China rejects U.S. suggestion to cut off oil to ressure North Korea".

[5] Agence France Presse, October 28, 2005, "Kim Jong-Il says NKorea to attend nuclear talks".

[6] Xinhua News Agency, October 12, 2005, "China's exports of crude oil, cereals to DPRK up in first half of 2005".

parties moved directly into substantive bilateral discussions. The North Koreans were significantly impressed with this approach and began talking positively about it.

One of the priorities for Ambassador Hill was the creation of a statement of principles to guide the process. He believed that if everyone could agree on what is important, then what follows in the serious negotiation will come far more rapidly. Shaping his initial thought process was a desire to establish basic principles that, once agreed to, would not have to be constantly renegotiated or redefined as the talks proceeded.

After 13 unprecedented days of mostly a series of bilateral talks, a recess was called. The Chinese, as hosts, acted as the secretariat for the talks and produced four drafts of the statement of principles. They tried to find common language that each of the delegations had emphasized. Toward the end of the first part of the fourth round, around day 10 or 11, North Korean Head of Delegation Vice Minister Kim Gye Gwan introduced Pyongyang's demand for a Light Water Reactor (LWR). Up to that point, the talks had bogged down on the theoretical right of North Korea to have a peaceful nuclear energy program. The U.S. position started out in stark terms: North Korea did not have the right to any kind of nuclear program, peaceful or otherwise. Toward the end of the negotiating session, the U.S. position had clarified to the point that it accepted North Korea's sovereign right to peaceful nuclear energy once it had dismantled its nuclear weapons programs, rejoined the NPT and was in compliance with IAEA safeguards; but ultimately the United States did not want North Korea to exercise that right -ever.

In the discussions during the first half of the fourth round of talks, the United States downplayed the issue of Highly Enriched Uranium (HEU). In the past, HEU drove the U.S. policy approach toward North Korea. In this round, the U.S. briefed the North Koreans and others on the information it received from Pakistani scientist A.Q. Khan via the Pakistani government. In a subtle shift, the State Department has stopped referring to *highly* enriched uranium, but instead has begun describing the problem as enriched uranium. From a technical standpoint, enriching uranium to any degree is a violation of the 1992 North -South agreement and would be a violation of Pyongyang's commitment under the NPT. However, the information the United States gained in the summer of 2002 that led to the confrontation with North Korea in October 2002 was based on an analysis that Pyongyang's uranium enrichment program would become an alternative path to nuclear weapons. Producing nuclear

weapons via an enriched uranium route requires that the uranium be highly enriched. One interpretation of the change in terminology could be that the United States was leaving the door open for North Korea to continue to deny a highly enriched uranium program designed to produce nuclear weapons, while allowing Pyongyang some technical ability to explain its uranium enrichment equipment in non-nuclear weapons terms. So far Pyongyang has resisted acknowledging any kind of uranium enrichment program. DPRK Deputy Permanent Representative to the United Nations Han Song-ryol reiterated Pyongyang's denial again when asked about it on October27, 2005 in an interview, "No, it doesn't exist"[7].

Subsuming the explicit U.S. demand that Pyongyang give up its HEU program into the generic language that the North give up "all" its nuclear weapons related programs is a far better tactic to keep the momentum of the talks moving in the right direction. There will come a time when Pyongyang will be required to declare or explain its uranium enrichment program before reciprocal benefits as part of a settlement can flow to them.

At the time of the recess of the fourth round, The United States' position of opposing Pyongyang's (eventual) right to peaceful nuclear energy placed it in a minority of one and threatened to erase the positive gains that Ambassador Hill had accomplished. The more the United States finds itself isolated from the mainstream of its four other allies and friends in the Six Party Talks on this issue, the more likely Pyongyang will dig in its heels, and demand peaceful nuclear energy.

With little prospect of breaking this emerging deadlock, a recess was called on August 7 with all parties agreeing to resume during the week of August 29.

Round Four – Reconvened

Assistant Secretary Hill met with the press before traveling to Beijing for the reconvened fourth round of talks. He was asked, "If it is only a theoretical issue, do you see any possibility that eventually, you agree to disagree and set aside these topics during this round or it must be definitely included in the so-called statement of principle?" Hill was fairly clear in his response that the administration was not interested in

[7] *Yonhap News*, October 28, 2005, "NK diplomat denies HEU, rejects Seoul's electricity offer".

entertaining the prospects of a North Korean civilian nuclear program. He said, "Well, I think it has to be addressed and what we're not interested in is really creating ambiguity. Nuclear weapons, nuclear programs are not something that one should leave in an ambiguous state, so -- no pun intended. But anyway, the -- we have to address these things and we will"[8].

Once the talks began, Hill began signaling a slight change in U.S. policy. When asked about a potential North Korean peaceful nuclear program, he said, "When we can achieve an agreement on that (the dismantlement of the North's nuclear weapons program), and when we do that, we can look at some of these other questions"[9]. But by Friday, September 16th, the *Washington Post* was reporting, "U.S. and North Korean diplomats acknowledged an irreconcilable deadlock Thursday in long-stalled nuclear disarmament talks, casting doubt on the future of Chinese-sponsored six-party negotiations"[10]. The Chinese set a deadline for the negotiators to agree to the latest (fifth) draft of joint statement of principles[11], but things did not look promising. North Korea held tough to its demand for a LWR rejecting the South Korean offer of conventional energy and purportedly threatening to extract additional plutonium if its demands were not agreed to[12]. Frustration was rising. Hill commented, "It has been very obvious to us they are not interested in economic assistance, they seem to be interested in a light water reactor as a sort of trophy"[13].

The Chinese had, in good faith, attempted to find common ground throughout the 20 days of negotiations and the five drafts. By Friday September 16, the Chinese were at a crossroads. It seemed as if the North Koreans and Americans would continue a circular discussion without ever coming to closure, threatening the future of the talks itself. Beijing has always viewed the six party process as a commitment that would take many rounds of discussions and perhaps years to come to a successful

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[8] Question and answer session with the press, September 11, 2005.

[9] *Yonhap*, Beijing, September 14, 2005," U.S. rejects N. Korea's demand for light-water reactor".

[10] The Washington Post September 16, 2005,"Talks Deadlock Over N. Korea's Demand for Reactor; U.S. Could Seek Sanctions at U.N." by Edward Cody.

[11] Agence France Presse, September 16, 2005, "China sets Saturday deadline for joint N.Korea document".

[12] Ibid.

[13] Ibid.

conclusion. The prospect of failure loomed large. According to reports coming out of Beijing, the Chinese were prepared to force the hand of both the United States and North Korea, telling the U.S. delegation that it was isolated in its opposition to a future North Korean peaceful nuclear energy program and if the U.S. did not sign the latest draft -without changes- the U.S. would be blamed for the breakdown of the talks[14].

Faced with the prospect of being blamed for its intransigence and the potential failure of the talks, the administration reviewed its options. The administration would have to come to grips with its opposition to North Korea's demand for an LWR, because the draft declaration included in the first of six points direct reference to an LWR:

> "The DPRK stated that it has the right to peaceful uses of nuclear energy. The other parties expressed their respect and agreed to discuss at an appropriate time the subject of the provision of light-water reactor to the DPRK".

Secretary Rice was in New York City meeting with her counterparts on the margins of the United Nations General Assembly. Faced with a tough decision, she came up with a solution that would allow the United States to sign on to the Chinese draft and keep the momentum of the talks alive, but still allow the U.S. to parse the diplomatic language publicly in a way that suited its own needs. Rice got her Japanese and Korean counterparts to agree to this approach, although, according to the *New York Times,* the South Koreans were concerned that an explicit U.S. statement would "sour" the atmosphere[15].

A case can be made that the South Koreans were correct. A day after the joint statement was agreed to and released in Beijing, Pyongyang issued its own statement:

> As clarified in the joint statement, we will return to the NPT and sign the Safeguards Agreement with the IAEA and comply with it immediately upon the U.S. provision of LWRs, a basis of confidence-building, to us. What is most essential is, therefore, for the U.S. to provide LWRs to the DPRK as early as possible as evidence proving the former's substantial recognition of the latter's

[14] The New York Times, 20 September 2005, "U.S.-Korean Deal on Arms Leaves Key Points Open".
[15] ibid.

> nuclear activity for a peaceful purpose. The U.S. should not even dream of the issue of the DPRK's dismantlement of its nuclear deterrent before providing LWRs, a physical guarantee for confidence-building. This is our just and consistent stand as solid as a deeply rooted rock. We have so far shaped our policies towards the U.S. hardliners and will do so in the future, too[16].

In response to the North Korean Foreign Ministry statement, Assistant Secretary Hill said, "They knew exactly what was" in the deal. They didn't like some of the aspects of it, but they knew it was a good deal for them and they took it. The fact that they continue to negotiate after the deal is hardly surprising… They're sort of spouting off to internal audiences"[17]. There is a certain amount of 'playing to your domestic audience' in the North Korean statement, just as there is in the U.S. statement. I believe the North Koreans understood the U.S. position that a discussion on an LWR would come at an appropriate time and that appropriate time would come after a verified denuclearization and reentry to the NPT in good standing. What the North Koreans did not understand or expect were much the same things that Chris Hill did not expect when he was given the U.S. statement as a *fait accompli.*

While the joint statement had no explicit reference to the North Korean uranium program, the implied reference to uranium was embedded in the joint language. Certainly, "all nuclear weapons and existing nuclear programs" and reference to the 1992 joint declaration (which explicitly prohibited enriched uranium) was meant to hold North Korea accountable for its uranium enrichment program.

It appears that the U.S. statement was actually written by the more "hard-line" element in the administration opposed to meaningful engagement with Pyongyang while Hill was busy negotiating behind the scenes with the Chinese, Russians, Japanese and South Koreans. Hill was trying to achieve an understanding that if the U.S. signed the draft joint statement, that the others would not undermine the U.S. by discussing (or providing) an LWR until after Pyongyang had rejoined the NPT. While Hill was occupied negotiating in Beijing, the Under Secretary of State for Arms Control and International Security took the lead in crafting the U.S. statement. The U.S. statement included the definition of "appropriate time" as occurring only "when the DPRK has come into full compliance

[16] KCNA. Pyongyang. September 20, 2005, "Spokesman for DPRK Foreign Ministry on Six-Party Talks".

[17] Los Angeles Times; September 21, 2005, "A Tilt toward N. Korea", by Sonni Efron.

with the NPT and IAEA safeguards, and has demonstrated a sustained commitment to cooperation and transparency and has ceased proliferating nuclear technology". This particular loophole suggests that the United States alone will make the determination when Pyongyang has reached the appropriate level of "sustained commitment". In other words, not only does North Korea have to return to the NPT and come into compliance with IAEA safeguards, it has to satisfy an arbitrary -but unspecified- goal set by the United States before even a 'discussion of the subject of the provision of an LWR' can take place. The U.S. statement also makes clear that "the DPRK's statement concerning its "right" to the peaceful uses of nuclear energy should be premised upon completion of verification of the DPRK's elimination of all nuclear weapons and existing nuclear programs and full compliance with the NPT and IAEA safeguards"[18].

In that regard, the Japanese and South Korean statements reflected the behind the scenes diplomacy that Hill was working on. The Japanese statement issued by Sasae Kenichiro, head of the Japanese delegation mirrored the basic U.S. understanding of what "appropriate time" meant:

> "In this regard, let me take this opportunity to clarify the position of my delegation regarding "at an appropriate time" in paragraph 6 of section 1. We believe that it is imperative that the DPRK in the first place abandon all nuclear weapons and existing nuclear programs under credible international verification in order to implement the commitments expressed by the DPRK in this joint statement. It is also imperative that the DPRK fully comply with all the international agreements and norms regarding the use of nuclear energy including the NPT and IAEA safeguards, and build confidence in the international community. When all of the above are met, we will be ready to discuss the subject of the provision of LWR"[19].

Likewise, the South Korean statement was similar: "An appropriate time related to the provision of LWR regarding the peaceful uses of nuclear energy in the Joint Statement will arrive naturally when

[18] North Korea – U.S. Statement, September 19, 2005, at the closing plenary fo the Fourth Round of the Six Party Talks:

[19] Japanese Statement at the conclusion of the Fourth Round of Six Party Talks, 19 September 2005.

nuclear weapons and existing programs are dismantled, returned to NPT and comes into full compliance with IAEA safeguards".

A review of the U.S., Japanese and ROK statements shows common language where Ambassador Hill worked to reach agreement on the need for Pyongyang to return to NPT and IAEA safeguards before an LWR could be discussed. What is prominently different is the added language that is found at the end of the U.S. statement and not found in any of the other statements, written without Hill's input:

> • and has demonstrated a sustained commitment to cooperation and transparency and has ceased proliferating nuclear technology.
>
> When these conditions have been met, I want to be very clear -we will support such a discussion.
>
> The United States notes that the NPT recognizes the right of parties to the Treaty to pursue peaceful uses of nuclear energy in the context of compliance with Articles I and II of the Treaty. Foremost among the Treaty's obligations is the commitment not to possess or pursue nuclear weapons. The Treaty also calls for its parties to adhere to safeguards agreements with the IAEA. Thus, the DPRK's statement concerning its "right" to the peaceful uses of nuclear energy should be premised upon the completion of verification of the DPRK's elimination of all nuclear weapons and existing nuclear programs and full compliance with the NPT and IAEA safeguards.
>
> The Joint Statement accurately notes the willingness of the United States to respect the DPRK's sovereignty and to exist with the DPRK peacefully together. Of course, in that context the United States continues to have serious concerns about the treatment of people and behavior in areas such as human rights in the DPRK. The U.S. acceptance of the Joint Statement should in no way be interpreted as meaning we accept all aspects of the DPRK's system, human rights situation or treatment of its people. We intend to sit down and make sure that our concerns in these areas are addressed.

> The Joint Statement sets out a visionary view of the end-point of the process of the denuclearization of the Korean Peninsula. It is a very important first step to get us to the critical and urgent next phase -implementation of DPRK commitments outlined above and the measures the United States and other parties would provide in return, including security assurances, economic and energy cooperation, and taking steps toward normalized relations[20].

During my tenure as Special Envoy for Negotiations with the DPRK, I repeatedly found instances where those opposed to engagement with North Korea would try to create policy through talking points or statements without getting explicit approval by the principals committee charged with setting U.S. policy. It appears the U.S. statement issued on September 19 was a successful example of "policy by statement". The compounding result was that Ambassador Hill was compelled to issue it and then to incorporate it in all future official comments. In his appearance before the House International Relations Committee on October 6, 2005, Hill elaborated on the U.S. understanding of the Joint Statement suing much of the same language that he was compelled to issue on September 19.

> For the first time, the D.P.R.K. committed to abandoning all nuclear weapons and existing nuclear programs and returning, at an early date, to the Treaty on the Nuclear Non-Proliferation of Nuclear Weapons and to IAEA safeguards. The new D.P.R.K. commitment is broader in scope than was the case under the Agreed Framework, under which the D.P.R.K. agreed to cease a series of defined nuclear activities at specific facilities. While North Korea did freeze its graphite-moderated reactor programs, it subsequently violated the Agreed Framework and the 1992 inter-Korean joint declaration on denuclearizing the Peninsula by pursuing a clandestine uranium enrichment program. Although the D.P.R.K.'s new pledge to dismantle is unambiguous, the proof of its intent will of course be in the nature of its declaration of nuclear weapons and programs, and then in the speed with which it abandons them.

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[20] North Korea – U.S. Statement, September 19, 2005, at the closing plenary of the Fourth Round of the Six Party Talks.

In my closing statement at the talks, Mr. Chairman, I specified that the D.P.R.K. must comprehensively declare, and then completely, verifiably and irreversibly eliminate, all elements of its past and present nuclear programs -plutonium and uranium- and all of its nuclear weapons, and not reconstitute those programs in the future. I made clear that to return to the NPT and come into full compliance with IAEA safeguards, the D.P.R.K. would, among other things, need to cooperate on all steps deemed necessary to verify the correctness and completeness of its declarations of nuclear materials and activities. My counterparts from all the other parties to the Six-Party Talks stipulated in their own closing remarks that the signal achievement of the fourth round was the D.P.R.K.'s commitment to undertake full denuclearization. All my counterparts stressed that it was incumbent on the D.P.R.K. to abandon its nuclear status, return to the NPT and abide by IAEA safeguards.

We have been crystal clear with respect to when the "appropriate time" would be to discuss with the D.P There has been much comment on the D.P.R.K.'s future right to a civilian nuclear program. The D.P.R.K., in the Joint Statement, asserted that it has the right to peaceful uses of nuclear energy. The other parties took note of this assertion and agreed to discuss, at an appropriate time, the subject of the provision of a light water reactor to the D.P.R.K. provision of a light water reactor. The U.S. will only support such a discussion:

after the D.P.R.K. had promptly eliminated all nuclear weapons and all nuclear programs, and this had been verified to the satisfaction of all parties by credible international means, including the IAEA; and

after the D.P.R.K. had come into full compliance with the NPT and IAEA safeguards, had demonstrated a sustained commitment to cooperation and transparency, and had ceased proliferating nuclear technology[21].

[21] Testimony by Assistant Secretary Christopher Hill before the House International Relations Committee, October 6, 2005

In a press conference the day after the joint statement was signed, the Chinese Foreign Ministry Spokesman, Qin Gang, defined "appropriate time" as requiring further consultation among all six parties.

> Q: The joint statement issued yesterday states that the provision of light water reactor to the DPRK will be discussed at an appropriate time. When will be an "appropriate time" in China's opinion? Now or in the future?
>
> A: In the joint statement adopted yesterday, all parties agreed to discuss the issue of providing the DPRK with light water reactor at an appropriate time. It requires further consultation among the six parties to define when will be the appropriate time[22].

The Russians were straight forward in their statement concerning North Korea's right to peaceful nuclear energy and did not attempt to clarify what it understood to be an "appropriate time".

> "During the fourth round, the Russian delegation has repeatedly pledged its respect for the right of the DPRK to peaceful nuclear programs and consent to discuss at an appropriate time the subject of the provision of a light-water reactor to Pyongyang. We are satisfied with the fact that, owing to the efforts and good will of all the delegations, we have arrived at a compromise formula which guarantees the DPRK's future right to peaceful nuclear programs"[23].

The North Korean position regarding its sovereign right to peaceful nuclear energy was clear during the talks. Pyongyang asserted that it had a right now and in the future to peaceful nuclear energy and that as a sovereign nation that right did not depend upon its status in the NPT, much as India, a non-NPT nation, had the right to peaceful nuclear energy. Pyongyang also cited U.S. support to India's peaceful nuclear energy program to bolster its claim.

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[22] Foreign Ministry Spokesman Qin Gang's Press Conference on 20 September 2005

[23] Unofficial translation from Russian Remarks by Russian Deputy Minister of Foreign Affairs Alexander Alexeyev at the Final Plenary Meeting of the Six-Party Talks on Resolving the Nuclear Problem of the Korean Peninsula (Beijing, September 19, 2005); INFORMATION AND PRESS DEPARTMENT.

Compromising on core principles is not conducive to resolving the issue on terms you will later agree to. While it may have jeopardized the momentum that the Chinese were so desperate to maintain, the appropriate negotiating approach regarding the North Korean demand for an LWR should have been: *The United States recognizes the right of the DPRK to have peaceful nuclear energy programs, but the U.S. has no obligation or intention of providing or supporting the provision of LWRs to the DPRK. When the DPRK has denuclearized to international satisfaction and rejoined the NPT in good standing, the United States will not interfere in North Korea's attempt to arrange financing through international financial institutions to build its own LWR – as long as the DPRK remains in good standing with the NPT.* What the Bush administration has done in agreeing to discuss the provision of LWRs, albeit at an unspecified future date to be determined solely by the United States, is to provide Pyongyang with a false promise and give it continued negotiating ammunition throughout the six party talks.

The other issue that defies logic without creative interpretation is the U.S. agreement in the Joint Statement to discuss the provision of an LWR (at an appropriate time) while declaring in the U.S. statement its intent "to terminate KEDO by the end of the year"[24]. The purpose of the Korean Peninsula Energy Development Organization (KEDO) is to build two LWRs for North Korea when certain non-proliferation conditions are satisfied. Terminating the LWR projects while declaring support for a discussion of the provision of an LWR does not make a lot of sense - unless the United States has defined discussion of the provision of an LWR as an academic (or diplomatic) exercise that will not result in the actual provision of an LWR. What makes more sense would be the preservation of the KEDO as an international consortium with an established track record of negotiating tough protocols with the DPRK. As part of the 1994 Agreed Framework required, KEDO organized the purchase and delivery of heavy fuel oil to North Korea pending the completion of the first of the LWRs. KEDO and, in particular, its South Korea component might have a role to play in the delivery of conventional energy to North Korea as part of a final solution of the current Six Party Talks. In the abstract, should the six parties ultimately agree to a provision of an LWR to North Korea, it is KEDO that is best positioned to complete work on one of the currently suspended LWRs.

[24] North Korea – U.S. Statement, September 19, 2005, at the closing plenary fo the Fourth Round of the Six Party Talks.

Terminating KEDO seems to be more about wiping the slate clean by the Bush administration on any remnant of the "Clinton" 1994 Agreed Framework.

THE NORTH KOREAN NUCLEAR DEVELOPMENT: KEDO'S ROLE AND FAILURE

Young Mok Kim*

Introduction

As of October 2005, the issue of North Korean nuclear development is entering into a new phase in its long history of "Cat and Mouse". The North Korean efforts to build its own nuclear weapons capability dates back to early 1980. The core of its physical nuclear capability and plutonium production lies at the facilities at Yongbyon, the site of a 5MW graphite-moderated reactor and reprocessing plant.

The North Korean refusal to allow IAEA inspections on those facilities and to fully answer the IAEA's questions about the history of the facilities (including the amount and location of previously produced fissile material) led to the so-called first North Korean crisis between 1992 and 1994.

The accumulation of reprocessed plutonium by North Korea was finally stopped in October 1994, after a series of incidents, by agreement between the US and the DPRK in Geneva and by the subsequent agreement on the provision of light water reactors or LWRs to the DPRK by the US-led International Organization KEDO (Korean Peninsula Energy Development Organization). The provision of LWRs, in addition to the Heavy Fuel Oil shipments, to North Korea was one of the key elements of the 1994 deal along with the project of normalizing US-DPRK relations. The October 1994 agreement, known as the "Agreed Framework" provided a basis for having the DPRK freeze all of its nuclear facilities and activities and eventually undertake all IAEA inspections required under NPT regime.

However, in October 2002, a new problem erupted. The US accused the North of clandestine efforts to develop another type of nuclear program based on Highly Enriched Uranium, more commonly referred to as North Korea's HEU-program. The confrontation between the US and North Korea over these accusations and the subsequent

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* Mr. Young-Mok Kim assumed the post of Deputy Executive Director of KEDO on June 1, 2003. He has over twenty-five years experience as a career diplomat in the service of the Republic of Korea's (ROK) Ministry of Foreign Affairs and Trade.

decision by the US and KEDO to halt shipments of Heavy Fuel Oil, led North Korea to expel IAEA inspectors, completely withdraw from the NPT, and openly declare itself as a "nuclear-weapons state".

During the 2002-2005 period and in the absence of substantial negotiations among directly concerned parties, North Korea has raised the ante by escalating what it could do in its own capability in efforts apparently aimed at both negotiations and actual possession of nuclear weapons capability.

KEDO, created to implement the energy portion of the Agreed Framework, has gone through a tumultuous period since October 2002. With the validity of the Agreed Framework negated, the justification for providing LWRs and Heavy Fuel Oil (HFO) to the DPRK has eroded. As mentioned earlier, as the first penalty against North Korea, KEDO decided to suspend the provision of HFO to the DPRK in October 2002. Almost a year later, as a second step and in reaction to the DPRK's escalation tactics, KEDO decided to suspend its construction work of the LWRs in the DPRK in November 2003. The DPRK responded by banning the export of all LWR project related equipments and documents from the site.

The suspension set by the Executive Board members of KEDO to last until November 30, 2005 is nearing its end. With the deadline at hand, KEDO will be forced to make a decision on the fate of the LWR project, and on its own fate.

How KEDO was formed and how did KEDO build its relationship with the DPRK?

To secure the DPRK's faithful implementation of the Agreed Framework, the U.S. government led in the creation of KEDO, along with Republic of Korea and Japan. These countries became the founding, and also the Executive Board, members. The U.S. assumed the leading role, the ROK a central role (for construction of the LWR) and Japan a significant role. Australia, Canada, Finland and others, individually joined KEDO as general members. The European Union Joined KEDO in July 1997 as the fourth Executive Board Member and has been involved in the management of KEDO both at the Board and at the Secretariat levels.

KEDO as the counterpart of the DPRK, has been negotiating and working with the DPRK since 1995 in order to secure KEDO's political and legal status needed to carry out the Project in the DPRK.

After its formation, the first thing KEDO had to do was to gain DPRK's recognition of its status as a legitimate executor of the Agreed Framework. By contrast, the DPRK insisted that it should only deal with the US, not anyone else since it was the U.S. with whom it closed the deal. Another difficulty was to secure DPRK agreement on the type of LWRs that would be built and to have Pyongyang accept the organization as its counterpart in providing energy.

The Agreements concluded by KEDO and the DPRK Government : The Supply Agreement and the numerous additional Protocols

Following difficult negotiations lasting for about ten months, KEDO and the DPRK government signed the "Agreement on the Supply of LWRs" in December 1995. Soon after, KEDO started to provide HFO to the DPRK, and entered into subsequent negotiations to produce a number of protocols which would allow KEDO to operate in North Korea. Those Protocols dealt with the following issues: Status and Take-Over of the site located on North Korea's east coast and needed for the LWR construction; immunity/privileges and safety of its staff and workers in the DPRK; the safe passage and transportation routes; communication lines with the outside world, namely with the ROK; various contracted services, laborers and materials needed for the Project, including training the professional workers and the prospective LWR operator and the DPRK's acceptance of the Operator's nuclear liability in accordance with international standards.

Protocols were agreed one after another and the construction work at the site began in July 1997. (There were protocols still being negotiated until October 2002).

As of October 2005, KEDO has spent about US$1.6B for the LWR project of which one third has been used for the construction site and its facilities and two-thirds for component manufacturing. The completion ratio is 67% for components and 33%for civil engineering. KEDO has also spent US $700M for the delivery of HFO.

During the period between 1997 and 2002, the LWR construction took longer than expected, although HFO deliveries were made (almost) according to the provisions of the Agreed Framework, i.e., 500,000 tons per year. While complaining about the slow pace of construction, the DPRK took a confrontational stance that also interfered with the pace.

The DPRK did, however, provide a certain level of cooperation on inspection on frozen activities at Yongbyon, monitoring of supplied HFO

and completing the complicated process of putting a large amount of spent reactor fuel containing plutonium in a storage facility where they could be monitored by the IAEA, in preparation for eventual shipment out of the country by the U.S./KEDO. A notable, but often not recognized enough, achievement was the establishment of a certain level of cooperative relations between KEDO and its DPRK counterpart. Even after a series of hard negotiations and confrontations, the two sides found they had to accommodate themselves to working together otherwise nothing could be accomplished.

One could say, then that KEDO helped hold the DPRK's nuclear program, particularly its "plutonium program," in check between 1995 and 2002. KEDO also helped open a small part of the North's closed society, helping the gradual process of the larger opening that has occurred in recent years. Despite their rhetoric, North Koreans were willing to engage with KEDO staff, managers and workers. These engagements were not, of course, free from irritations or incidents. However, North Koreans for the first time since their foundation had to deal almost on a daily basis with "capitalists".

Inter-Korean relations

At the initial stage of KEDO-DPRK relations, the North tried to avoid any encounter with ROK (South Korean) members of KEDO and insisted on talking only with U.S. members of the organization.

Moreover, the DPRK refused to call the type of LWR to be provided as being the so-called South Korean standard reactor or South Korea's main energy company (KEPCO) as its main contractor. DPRK didn't want to talk to South Koreans unless there was presence of US representative.

All labels attached to or written on cars, equipment, materials and tools had to be eliminated if they showed ROK as the point of origin. They could not agree on the most direct transport route between the ROK and DPRK nor on opening a direct communication line between South and North Korea. The communication between the DPRK site and headquarters of KEPCO had to go through Tokyo.

However, over time, DPRK staff began to open up and initiated conversations with South Koreans with the consequence of having more and more often Americans asking South Koreans what was going on. Managers from KEPCO earned great respect from the DPRK officials and many arrangements could be made without official negotiation. DPRK

laborers worked at the construction site on a regular basis under South Korean team leaders (a total of 350 DPRK laborers were employed for the site until the suspension started, and it was planned to use about 4,000 laborers out of a total demand of 7,500). And North Korean trainees went through training courses in Europe (Spain Almaraz NPP and Sweden Forsmark NPP) and the ROK.

It was apparent that the DPRK was expecting more and more from KEDO. It could have been either from their dire economic situation or from increased credibility due to KEDO's performance, or both.

The Change of Atmosphere: DPRK's reaction to KEDO's decision to suspend activities

In 2003, as a retaliation for KEDO's suspension of the LWR project and HFO deliveries, the DPRK applied export-ban measures to all equipment, instruments and materials used at the site. The DPRK made strong requests that the US and KEDO should compensate for damages inflicted to the DPRK stemming from failure to provide LWRs by 2003 - which was a target date stipulated in the Agreed Framework and the Supply Agreement.

Despite evident tensions, KEDO still controls today the site and about one hundred-twenty people (mostly security guards) to maintain and secure the construction site and KEDO's assets. The DPRK has threatened to withdraw KEDO's legal protections within North Korea, on the grounds that KEDO is no longer doing anything productive in the country, let alone abandoning the Project.

What was KEDO's role during the no-talks period?

What KEDO did to contribute to the situation and why KEDO continued to function and work with the DPRK in the absence of negotiations? As I said earlier, one of the key pillars for maintaining the status quo with the DPRK was the prospect of completing the LWRs. Even though the DPRK has criticized the US for driving them to possess nuclear capabilities and claimed that it was the US which was responsible for breaking the Agreed Framework, the DPRK never tried to break off its relations with KEDO, indicating that it could still stick to a prospect of a resolution which would include resumption of LWR construction.

The KEDO governments agreed, even with the non-response of the DPRK to the six-party talks in 2003 and much of 2004, that KEDO should preserve and maintain the LWR project (at a cost of about US$200M for two years) including maintaining its political and legal relations with the DPRK for the time being.

This policy might have been interpreted by the DPRK to mean that the US and other governments wanted to hold negotiations. DPRK could have viewed this as a sign that the US didn't want to completely shut down the opportunity of talks even under a flurry of tit-for-tat. China was requested by the US and the ROK to organize and host the six party talks. Apparently China took KEDO's continued efforts in maintaining a certain level of relationship with the DPRK as a positive signal and might have used this as one reason in persuading the DPRK to come to the talks.

For the past two years, KEDO has had working-level and high-level talks with the DPRK in order to continue and maintain KEDO's relations, legal rights and assets within the DPRK. The DPRK has, in principle, agreed to maintain this relationship with KEDO, with the exception of the continued request for compensation by the DPRK for the so-called "damages" due to the delay in completing the LWRs.

The DPRK finally came back to the six-party talks and the talks produced a principle agreement in Beijing last September that includes almost all elements which have been on the table for quite some time:

> The DPRK's undertaking of the NPT and IAEA safeguard obligations and eventual dismantlement of its program in return for political normalizations, security guarantees, economic and energy assistance to the DPRK and the discussion of LWR provisions, etc.

Even though the US has repeatedly announced that there is no future for the LWR project, keeping KEDO's status and assets in the DPRK and technical maintenance of the Project have served in keeping a minimum momentum for a diplomatic solution.

The fate of the LWR project and KEDO

Now and in light of the joint statement produced in Beijing, one of the natural questions would be what to do with the LWR project? Since the US government has asked that the Project be terminated on the grounds that the DPRK is disqualified by its cheating record, it looks as if

the chances for the resumption of the Project are extremely slim or impossible, per se. The government of Japan, another of KEDO Executive members, has also judged that the Project should be terminated.

The ROK government announced in July that it would deliver 2000 MW of electricity directly to the DPRK in place of the reactors that were to be built at the KEDO site in the DPRK. It seems that the termination is inevitable and has become almost a fait-accompli.

However, the DPRK has repeatedly asked that discussions begin about conditions for the other parties to supply an LWR, and that the provision of the LWR would serve as a "collateral" for the US overall political, economic commitment. The DPRK has even hinted at some sort of flexibility in the operation of such LWRs and the control of the nuclear fuel cycle.

Then what would be the reaction of the DPRK to the official termination of the LWR project? Would it make the DPRK's position hardened and affect the process of the six-party talks? Would the DPRK try to make a balance settlement with the US based on the Agreed Framework?

The DPRK has maintained a position that the US is responsible for compensating for the loss of economic damages caused by delay or non-delivery of the LWR which could reach about tens of billions of dollars. For KEDO, it should reach an understanding with the DPRK on how to dispose its legal, political and physical assets at the Project site.

The ideal scenario would be that an overall agreement at the six-party talks on the energy package would be considered as the replacement of the 1994 Agreed Framework / 1995 Supply Agreement. Moreover, all other agreements between KEDO and the DPRK could also be adjusted to a new situation. However, that requires close coordination between efforts at the six-party talks and engagement at the KEDO-level, much closer coordination than has occurred up until now. The challenge would certainly be for the governments to be flexible and meticulous enough for that sort of synchronization. Particularly, some governments would like to make the termination of the LWR and KEDO itself as early as possible, decoupled from the process of the six-party talks.

Another difficulty is that participants of the six-party talks have yet to reach an agreement on the energy package which will be an important part of sequencing between the DPRK's performance and provision of aids. Currently, there seems to be no substantial discussions, and reaching a consensus will take much more time.

Under these circumstances, it is likely that KEDO will fail to function as a relevant organization under the context of multilateral engagement with the DPRK and end up being an irrelevant organization. It would be left with financial distress, political and legal liabilities, with its ten-year relationship and expertise in the DPRK discarded.

What is behind KEDO's failure?

Agreed Framework and KEDO

KEDO's failure comes basically from the failure of the Agreed Framework to fulfill its original intent. The Agreed Framework failed to stop the DPRK from developing nuclear weapons capabilities. It is quite reasonable to say that the DPRK had the intention to continue to develop its nuclear capabilities even under the Agreed Framework. The accusation on the DPRK's behavior or cheating is based on the clandestine HEU program allegation.

The DPRK has said it had no clandestine program. It was the US hostile policy which pushed the DPRK to choose the nuclear deterrent option. The whole story may be discovered sometime in the future. There is no doubt that the DPRK has "the burden of proof" because some degree of evidence has been presented. However, more important is if the parties concerned, particularly the US, had made their best efforts to achieve the original goal of the Agreed Framework -the achievement of the DPRK's full implementation of non-proliferation obligation.

Actually, the Agreed Framework was composed of two elements in general terms. One element was centered on nonproliferation goals; the second element was normalization of relations surrounding the Korean Peninsula, starting with the US-DPRK relations. From an expert point of view, the efforts to keep the DPRK motivated and focused on fulfilling its nonproliferation obligations under the Agreed Framework by using political and physical carrots (diplomatic normalization and the supply of energy) were extremely timid and protracted, if not completely missing.

Efforts by the US on both fronts have been minimal partly because of political developments in the US and partly because of public perceptions of the DPRK. The interaction or follow-up meetings between the US and the DPRK were hampered by a number of incidents. In addition to that, the narrow scope of the ROK may have contributed to the

deterioration of the process as well. That doesn't mean that the ROK has encouraged the DPRK to proceed with the clandestine activities. My point is that the ROK could have prevented the deterioration of the situation by a broader initiative aimed at both the US and the DPRK.

Between 1995-1999, there emerged ideas of revisiting the Agreed Framework for the purpose of securing an earlier compliance of the DPRK in return for shortening the prospect of substantial energy delivery which the LWR was supposed to do. The DPRK started to complain about the delay of the LWR construction and publicly and privately warned that it could go back to its nuclear activities. The DPRK has repeatedly stated that:

> Unless "electricity as compensation for delay" is provided, we would go our own way. The Agreed Framework is fiduciary but the US has not kept its promise. We hope either the US or one of KEDO members (ROK) will provide electricity immediately.

The US and the ROK had a chance to revisit the Agreed Framework and to explore the intentions of the DPRK. However, the ROK maintained a position that the Agreed Framework is the US responsibility and the ROK had already taken a heavy financial burden and was busy cultivating new "South-North" relations. Apparently, in the well-known "Sunshine Policy", the North Korean nuclear issue was not considered, or at best, kept to the margins. It seemed the ROK wanted to use whatever resources including an option of delivering electricity for the sake of South-North relations.

The US, preoccupied with the missile capability of the DPRK for almost two years, failed to produce a coherent updated policy just in time. The time consuming "Perry Process" initiated based on bipartisan agreement ended up only as an analysis and a set of recommendations of which nothing was implemented.

During this "study process", any policy initiative could have been taken. Although Kim Jong-Il agreed to a summit with the South Korean President in Pyongyang in June 2000, subsequently followed by an initiative to the US marked by the visit of the North Korean special envoy, General Cho Myung Rok to the White House in September of 2000, these initiatives were too late in terms of enabling the US administration to move ahead in a proactive manner. Then the Bush Administration came in and the overall situation became tense marked by political rhetoric and mutual accusations. This observation does not aim at

blaming any government. But the fact is that coordination was not smart enough to shed a light to the true nature of the DPRK's nuclear problem before it was too late.

Future Challenges facing KEDO Partners

Then what is the relationship between these developments in previous years and the current challenges facing KEDO partners? The US Government has lost, intentionally or not, interest in keeping the Agreed Framework as the basis of its relations with the DPRK or core of its policy for ending the North's nuclear weapons program. KEDO is one product of the Agreed Framework. For political reasons, KEDO should cease its functions along with the Agreed Framework.

So, the failure of KEDO is the failure of the Agreed Framework. Still another question could arise on why KEDO should not be given a changed mission or a new mission departing from the Agreed Framework. There have been ideas from many capitals that KEDO would better be used in an effort to demonstrate the International communities' willingness to help DPRK, if DPRK behaves rightly.

KEDO still has a chance to be reborn. There should be an emerging consensus among the first four Executive Members. Yet, no government has proposed any initiative partly due to the uncertainty about the results of Six-Party Talks.

Given the anti-Agreed Framework psychology within the U.S. Administration, it would be unrealistic to expect KEDO to play a meaningful role unless other partners come forward with a concrete idea. Moreover, Japan's current preoccupation on the abductees issue has led to very sour attitude by the Japanese public towards the DPRK. The Japanese Government has been extremely timid in terms of taking any initiative, which would create certain financial obligations, let alone dealing with consequences of the LWR termination. Under these circumstances, the ROK may not expect, out of frustration, KEDO to function properly and may lose interest in persuading other partners.

The European Union now finds itself in an awkward situation. In the absence of any initiative on KEDO's new role, the EU may have difficulty figuring out its own place in the non-proliferation and peace issue on the Korean peninsula. Not being a member of the Six-Party Talks may have frustrated EU. However, EU's continued membership in KEDO will certainly give a chance for it to identify its role clearly over time. It will also serve EU interests in keeping its global status as a promoter of

peace, human rights, and safeguards for non-proliferation. I hope the four Executive Members will work out a new formula to undertake North Korean issues in an efficient multilateral effort.

Conclusion

It is fortunate that the Six-Party talks are making progress. The DPRK, at any rate, has pledged to completely undertake international obligations and dismantle its nuclear capabilities. All the positive incentives are there.

However, major dispute remains. How will these positive incentives be implemented? Will the DPRK cooperate by providing an early, complete accounting of its nuclear activities, including its activities in the field of HEU? How will the Five parties, possibly with the participation of the European Union, deal with the LWR issue, on which the DPRK is still putting great emphasis? Should the KEDO's LWR project be completely scrapped in the midst of negotiation?

The DPRK may accept a new reality which is emerging through a different format than the Agreed Framework negotiations. However, its interests and perception of the world politics haven't changed. The North's goal is too ambitions, and so often impractical. The DPRK has not made their practical needs clearly understood. Its perception misses the reality of the world, underestimating the role of other players apart from the US.

The nuclear issue is only a part of the overall peace issue on the Korean Peninsula and in Northeast Asia. Whatever the game plan of North Korea may be, the real challenge is how to deal with the North Korean question as a whole. In this context, a burgeoning concept of multilateral security consultation in Northeast Asia is encouraging and timely. The parties involved in the process should pool wisdom and courage while exercising restraint. This time, not like the period following the Agreed Framework, no government involved should allow the situation to float. Negotiations need time and focus. The follow-up, the implementation, needs yet more time, further deliberation, and investment of resources. The Korean Peninsula may need positive engagement of the International community for years to come.

North Korea's ballistic and nuclear programs

Rafael Bueno*

Introduction

The starting point of this paper is Pyongyang's declaration of its nuclear program after US Assistant Secretary of State for East Asia James Kelly visited the North Korean capital, demanding an explanation[1]. Three important questions come out when one tries to explain the emergence of the origin of the last nuclear crisis. First, why does a government that is not used to give explanations about its policies or intentions all of a sudden admit the existence of this program? Second, what motivations lied behind the timing of this declaration? Third and last, where is North Korea going with this attitude?

To respond to all three questions, we have to look at the current situation on the Peninsula and at how it came about, analyzing some important issues such as the nature and future of the Agreed Framework (AF) and the Korean Peninsula Energy Development Organization (KEDO).

The New US World Order and the North Korea Issue

The special situation of the Korean Peninsula and the American implication is well know, nevertheless, "Korea is the only place on Earth where the United States might go to war tonight."[2] The North Korean leadership is well aware of this. In January 2001, President Clinton left the White House and his successor, George W Bush, took on his first term with a very different agenda in mind.

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[1] This visit by Assistant Secretary James Kelly was the first one to North Korea since President Bush took office in 2000. For his part, James Kelly made clear: *"When the Bush administration began in January 2001, we instituted a comprehensive review of our foreign policy toward East Asia, including North Korea. At the conclusion of this review in June 2001, we agreed to speak to the North Koreans "any time, any place, without preconditions." It was not until almost a year later that North Korea evinced any interest in a dialogue with us".*

[2] Cited in Frank S Jannuzi. North Korea: back to the brink? George W. Bush and Asia: A midterm assessment, Edited by Robert M Hathaway Woodrow Wilson International Center for Scholars, 2003, pp. 73

September 11, 2001 has been described as a new starting period in history, a wake-up call. America realized that new allies were needed in the new "crusade" against terrorism. Plans for national missile defense were put on the backburner. The administration proved fast and flexible in improving and reshaping international relations, rethinking its relationships with China and Pakistan, and expanding cooperation with the Philippines, Indonesia, Singapore and Malaysia to combat Islamic extremism wherever deemed necessary.

9/11 forces the administration to identify new security threats and to come up with new responses[3]. It also reinforced the administration's tendency to view the world in black and white, good and evil. Clearly, the terrorist attacks in New York and Washington accelerated the implementation of the Republican agenda, which until that moment had been kept at bay.[4]

The first tangible proof of a new US foreign policy approach was the January 2002 speech, in which President Bush described North Korea, Iraq and Iran as an "Axis of Evil."[5] For the first time, he publicly linked terrorism, WMD proliferation and "rogue states." As regards North Korea, it is broadly recognized that, in the 1980s, Pyongyang sponsored terrorist activities. However, since then, it has been seeking to distance itself from terrorism, and in mid-2001, Washington even engaged in negotiations aimed at removing Pyongyang from the State Department's list of terrorist-sponsoring states.[6]

Just a few months later, in September 2002, a new government directive was made public. The 'New US National Security Strategy' made clear the determination of the Republican administration to stop "rogue states" and the terrorists they protect before they are able to use weapons of mass destruction (WMD) against the US or its allies. The

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[3] A strategy of permanent war against the new "evil" is not unsustainable, and also full of contradictions. What is the US administration's view on Pakistan? Islamabad is the new ally in the war against the Taliban and Osama bin Laden, but it is also the supplier of uranium enrichment technology to North Korea. Is Pakistan good or evil? Is it with them or against them?

[4] See Janadas Devan. The Rise of the Neo-Conservatives**.** Straits Times, Mar. 30, 2003.

[5] The Axis of Evil speech was delivered by US President on January 2002 (State of the Union Address). "North Korea is a regime arming with missile and weapons of mass destruction, while starving its citizens…like these[North Korea, Iraq, and Iran] and their terrorist allies, constitutes an axis of evil, arming to threaten the peace of the world"
Via internet at http://www.whitehouse.gov/news/releases/2002/01/20020129-11.html

[6] North Korea is one of the seven countries branded by the US State Department as a sponsor of terrorism. Under US Law that bars all but humanitarian aid to the North's government and rules out bank loans from international financial organizations, which are heavily influenced by Washington.

concept of pre-emptive military action was accepted as a government doctrine of the post-9/11 era.

North Korea's disclosure of its nuclear and ballistic missile programs has to be analyzed in this new international context.[7] The North's pattern until recently has been to deny the existence of any such programs. One plausible explanation for the sudden shift focuses on the recent conflict between Washington and Baghdad. Kim Jong-il might have thought that Saddam Hussein could keep the American administration occupied, at least for a while, and this could offer some sort of leverage to Pyongyang. Other interpretations suggest that Pyongyang saw itself as the next country on the US target list and decided to 'confess' and rely on public opinion as an "honest broker." Others simply suggest that "Pyongyang has the luxury of being able to say aloud what others can only say in private."[8] Another reason could be that North Korea, in desperate need for economic aid, wanted to pressure the United States into resuming direct talks. As Georgetown Professor Victor Cha described it, "Kim Jong-il's perverse, but typical, way of creating a crisis to pull a reluctant Bush Administration into serious dialogue."[9].

A final account attempts to present North Korea as a regime that is changing. Several examples are presented to support this statement. Last June, North Korean battle ships clashed with South Korean vessels in a dispute over fishing rights off the west coast of Korea. Less than a month after the incident, the DPRK took responsibility for it and apologized, the first time it had done so. The apology permitted the resumption of North-South ministerial talks. Second, Pyongyang had always denied allegations of kidnapping Japanese citizens in the 1970s and 80s, but, during Japanese Prime Minister Koizumi's visit in September; Kim Jong-il conceded that several Japanese had been kidnapped by "rogue North Korean intelligence elements." He apologized and promised to punish those responsible. Again, this unexpected action prepared the way for historical talks with Japan in an effort to normalize bilateral relations. When US intelligence revealed North Korea's new nuclear program, Kim Jong-il apparently hoped to force the United States to undertake negotiations toward a comprehensive conclusion of the Korean War. Kim Jong-il knows that only a comprehensive settlement with Washington can

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[7] It is important to mention that the international scenario was also heavily influenced by other events such as the presidential elections in South Korea, where the president and Peace Nobel Prize winner, Kim Dae Jung was leaving office. At the same time, the People's Republic of China was celebrating the 16th Chinese Communist Party Congress that marked the transfer of power from the third generation of leaders to the fourth one.

[8] Pyongyang Report Vol 14. N 1 February 2002

[9] Victor Cha. Isolated North Korea?; The National Interest. November 6 2002.

prepare the stage for the normalization of relations with Japan. And Japan holds the key to generous war reparations that could total more than $10 billion in aid, grants and loans. Pyongyang's economic and political situation is desperate, and consequently, "it has few cards in its pack and the nuclear one has been its joker for at least a decade."[10]

Since George W Bush successful bid for reelection in 2004, North Korea has repeated several times that it will not rejoin six-party talks on its nuclear programme unless Washington drops its hostile policy towards its country. While the US does not appear prepared to change its stance at North Korea's behest – and will not offer Pyongyang more in the way of rewards for cooperation.

In any case, Pyongyang's announcement on 10 February that it was withdrawing from the talks permanently and that it possessed nuclear weapons reaffirmed its determination maybe due to Beijing's swift response to calls from the US, Japan, and South Korea for it to bring its influence to bear on North Korea to persuade it to return to the negotiating table.

The unpredictability of the totalitarian regime was evident, and at the end only facts counts as it was demonstrated by the reality that the six-party talks on the North Korean nuclear issue was finally possible. After a gap of over a year since the third round, held as usual in Beijing in June 2004, some had feared that this forum was moribund. Instead, the sextet - both Koreas, the US, China, Japan and Russia - not only reconvened for a fourth round in Beijing on 26 July, but went at the task with new vigour - and at much greater length than ever before. And as we saw from the fifth round of six-way talks on North Korea's nuclear programme got underway in Beijing on 9 November, no major progress were produced, because China recently offered a major show of support for North Korea, which will encourage Pyongyang not to give an inch at the negotiating table.

North Korea's goals must be analyzed in this context. Since unification under communist terms is, now more than ever, a utopist dream, the overriding preoccupation of the North Korean leadership is survival.[11] Finally, the elaborate festivities that marked the 60th birthday of North Korea's ruling communist party on 10 October 2005 were, as expected the homage to more than half a century of ruthless government.

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[10] Gavan Mccormack. The North Korea in the Vice, The New Left N 18 Nov-Dec 2002, pp. 5

[11] Selig S Harrison The Missiles of North Korea World Policy Journal, Fall 2000 Vol 17, pp. 13

A Brief Historical Background: From Engagement to Disengagement

When President Clinton took office in 1992, North Korea's potential development of nuclear weapons was already a focus of international concerns. Pyongyang had already built two research reactors with Soviet assistance and it was building two nuclear power reactors. Although North Korea had joined the Non-Proliferation Treaty (NPT), it was believed that once the research reactors would produce 12 kilograms of plutonium, Pyongyang would deny International Atomic Energy Agency (IAEA) inspectors access to the nuclear facilities. By 1994, President Clinton decided to send Robert Gallucci to North Korea to resolve this first crisis by negotiating what was later known as the "Agreed Framework."[12] It is important to stress that this accord did not mention the ballistic tests. Therefore, Pyongyang continued developing and testing those missiles during the 1990s, which, paradoxically, could deliver nuclear or other weapons of mass destruction.

The TaeponDong 1 test in 1998 marked another turning point. The attempt to put this satellite into orbit failed when it exploded after flying over Japanese territory. Most importantly, it rekindled fears about North Korea's obscure intentions. Therefore, former US Secretary of Defense William Perry was quickly sent to Pyongyang to address the long-range ballistic missile programs. The unexpected outcome was that North Korea agreed to a moratorium on any further missile testing until 2003. More astonishingly, in June 2000, the leaders of both Koreas held an unprecedented summit in Pyongyang. Three months later, Vice Marshal Cho Myong Rok, number two in the communist regime, paid a visit to Washington to discuss an agreement to end its missile program and invited President Clinton to the North Korean capital.

The Democratic administration in Washington had hoped to get a final deal before leaving office. Such a deal would have included not only a complete and verifiable termination of all testing, development and deployment of missiles beyond 300 km, but also a complete export ban on sales of such missiles and all associated technology, as well as reliable assurances that the DPRK had ended its nuclear weapons program. In return, the Clinton administration was ready to normalize relations with the North. Unfortunately, Clinton's remaining time in office was

[12] The Agreed Framework stated that North Korea should freeze its nuclear program based on plutonium, and the US and its allies agreed to built two Light Water Reactors.(LWR) Also, the IAEA would have to carry on with its inspections and the US would provide 50,000 tons of oil per year. The original date for completing the two LWR was 2003, but the reactors might not be completed before 2007.

insufficient.[13] Moreover, National Security Advisor candidate Condoleezza Rice and Secretary of State nominee Colin Powell made clear that the Bush administration would refuse support for any such settlement. As a result, President Clinton decided to give up the agreement.

The Republican administration entered office with a fixation on deploying national missile defense, which, as it soon turned out, ignored a more imminent threat to US security: radical Islamic terrorists armed with unconventional weapons. The focus on missile defense only achieved that key allies in East Asia regarded with suspicion what lay ahead in their relations with Washington. In particular, US-Chinese tensions reassured the North Korean leadership. As Senator Joseph Lieberman stated, the Bush Administration, "motivated by its unhealthy aversion to all things related to the previous administration… took office determined not to follow this policy of engagement and negotiation. Instead it immediately followed a course of unilateral confrontation, branding North Korea part of the axis of evil".[14]

Clearly, senior officials in the new administration had a different perception of the Korean situation and thus advocated a very different policy approach.[15]

The Failure of the Geneva Accords?

For former Secretary of Defence William Perry, the Agreed Framework (AF) did not fully guarantee the security of North Korea, but was intended as a first step towards a non-aggression pact. Therefore, the feeling of insecurity in the minds of North Korean leaders was not eliminated altogether. However, the AF has not been viewed equally positive by the new Republican administration in Washington. A Deputy Secretary of State, Richard Armitage, said: "Since the Agreed Framework (AF) was signed by the United States and North Korea on October 21,

[13] Former Secretary of Defense William Perry had managed to restore a measure of coherence on policy toward North Korea during the final years of the Clinton administration. He improved the quality of policy consultations not only with Pyongyang but also with Seoul and Tokyo.

[14] Joseph I Lieberman Washington Post January 8 2003 Crisis of our own creation.

[15] See Michael H Armacost Brookings Northeast Asia Survey 2001-2002.

1994, the security situation on the Korean peninsula and in Northeast Asia has changed qualitatively for the worse". [16]

While the AF apparently did succeed initially in reducing tensions on the Peninsula and helping the US to better manage the risks in the region, critics suddenly described the current crisis as proof that the agreement was both unwise and even dangerous. The failure of the agreement is said to underline that Pyongyang will never honor any deal with the US. It is important to remember that the AF was never based on trust. Although the agreement lacked any formal verification mechanisms, each side understood that the other side would scrutinize its actions and that any significant violation would put the accord at risk.

True, the agreement did not eliminate Pyongyang's ambitions to acquire nuclear weapons, but at least it impaired the DPRK's capacity to produce plutonium, limiting its suspected nuclear arsenal to one or two nuclear weapons. Now that the AF is nullified, the situation has immediately become much more dangerous.

It is worth remembering that the current crisis is not the first one to threaten the agreement, even though it is more serious. Already in 1998, the AF was close to collapse. Despite the overall failure of the accord, some useful elements should be further pursued. For example, the construction of the two Light Water Reactors (LWRs) called for in the agreement are still years behind schedule, and fuel oil deliveries by the US have been chronically late were cancelled altogether in November 2002.

In 1998, President Clinton facing a new confrontation with Pyongyang, decided to appoint former Defense Secretary William Perry as Special Advisor to reevaluate North Korea policy and find new approaches. The result of his work, the so-called "Perry Report" advocated intense negotiations with the DPRK to revitalize the AF and to reshape the political and military realities on the peninsula, a policy that officially lasted until October 2002.

While the fuel shipments under the AF were suspended in November 2002, the work on the Light Water Reactors (LWRs) continues for now. But the latter, too, is likely to stop soon, awaiting only a formal decision by the KEDO board of directors. Meanwhile, tougher measures to penalize Pyongyang for its violations may follow. Aid reductions or cuts are unlikely options, however, despite Deputy Secretary of Defense Wolfowitz's call for a policy of destabilization towards the DPRK, which could include cutting humanitarian aid and encouraging refugee flows

[16] Richard L. Armitage. A Comprehensive Approach to North Korea, Strategic Forum, INSS. Number 159, March 1999, Via internet at http://www.ndu.edu/inss/strforum/disclaim.html

into China. Mr. Wolfowitz does not represent a dissident voice in the Republican administration or Congress; Senators Helms, Kyl, and Smith, as well as Representatives Cox and Markey, have encouraged the president to impose sanctions against the DPRK and to immediately terminate all aspects of the AF. They advocate regime change as the only viable objective, a policy that, if adopted, would preclude any diplomatic solution.

The first important decision facing the administration is whether to dismantle all aspects of the AF. Should they stop funding for KEDO in New York? Should the construction of the two light water nuclear reactors be terminated, or merely suspended? Dissolving the AF altogether would be counterproductive and even dangerous, especially now that North Korea has at last 8,000 spent fuel rods with plutonium that could fuel several more nuclear weapons. It has an unfinished heavy water reactor that could produce dozens of weapons worth of plutonium a year if made operational. Furthermore, it could resume missile testing, or step up efforts to export missile technology to well-financed terrorist groups. In brief, despite the DPRK's clear violation of the AF, something must be done to save the positives aspects of the accord, or to agree on a modified version until a wiser solution is found.

The Nuclear and Ballistic Programs

The principal threats posed by North Korea are its nuclear arms program, its chemical and biological weapons, its short and longer-range missile capabilities, but also its forward deployed conventional forces. All these treats are interrelated; the combination of the missile programs and WMD link the war against terrorism with the US concept of the 'Axis of Evil.'[17] How these programs are, and why are they so dangerous? What will North Korea's resumed nuclear weapons and its ongoing missile development program mean for security in the region, and finally, are these programs the only survival policy for Pyongyang?

The international community must come up with a formula to deal with the North Korean threat and to make Pyongyang give up, for good, its armament and brinkmanship policies. In order to do so, the international community must find answers to the following key questions: What do North Korean weapons programs consist of? What

[17] Stratfor. February 14 2003. On a collision course: North Korea's missile development program.

threats to they pose for the region and beyond? Do these programs represent Pyongyang's only possible guarantee for survival?

Facts and Figures

The Nuclear Program

The North Korean nuclear programs date back to the 1950s when the Soviet Union, and later China, provided assistance for their development. Probably as early as the 1960s, Kim Il Sung decided that the time was ripe to develop an atomic bomb, and in 1964, the Yongbyon nuclear facility was established.

The first foreign detection of Pyongyang's nuclear program occurred in 1993, when reconnaissance satellites discovered that a nuclear reprocessing center at Yongbyon had begun processing plutonium.[18] The current crisis, however, started with the development of the Highly Enriched Uranium (HEU) program[19], recently revealed by the US and then unexpectedly acknowledged by Pyongyang.[20] The program, as Under Secretary of State for Arms Control John Bolton declared, aims at producing weapons-grade uranium, a clear violation of the Non-Proliferation Treaty.

In any event, there is no solid proof that Kim Jong Il's regime has actually started enriching uranium. Moreover, precise information on the size of the Yongbyon facility and on how much uranium it is capable of enriching per year is missing.[21] Despite North Korea's claims that it started the program in response to recent 'aggressive' American policy, the origins of the program could date back to the 1990s.[22] Other sources

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[18] For a detailed analysis of the origins of North Korean nuclear programs see the Asian Balance of Weapons of Mass Destruction. A Quantitative Arms Control Analysis, Center for Strategic and International Studies. CSIS. Washington Revised January 2002.

[19] It should be noted that uranium enrichment was not covered by the Agreed Framework. Only highly enriched uranium can be used to create nuclear weapons; at lower levels of enrichment, uranium it is used in reactors, though not in the type of reactors that North Korea was building in the early 1990s.

[20] US intelligence discovered that Pyongyang was trying to acquire large amounts of high-strength aluminum, which is used in equipment to enrich uranium for a bomb. See Washington post October 18 2002. "US Followed the Aluminium".

[21] The United States suspects that the North Korean Academy of Social Sciences could be one of the three sites where uranium enrichment tests have been done. The other two could be located in the Jagang province and Yanggan province. See Korea Herald October 21 2002.

[22] See New York Times. October 18 2002. "US Says Pakistan Gave Technology to North Korea".

suggest even the 1980s when East Germany could have supplied hardware and technology for its development.[23]

Map of Suspected Uranium Enrichment Sites in North Korea

Source: Monterey Institute for International Studies.
Via Internet at http://cns.miis.edu/research/korea/index.htm

There are several theories about how Pyongyang managed to start such a program, but the most plausible one concerns North Korea's links to Pakistan, a major supplier of crucial equipment. In return, North Korea

[23] Daniel A Pinkson "When Did WMD Deals between Pyongyang and Islamabad Begin?", Center for Non-proliferation Studies. Via internet at http://cns.miis.edu

may have supplied Pakistan with Nodong ballistic missiles.[24] Today we can only speculate about the progress North Korea has made in its effort to produce highly enriched uranium. With the information available, it is impossible to make a satisfactory assessment of the extent of this program.[25] It is estimated to be at least two years away from generating enough material for even a single weapon.

Nevertheless, for the US administration, the plutonium program represents a pressing concern.[26] Most of North Korea's plutonium-based nuclear installation is located at Yongbyon, 60 miles from the capital Pyongyang. This site features an atomic reactor with a capacity of about five megawatts. Constructed between 1980 and 1987, it is reportedly capable of generating enough uranium fuel to produce about seven kilograms of plutonium annually, enough for the manufacture of a single atomic bomb.

In 1989, the reactor was shut down for about 70 days; US intelligence believes that North Korea removed fuel rods during that time in order to process plutonium suitable for nuclear weapons. In May 1994, Pyongyang again shut down the reactor and removed about 8,000 fuel rods, which could be reprocessed into enough plutonium for 4 to 6 nuclear weapons. These fuel roads are believed to have remained in storage. However, in April, during the first official trilateral talks in Beijing since the beginning of the current crisis, North Korea revealed that it had completed reprocessing 8,000 spent nuclear fuel rods[27].

Moreover, two larger reactors are under construction at Yongbyon and Taechon since 1984. These plants, if completed, would be capable of producing enough fuel annually for 200 kilograms of plutonium, sufficient to manufacture nearly 30 atomic bombs a year.

Finally, North Korea is believed to possess a plutonium plant with a capacity to separate weapons-grade Plutonium-239 from spent nuclear fuel rods for use in atomic bombs or missile warheads. It is believed that the two reactors and the reprocessing plant have been developed with domestic resources and technology. North Korea has about 3,000 scientists and research personnel devoted to the Yongbyon program,

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[24] Ibid.

[25] Compared to the plutonium program, the precise status if the uranium program would be difficult to assess using sources such as satellite imagery. Also, the uranium enrichment program, contrary to the plutonium that needs large and distinctive plutonium reactors, could be dispersed and hidden underground.

[26] The CIA is worried about reprocessing because North Korea could sell plutonium on the open market — a threat Mr. Powell said today that the North Koreans made explicit last week, saying their decision "depends on the American reaction." See New York Times April 30 2003 "North Korea Prompts U.S. to Investigate Nuclear Boast".

[27] Washington Post, Apr. 26, 2003. "North Korea's Threats Prod China Toward U.S".

trained in the Soviet Union, China and reportedly Pakistan.[28] As a result, the CIA, in an unclassified January 2003 report to Congress, wrote that North Korea "*probably*" has produced enough plutonium for at least one, and possibly two, nuclear weapons. Others have gone further, suggesting that there is *no doubt* about North Korea having enough plutonium for one or two nuclear weapons, though the basis of their claims is unclear.

Given the lack of verifiable data we are forced to rely on intelligence services information. In 1992 and 1993, the UN International Atomic Energy Agency (IAEA) – a more objective source of information – determined that North Korea separated more plutonium than the approximately 100 grams it had declared. The IAEA, however, was unable to determine how much more plutonium North Korea produced and separated. Apparently, North Korea had hidden certain quantities of separated plutonium, but the exact amount remains unknown. The worst-case estimate is that North Korea separated about seven to eleven kilograms of plutonium. Under the assumption that five kilograms of plutonium are needed per nuclear weapon, this is enough plutonium for one to two nuclear weapons.

In December 2002, senior IAEA officials estimated that North Korea could reactivate its plutonium separation plant within a period of one to three months. In fact, it was believed that North Korea had already undertaken attempts to restart the facility. This plant is a large facility with two processing lines. The first one, which operated successfully prior to the 1994 freeze, was capable at the time of separating about eleven tones of spent fuel in a single month of continuous operation. If a nuclear weapon requires five kilograms of plutonium, North Korea would need to process about 8.2 tones of spent fuel. At the very beginning of this year – allowing one month for reactivating the plant and less than a month for processing the spent fuel – one could have estimated that North Korea would have been able to separate enough plutonium for a nuclear weapon by March 2003.

North Korea possesses enough plutonium in spent fuel to make about five nuclear weapons. Based on the above information, Pyongyang could extract all the plutonium from its spent fuel in roughly six months, or by the end of June 2003. This estimate assumes some delays in processing all the spent fuel. If the reactivation of the plant takes three months and processing delays are substantial, North Korea may need nine months to process all of its spent fuel.

Furthermore, North Korea was thought to have the capability to restart its 5-megawatt reactor at Yongbyon by February 2003. This

[28] See North Korea's Nuclear Weapons Program. Issue Brief for Congress, Congressional Research Service. Updated January 2003.

reactor would need to operate for almost a year to make enough plutonium for a nuclear weapon. After cooling the spent fuel for a few months, North Korea could finish processing this fuel in about five months. Thus, North Korea may need a year and a half to produce and separate another bomb's worth of plutonium. However, it may decide to keep the fuel in the reactor for a longer time in order to allow a further increase in the plutonium content of the core. In addition, North Korea may finish two larger reactors over the next several years that combined could produce enough plutonium for about 55 nuclear weapons per year. If unchecked, North Korea could have five to seven nuclear weapons by mid-2003. Such a nuclear arsenal is viewed as being the minimum required to be of any political and military significance.

If all the information above is to correct, North Korea could possess a total of eight to ten nuclear weapons by the end of 2005, and over 200 by the end of 2010. Such a nuclear arsenal would be comparable to that of China.

The Ballistic Missile Programs

The DPRK has pursued ballistic missile capabilities for more than 30 years. Over the past decade, it has made steady progress despite economic failure and famine.[29] Today, Pyongyang has the largest ballistic missile stockpile in the Third World, comprising some 36 launchers and 700 missiles, including ICBMs.[30]

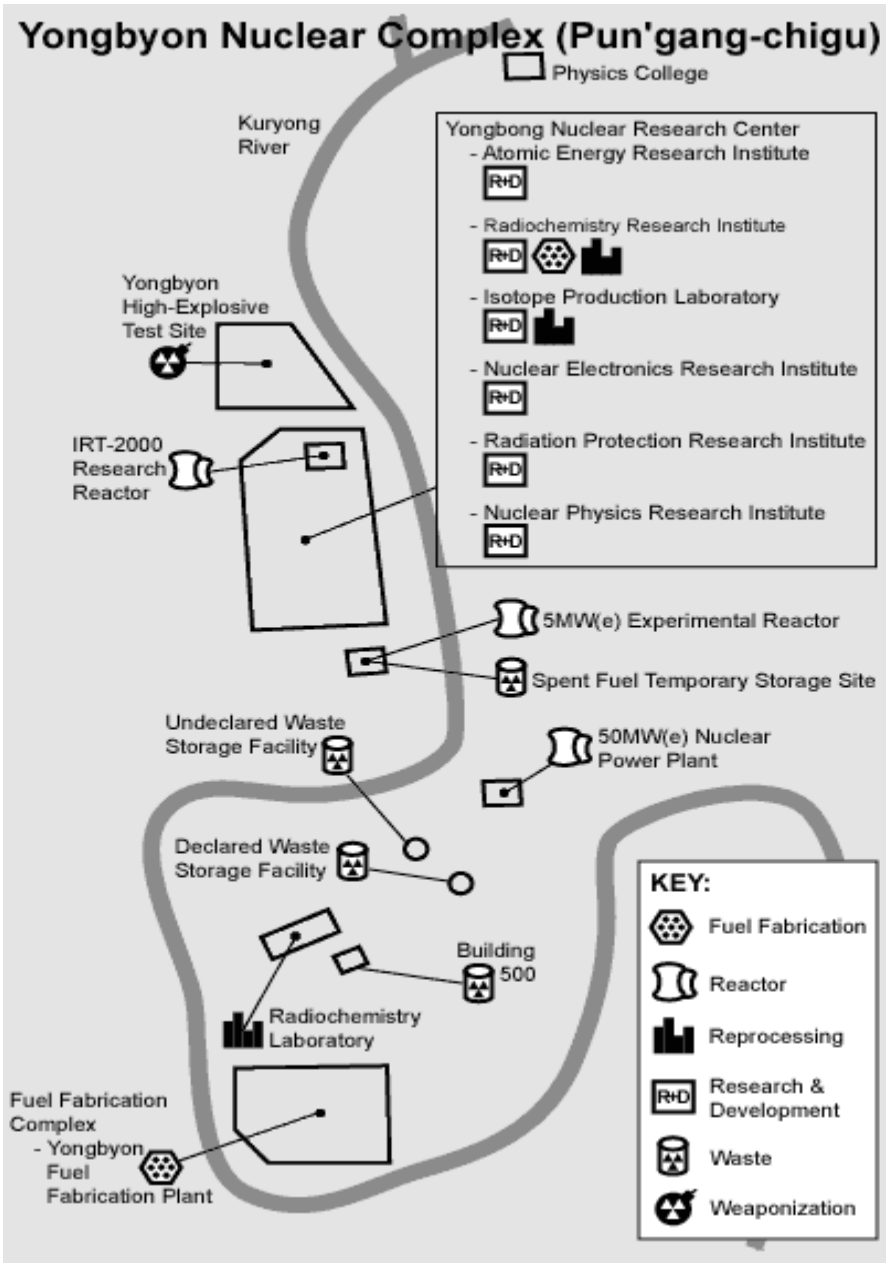
It is believed that the implementation of North Korea's missile programs began in the early 1980s. In the late 1970s, the development of missile programs had became a national priority, equal in importance to the nuclear program. After having gained experience with local production of the HwaSong 5 and 6 (based on the Scuds B and C), the North Koreans began developing the NoDong, a scaled-up Scud. With a 1300 km range, it can reach targets throughout South Korea and Japan. The NoDong has been exported (together with production technology) to

[29] Like other centrally planned economies, industrial and agricultural production gradually slowed down as the North's inefficient command economy steadily eroded. While most communist governments chose market reforms in the early 1990s, the DPRK remained dogmatically loyal to its 'Juche', or self reliance doctrine. In the early 1990s, the North's economy began a precipitous decline. The loss of its communist trading partners and heavy flooding in 1995 and 1996 worsened its economic woes.

[30] For a more extensive analysis see the Report CNS Occasional Paper 2. Via internet at http://cns.miis.edu/pubs/opapers/op2/intro.htm

Iran and Pakistan, providing the basis for Iran's Shahab 3 and Pakistan's Ghauri.

Map of Yongbyon Nuclear Complex in North Korea



Source: Monterey Institute for International Studies.
Via Internet at http://cns.miis.edu/research/korea/index.htm

The next missile developed was the TaepoDong 1, placing a Scud atop a NoDong to create a two-stage missile with a range of about 2,000 km. Causing great international concern, a three-stage version was fired through Japanese airspace during a failed attempt to launch a satellite in August 1998. The TaepoDong 2 consists of a new, larger first stage (employing 3 NoDong engines) and a NoDong used as the second stage. Its range has been estimated at 4,000-6,000 km. This is, however, a theoretical estimate since the TaepoDong 1 has never been tested beyond 1,600 km and the TaepoDong 2 has never seen any testing at all. Moreover, there are few strategically significant targets for North Korea between 1,300 km (the NoDong 2 range) and 6,000 km. Consequently, there has been speculation about North Korea's motives behind developing the TaepoDong – is it an export product intended for Iran and Pakistan (which are developing the Shahab 6 and Ghauri 3, respectively), a diplomatic bargaining chip, or a technical stepping-stone to a longer-range missile?

Some experts have estimated that a three-stage variant of the TaepoDong 2 could deliver a payload of "several hundred kilograms" to the United States. The significance of this estimate depends on what is meant by "payload" and by "several hundred". The TaepoDong 2 is believed to have a payload of 1,000 kg (a vague estimate for a missile that has never been tested). Of this, 750 kg is thought to be available for the RV, with perhaps 500 kg for the nuclear device itself (the 'physics package'). If this missile has an initial range of 6,000 km, then increasing the range to 10,000 km would require a velocity increment of 800 m/sec (see Table 2), and thus a reduction of the payload it can carry to 300 kg. If the missile has an initial 4,000 km range, extending this to 10,000 km would require an 1800 m/sec velocity increment, which would allow it to carry only a 200 kg device. These payloads are both too small to accommodate first-generation nuclear warheads.

More realistically, if the TaepoDong 2 has a 4,000 km range, it can reach Guam. If the full range is 6,000 km, it can reach Anchorage, and the range could reasonably be extended to Honolulu as well. In contrast, an ICBM threat to the US mainland would require either a larger missile, a missile with more efficient stages, or a different nuclear warhead (second-generation, maybe even third-generation). Any of these would require a new development cycle lasting a few years. For these reasons, we can estimate that, at worst, the TaepoDong 2 poses a threat to Alaska and Hawaii by 2005 and a follow-on ICBM to the continental United States by 2010, assuming the availability of additional plutonium for use in ICBM warheads.

North Korean missile testing is currently subject to a moratorium, in effect until 2003. However, it is possible to get around this moratorium by surrogate testing. Shahab 6 test launches by Iran or Ghauri 3 test launches by Pakistan (with participation of North Korean technicians) could substitute for explicit tests of a TaepoDong. So far, North Korean has tested of the NoDong only once, but if Iranian and Pakistani tests are counted, there have been a total of six.[31]

North Korean Ballistic Missiles

System	Status	Range/Payload	*Stages/Fuel*
Scud-C	Potential Acquisition	550 km/600 kg	1/ liquid
Nodong-1	Potential Acquisition	1,300 km/750 kg	1/ liquid
Scud-B HwaSong 5	Operational	300 km/1,000 kg	1/ liquid
Scud-C variant	Operational	550 km/700 kg	1/ liquid
Nodong-1	Operational	1,300 km/750 kg	1/ liquid
Nodong-2	Development	1,500 km/770 kg	1/ liquid
Taepo Dong-1	Tested/Development	2,000 km/1,000 kg	2or 3/ liquid&solid
Taepo Dong-2	Development	5,000-6,000 km/1,000 kg	2or 3/ liquid&solid

Source: Worldwide Ballistic Missile Inventories. May 2002.
Via Internet at http://www.armscontrol.org/factsheets/missiles.asp

Why Are These Programs So Dangerous?

The international community views the nuclear and ballistic programs as serious threats to world peace. US Secretary of Defense Donald Rumsfeld has described North Korea as the world's biggest proliferator. Pyongyang's missile programs are well-known, especially among developing countries, for offering high-quality technology at relatively low prices. Moreover, besides Russia and China, North Korea is the most likely candidate to develop over the next 15 years ICBMs capable of reaching the US.[32]

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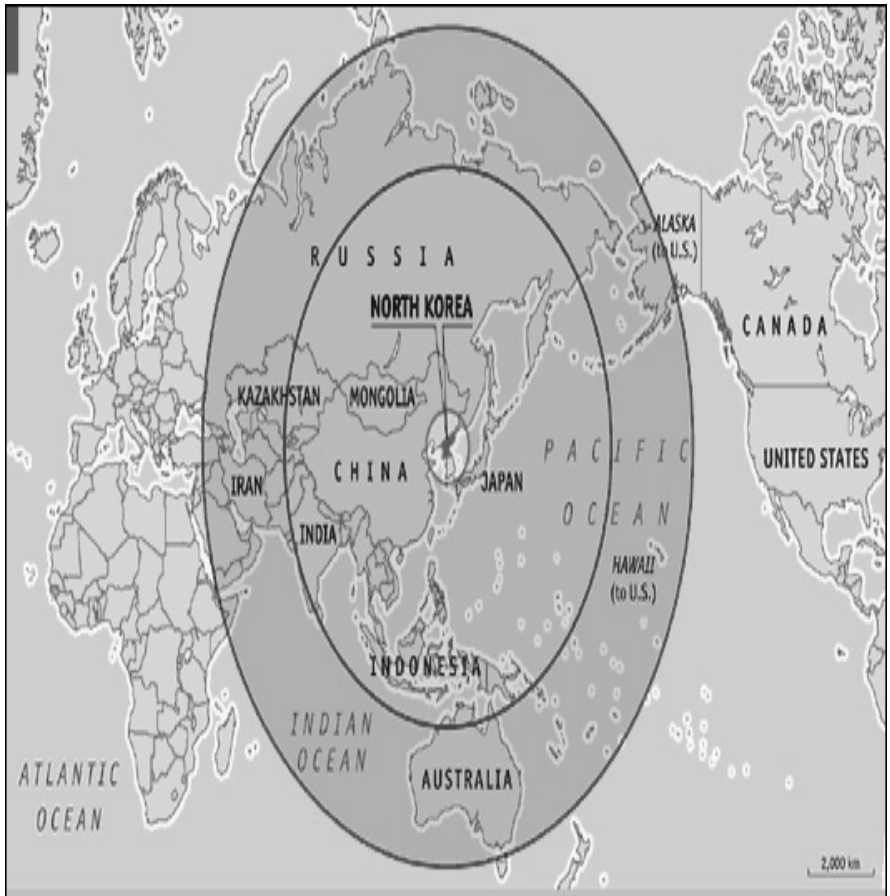
[31] See Ronald H. Siegel IDDS Working Paper *3* The Missile Programs of North Korea, Iraq, and Iran, September 2001 Institute for Defense & Disarmament Studies. Cambridge, USA

[32] See The Asian Balance of Weapons of Mass Destruction. A Quantitative Arms Control Analysis, Center for Strategic and International Studies. Washington. Revised January 2002

North Korea's Missile Threat



North Korea's missile threat

Type	Maximum range	Payload	Status
Nodong	1,300 km (810 miles)	700 kg (1,550 pounds)	Currently deployed
Taepodong-1	Up to 10,000 km	Several hundred kg	Test failed 1998, not yet operational
Taepodong-2	10,000-15,000 km	Several hundred kg	Not yet tested

Source: Task Force for US Korea Policy, Centre for International Policy

Proliferation has been a major concern not only for Washington and its allies in the region but also for states in other parts of the world. As regards the Middle East, for example, Israel views with anxiety how Pyongyang exports arms directly to countries hostile to Tel Aviv.[33]

Conventional War – Could It Go Nuclear?

In 1993, US intelligence reported that North Korea was developing a plutonium-based nuclear program. The Pentagon elaborated a plan called "Operations Plan 5027" which estimated that, under the scenario of a nuclear conflict, as many as one million people could be killed, including almost 100,000 Americans. Economic losses could amount to $100 billion, and ulterior reconstruction to up to $1 trillion.[34] Fortunately, Washington decided to negotiate and dispatched former US President Jimmy Carter was dispatched to Pyongyang. His visit resulted in the so-called Geneva Accords.

Clearly, the worst possible scenario in case of military conflict would be a nuclear war [35], and all actors in the region want to avoid such an outcome. North Korea understands that a nuclear confrontation would bring about the immediate end of the regime and thus preclude its only principal objective of survival. Still, given the situation of the communist state – a precarious economic situation and total political isolation – provoking a war could be a last option. Meanwhile, the possibility of conventional war merits a closer look, given that the North Korean leadership might believe that the US would be unwilling to defend its interests in the region in order to avoid a nuclear war.

For South Korea, initiating military action is also out of the question, due to the proximity of Seoul to the North Korean border. Japan is also highly exposed to attacks; Pyongyang has repeatedly stated that, in case of war, Tokyo will be one of the targets. Finally, American troops in South Korea and Japan are directly endangered as the only reachable US targets for North Korean missiles.

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[33] Even in the 1990, Israel accepted a North Korean invitation for talks. Tel Aviv offered to open diplomatic relations, provide hundred of millions of dollars in investment and technical assistance as inducements to halt Pyongyang's missiles exports to the region. See Boston Globe, 12 December 2002, "A deal to Stop North Korea missile sales".

[34] Don Oberdorfer, The Two Koreas: A Contemporary History, London 1998, pp. 324.

[35] For Michael E O'Hanlon from the Brookings Institution in Washington, North Korea would be unlikely to start a war even if it had a dozen nuclear weapons. Nor are any of its nuclear weapons likely to be small enough to fit on its missiles.

What remains unclear is the potential role of the other regional nuclear powers, China and Russia. It seems highly implausible that Russia would intervene directly to help Pyongyang. China – the only country that supported North Korea with ground troops during the Korean War – will be in a difficult position, but, again, it is hard to believe that it would engage in direct military confrontation with Washington and jeopardize decades of economic progress.

In conclusion, a nuclear war, although possible, is a highly unlikely outcome. All the actors involved understand the consequences of military confrontation, especially since North Korea declared that it possesses the atomic bomb. Recently, Kim Myong Chul, North Korea's unofficial spokesman, stated that North Korea will soon have the capacity to send ballistic missiles loaded with WMD to most cities in the US. Kim warned that Pyongyang will retaliate if Bush launches "surgical strikes" against the Yongbyon nuclear facility. North Korea "will mount an immediate retaliation against the US homeland, leaving "Washington, New York and Chicago aflame… North Korean missiles can reach any part of the United States of America. There is no safe place for Bush to hide." [36]

Proliferation

Preventing proliferation of WDM has become a top security policy priority in the field of arms control. In this context, North Korean exports of ballistic missiles and related technologies represent a major international concern. During the last several years, North Korea has made substantial progress in ballistic missile research & development, testing and deployment, and has increased its exports. North Korea is well-known for its proliferation activities, both for selling equipment and for assisting countries in acquiring technologies that serve as the basis for domestic development efforts (For example, Iran's reverse engineering of the No Dong in the Shahab-3 program; in turn, Iran is expanding its efforts to sell missile technology). The fact that a number of these countries are considered hostile by the US significantly amplifies the security problem posed by Pyongyang. In April 2001, Pyongyang signed a Defense Industry Cooperation Agreement with Russia, laying the groundwork for potential arms sales and transfers to North Korea. Actual sales and deliveries, however, will be dependent on Pyongyang ability to pay.

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[36] Radio interview for the ABC Via internet at http://www.abc.net.au/am/s801776.htm

North Korea is nearly self-sufficient in developing and producing ballistic missiles and has demonstrated a willingness to sell complete systems and components that have enabled other states to acquire longer range capabilities earlier than would otherwise have been possible and to acquire the basis for domestic development efforts. Pyongyang will continue to export significant ballistic missile-related equipment, components, materials and technical expertise to countries in the Middle East, South Asia, and North Africa, as long as it is economically and politically beneficial. These exports represent North Korea's major sources of hard currency, which, in turn, can finance further arms development and production.

However, not everyone agrees with this treat assessment. Some voices claim that "While the danger of proliferation of nuclear and ballistic missiles is serious, the real world proliferation threat is much more finite than Secretary Rumsfeld leads his audience to believe"[37] Since the end of the Cold War, the number of countries with nuclear weapons has actually decreased, and most countries that have ballistic missile posses systems capable of traveling only modest distances.[38]

Moreover, the North Korean proliferation issue is being perceived differently in different countries. For Washington, the missile program is a non-proliferation priority, while Tokyo is more concerned about North Korean missile deployment. From South Korea's perspective, the missile program receives less attention altogether, given that Seoul has lived under this threat for years. [39] Finally, Moscow does not share any of these concerns, believing that the North Korean missile program is of peaceful character and is not designed to pose a military threat to any country.[40]

Regional Arms Race

North Korea's policy of nuclear weapons development is causing regional powers to break the taboo of acquiring nuclear weapons themselves, and to undertake constitutional changes to allow for the

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[37] Cited in Council for a Livable World, via internet at www.clw.org/nmd/threatanalisys.html

[38] According to Thomas W Graham, Russia is the most serious proliferation threat, while North Korea is only a second order threat.

[39] Strategic Challenges for the Bush Administration, National Defense University Press, Washington, 2001, pp. 5-6

[40] A Blue Print for US policy toward a unified Korea. CSIS Working Report, August 2002, pp. 35

domestic development of such capabilities.[41] Former South Korean president has warned that North Korea's nuclear program could trigger an arms race with Tokyo and Seoul, forcing both to drop their long-standing disavowal of nuclear weapons.[42]

Given its technological progress, Japan is said to have the capacity to go nuclear within a short period of time. "If there is a danger to the new Japan's assertiveness, it is that it might decide down the road to go nuclear…But that political danger is all the more reason for the world to unite to pressure North Korea to give up its nuclear ambitions."[43] However, others believe that there is a whole range of issues – political, strategic, psychological, and even technical – that Japan has to overcome before it can go nuclear.[44]

South Korea might also have the technological capacity to develop such programs. For the People's Republic of China, it would be a real nightmare to suddenly see a full-scale militarization of its neighborhood, which enjoyed peace for several decades

The US looks with great concern at the possibility of having several nuclear states in the region, with unresolved conflicts among them. However, some high-level officials in Washington are backing some regional players in North-East Asia to acquire nuclear capabilities. Former presidential candidate and Senator John McCain, for example, called on his government to "remove its objections to Japan developing nuclear weapons," and Vice President Richard Cheney also speculated that North Korea's nuclear threat would force Japan to respond accordingly.

Are These Programs North Korea's Only Option for Survival?

North Korea has maneuvered itself into this desperate situation because of three interrelated factors. The first relates to the collapse of its economy. The second one is political and is linked to its complete political isolation. With the end of the Cold War, Moscow and Beijing cut off their food and oil subsidies, triggering an economic decline. The situation was aggravated by the discontinuation of Soviet and Chinese military support. Moscow terminated its security treaty with Pyongyang, deciding to export military hardware to Seoul to pay for industrial

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[41] Far Easter Economic Review March 27 2003.

[42] Far Eastern Economic Review February 27, 2003, "North Korea Nuclear crisis: A new menace makes Japan rethink.

[43] Wall Street Journal Japan Wakes Up February 20 2003.

[44] See more for technical details: Phar Kim Beng can Japan go nuclear in months? Policy Forum Online Feb 12 2003 Nautilus Institute.

imports. Beijing had already developed much more extensive trade and investment links with Seoul than with Pyongyang, and it began playing an "honest broker role" between both sides.[45]

Third and last, there is psychological factor. Pyongyang, isolated and faced with a strong South Korea and an even stronger US, very quickly understood its vulnerability, but also the fears of the others.[46] By deciding to pursuit a military nuclear program and continuing its successful ballistic missile program, North Korea could do three things: use both programs as a blackmail card for economic or political compensation; continue with its main source of hard currency income (through ballistic missiles and technology exports); and, finally, its weapons as an insurance policy to protect itself against the US and its allies.

The Blackmail Card

The current crisis had a very similar precedent in 1994. The blackmail card seems to be behind the motivations of the North Koreans. As some analysts have stated, such an approach is risky – but maybe it is worth the risk.[47] The Pyongyang regime appears to consider its WMD and long-range missiles as fundamental to survival and too important to give up since they enable the regime to bargain and blackmail for what it needs, rather than having to beg.

However, the current administration in Washington has a different perception than its predecessor. It remains to be seen whether the game will be played by the same rules. John R. Bolton, Undersecretary of State for Arms Control and International Security, declared: "We're prepared to talk directly with North Korea, but we'll not negotiate."[48] U.S. President George W. Bush called it "the old blackmail game."[49]

Washington may believe after its rapid military victory in Iraq that time is on its side. North Korea is a 'dying regime' whose definite

[45] Some see the triumph of Deng Xiaoping in China in 1978 and the consequent opening to the West as the first challenge to North Korea; then Glasnost and the collapse of Soviet Union further pushed Pyongyang onto isolation.

[46] South Korea with its capital and industrial heartland only a few km from the DMZ was interested in reunification, but only after economic modernization. The US did not want to experience a second Korean War, and China and Russia did not want their new relationship with the West to deteriorate.

[47] Philip Bowring. IHT January 28 2003. North Korea: Toward an opening to a wider world.

[48] Washington Times, February 4, 2003.

[49] Interview with the NBC television network. Cited by The Korea Times 05-01-2003

collapse is a matter of time. Therefore, the North Korea blackmail tactic may be less valuable this time than in 1994. In any case, Kim Jong Il is short of options, and blackmail is one of the few than might work. The reality is that if Washington wants to prevent North Korean for going nuclear, it has to offer something. You can call this blackmail, but in the end, the question is how you can get North Korea to give up its nuclear ambitions.

Main Source of Hard Currency Income

As the world's leading ballistic missile proliferator, Pyongyang has exported missile hardware and technology to a series of countries, including Egypt, Iran, Libya, Pakistan, Syria and the United Arab Emirates. During the 1980s, North Korea emerged as a significant arms exporter of inexpensive, technically unsophisticated, but reliable weapons. Clients are Third World countries that lack the resources and time to develop these systems.

Since 1982, Pyongyang had its own bank in Vienna, the so-called Golden Star Bank. It is owned 100 per cent by the Korean Daesong Bank, a state enterprise with headquarters in Pyongyang. Austrian intelligence sources reported in 1997 that the Golden Star Bank had been mentioned repeatedly in connection with everything from money laundering and distribution of fake currency notes to involvement in the illegal trade in radioactive material."[50]

General Thomas A. Schwartz, former commander in chief of UN and US forces in South Korea, declared to the US Senate that proliferation of missiles and conventional weapons has been North Korea's way of "keeping their economy alive, and they are actively pursuing those interests around the world."[51]

US military officials in South Korea say that missiles sales play a vital role in propping up the Pyongyang regime with exports of US$ 560 million in 2001 alone, a substantial figure for a country with a estimated GDP of just US$ 17 billion.

The Middle East has been the biggest market for North Korean arms, with Iran and Libya making most purchases. Sales to Iran peaked in the early 1980s at the height of the Iran-Iraq War. These sales probably

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[50] Cited in Far Easter economic review February 13, 2003, Pyongyang's Banking Beached in Europe.

[51] Far Eastern Economic Review Feb 13 2003 "Paper trail exposes missile merchants".

constitute about 90 per cent of North Korea's arms exports.[52] So far it seems that North Korean missile exports did not violate international law, and constituted virtually the only remaining export of the cash-starved regime.[53] Middle East clients probably include Egypt and Syria. Through Middle Eastern arms sales, North Korea gains hard currency, alternative oil sources, and access to restricted technology.

Precise figures on North Korea's arms trade, economy, and foreign trade balance are not available. Rough estimations indicate that North Korea earned over US$ 4 billion in arms sales from 1981 through 1989. Sales during the peak year 1982 represented nearly 37 per cent of North Korea's total exports. The weapons North Korea exports include large quantities of munitions, small arms, artillery, multiple rocket launchers, tanks, armored personnel carriers, air defense artillery, SCUD-B short-range ballistic missiles and some naval craft. In the Middle East, Pyongyang has military aid agreements with Iran, Libya and Yemen, and probably has military or economic agreements with Iraq, Syria, and Egypt

North Korea has other sources of income such as drug trafficking. Recently, US officials said that illicit drugs sales play a key role in funding the regime's weapons programs. Pyongyang is believed to earn US$ 500 million to US$ 1 billion annually from drug activities.[54]

Insurance Policy

North Korea's ballistic missile program has developed as part of a comprehensive defense program, offering the country disproportionate capabilities for its size. Pyongyang's survival has been based to a large degree upon its massive military, which allows to deter potential aggressors.

Possessing long-range missiles can be seen as a national strategy against suicide, reducing the chances of a military attack or invasion from the US.[55] While the last Chinese soldier left North Korean territory in 1958, today, there are 37,000 American soldiers just on the other side of the 38th parallel. North Korea cannot compete with South Korea in conventional arms, underscoring its resolve to develop WMD. North

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[52] See Federation of American Scientists. Via internet at http://www.fas.org/irp/dia/product/knfms/knfms_chp3a.html;

[53] Michael O'Hanlon. A Master Plan to deal with North Korea. Policy Brief, nº 14, The Brookings Instittuion. Washington USA, January 2003.

[54] Wall Street Journal May 7 2003 North Korea Denies ties to heroin trade.

[55] Selig Harrison. The Missiles of North Korea: How real a threat? World Policy Journal, Fall 2000, pp. 13.

Korea is highly unlikely to bargain away its WMD arsenal since the regime's survival is inextricably linked to to the existence of such weapons.

Alternatives for Dealing with North Korea

The current crisis with North Korea is everything but new. Pyongyang's unique behavior in similar circumstances has always followed the same pattern: provocation, dialogue, frustration, desperation and finally some kind of agreement with a face saving deal for all parties. This time, the scenario may be quite different. The North Korean nuclear program is further advance than in 1994, when the Agreed Framework succeeded in freezing it for almost a decade. Today, the program may have reach its final stages, which means having the actual nuclear bomb. At the same time, there is a new administration in Washington, pressured by a new international environment and a worldwide war against terrorism, WMD and "rogue states".

Will North Korea Give Up Its Nuclear Program?

It is hard to believe that Kim Jong Il would give up his best, and probably only, card for dealing with Washington and for keeping the rest of the world worried and guessing about its intention. Don Oberdorfer, a prominent expert on Korea believes that "they are going straight for nuclear option, and I don't expect them to stop."[56] We cannot be certain about North Korean intentions, but it seems plausible that the nuclear weapons are the ultimate guarantee for the survival of the North Korean regime. In 1994, the North may have hoped that peace on the peninsula would obviate the need for nuclear weapons, but by the late 1990s, even before President Bush was elected, the North apparently concluded that genuine peace, with all its implications, was not near at hand.

If the nuclear and ballistic programs are seen as the last resort to keep this dying regimen alive, the most rational option would be to provide Kim Jong il with the means that would guarantee his regime's survival – a plan that contradicts the American wish for regime change, but is accepted by others, such as China and South Korea.

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[56] Don Oberdorfer. Conference at the Brooking Institution, January 14, 2003, "Challenges for the Bush Administration dealing with a nuclear Korea".

An American Approach

Professor Victor D. Cha asks if the US administration knows what it is doing in North Korea? Does it actually have any policy at all?[57] Since the break out of this new crisis, it seems that the Bush administration wants to *negotiate without negotiating.* Clearly, there is a split in the Bush administration between those who want engagement and those who want to isolate Pyongyang, but the Highly Enriched Uranium program seems to have strengthened the position of the latter within the administration. It seems that the goal is to let the Stalinist regime collapse and cause regime change without military involvement.

In order to achieve this goal the Americans are taking a policy called *benign neglected*. While Sadam Hussein was asked to prove that he did not have WMD, Kim Jong-il has been asked to prove that he does. Isolation and containment could be the options to follow. The risk is that, from Pyongyang's point of view, being completely isolated is as deadly as being invaded since both ultimately lead to regime change. For this reason, Pyongyang considers economic sanctions as an act of war.

As Scott Snyder clearly noted, "North Korea peculiar style of using brinkmanship and crisis escalation tactics to set the stage for negotiations is generally unpleasant, intolerable and unfathomable to interlocutors; yet such strategies are rooted in North Korea's history."[58] US Defense Secretary William Perry seems, therefore, right when he notes that "hope is not a strategy... The United States policy must deal with the North Korean government as it is, not as we wish it to be".[59]

Again, the officially declared goals for Washington are nuclear disarmament, regime change and reunification. After the military campaign in Iraq, it seems that regime change has become a legitimate goal for the Bush administration. However, in the case of North Korea, the US sees itself faced with the nuclear dilemma. On the one hand, the nuclear factor serves as a deterrent to take concrete actions against Pyongyang. On the other, it makes swift action all the more necessary for three reasons. First, Pyongyang would get a credible and dangerous military option. Second, it could sell those weapons or at least some material to any one willing to pay the price. Third, states with a potential nuclear capacity (South Korea, Japan and Taiwan) would be tempted to acquire nuclear weapons of their own.

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[57] Victor D Cha. Korea's place in the Axis, Foreign Affairs, Vol 81, nº 3, pp. 80.

[58] Financial Times, February 3, 2003, "Ending North Korea's Guerrilla Tactics".

[59] William Perry, Brooking Institution, January 24, 2003.

Washington's alternatives for dealing with Pyongyang should be in concordance with its own policy objectives. Changing the latter from one week to the next would just create confusion and make solutions more difficult to find. In any case, four alternatives are on the table: bribing, military action in the form of a pre-emptive attack, economic sanctions and, finally, accepting the possibility that several countries in the region go nuclear.

- *Bribe the Regime*

In 1994, Kim Il Sung agreed to stand down not only because of the pressure mounted against him and his regime, but also because of President Carter's successful diplomatic effort in Pyongyang. North Korea trusted Carter when he offered a face-saving solution.

It seems that now, as in 1994, bribery is the best policy option. It can serve as a tool to draw North Korea gradually into an ever wider and deeper web of contacts with South Korea and the outside world, so that through growing interaction with foreign individuals, companies and governments, North Koreans learn more about the rest of the world and about the oppressive nature of their own regime. Such a process could encourage internal dissent and ultimately lead to an overthrow of the leadership from within. The questions is how long such a process would take, and whether it could evolve peacefully instead of leading to chaos and violence.

- *Pre-emptive Strike*

Any military solution should be contemplated as the last resort, once diplomacy has clearly failed. The military balance is in the US's favor more than it used to be back in the early 1990s. However, it cannot guarantee a quick and decisive victory without numerous civilian casualties. A tactical pre-emptive attack on the Yongbyon nuclear site is one possibility. In 1994, Secretary of Defense William Perry once raised this option, but it was considered too risky. It is important to know how what quantities of radioactivity would be released with such a strike. Ash Carter and W. Perry argue that there would be a good chance of minimizing the release of radioactivity, even if bombing the reprocessing facility and the fuel roads. Others, on the contrary, believe there is a great danger of significant radioactive leaking, which could also impact South Korea. In any case, it is a very dangerous option that could easily trigger war.

The major problem of a military attack hast to do with the uncertainty concerning North Korea's reaction. If it decides to retaliate with its conventional forces and unleashes a full-scale war, even the lowest estimate of casualties make this option a frightening one. The death toll is estimated at a hundred of thousand among military personnel and even millions among civilians. Economically, too, the cost would be extremely high.

"Today, as in 1994, some are calling for pre-emptive military strikes to eliminate the North's nuclear weapons capacity. Today, as in 1994, diplomatic options are few, and the likelihood that they will succeed in defusing the situation is remote".[60]

- *Economic Sanctions*

Sanctions are unlikely to dissuade Pyongyang from pursuing a nuclear program. But, more importantly, the Stalinist regime has made clear that any kind of economic sanctions would be considered as a declaration of war. If enforced by all parties, they would definitely lead to the collapse of the Kim Jong-il regime. Since Chinese or South Korean leaders do not advocate this policy, it is unclear whether they would be committed to it. In addition, it seems that China and Russia would like to keep the North Korea issue out of the United Nations Security Council in order to avoid having to take a public decision and justify it. A potential use of the veto by these countries could undermine the UN even further.

- *A New Regional Nuclear Balance*

This final scenario has, until recently, been unimaginable. Now, that time is running out for finding a solution and Pyongyang's programs remain active, some voices claim that one is likely to see North Korea joining the nuclear club in the near future, followed by other countries in the region, namely South Korea and Japan.

The US immediate-term goals concerning the nuclear programs would be the dismantlement of the HEU program, the exportation of all of the spent fuel from the Yongbyon research reactor, and the cessation of ballistic missile exports. The "*missing*" spent fuel from Yongbyon would remain unaccounted for until the IAEA would be able to carry out the special inspections necessary to bring the North into full compliance with its Nuclear Nonproliferation Treaty obligations. It would be reassuring to resolve the uncertainty about the missing fuel as part of a comprehensive

[60] Frank S Jannuzi. North Korea : back to the brink ? George Bush and Asia, pp. 73.

settlement, but today, as in 1994, we must face the fact that we will likely have to live with doubts about the North's nuclear status for some time to come.

Pyongyang's Options

First, Pyongyang can carry on with its behavior of provocation through the continued development of WMD and missile technology. Further down the road, it could even conduct nuclear tests, exasperating international tensions even further. Along the same lines, but less troublesome, it undertake long-range missile testing. Furthermore, North Korea could try to sell nuclear materials and technology on the black market, even to terrorist networks. If North Korea is desperately searching for a face-saving way out, any rapprochement or concession that could avoid the above mentioned options might be worth a try.

Through increasing engagement, North Korea may one day achieve a so-called soft landing through economic opening and cooperation. This would clearly be the best possible scenario for the US and its regional allies. Over time, such a development could bring about economic growth and even lead to political reform. However, the most likely option is a survival approach that implies minimal reform. This appears to be the overall strategy that the North Korean regime has currently adopted. The main obstacle to engagement and reform is a deep sense of trust towards the outside world, especially the US. From a North Korean perspective, it is difficult to understand why Washington demands other nations to abandon their nuclear plans while it itself has refused to ratify the test ban treaty and has signaled to pursue space militarization. North Korean leaders are convinced that the US is only interested in increasing its influence in North-East Asia.

Reform, status quo and muddling through should be regarded as strategic options available to Kim Jong-il's regime. Depending on the regimes choice, collapse, soft landing or hard landing will be the consequences.[61] The transformation of the Korean Peninsula and the policies and actions of surrounding powers will be of primary importance for reshaping the geopolitics of North-East.

[61] Choong Nam Kim. "Pyongyang's dilemma of reform and opening" Korea and World Affairs, Summer 2000, vol. 24. nº 2, pp. 251

Conclusions

Since October 2000, tensions on the Korean Peninsula have significantly increased and we have witnessed a curious mix of developments. On the one hand, ministerial talks, economic dialogue, family reunions and semi-official civic events between both sides of the 38th parallel have continued. Business and aid contacts went ahead as before. Two temporary roads were opened across the demilitarized zone for the first time in half a century.

On the other hand, Pyongyang not only decided to acknowledge its secret nuclear program, withdrew from the NPT, reactivated its nuclear reactor at Yongbyon, shadowed a US spy plane and tested two short-range missiles, but also admitted – albeit without any verifiable proof – to be in possession of nuclear weapons.

North Korea's survival ultimately depends on three conditions: First, diplomatic recognition from Washington; second, a non-aggression guarantee, also from Washington; and, finally, that the US do not hinder its economic development. The most important factor now is Washington's next move. Washington knows that North Korea is weak, isolated and incapable of rescuing itself. Without substantial help and protection from China and Russia, the DPRK finds itself in a highly precarious situation. South Korea's economic success has allowed it to build up a strong military; US military power has been proved repeatedly in the first Gulf War, the Balkans and, more recently, in Afghanistan and Iraq. North Korea has watched Saddam Hussein's swift removal from power, and continues to be confronted with hostile rhetoric from the Bush administration. The message to Pyongyang is clear: "Be scared."

Nothing allows us to believe that North Korea will give up, in the near future, its aspirations for obtaining nuclear weapons. Today, the parameters of reunification have drastically changed. Still, reunification -- after reconciliation – could ultimately be the only reasonable and durable solution to the Korean security problem. Perhaps, the perception of insecurity engraved in the minds of the North Korean elite for decades will only vanish with eventual reunification. Kim Jong-il is 61 years old, and any drastic change would probably have to wait until after he is gone.

The most likely outcome is a diplomatic solution, but the risk of North Korea doing something unpredictable has increased. Deterrence works, up to a point. But only comprehensive negotiations ending all hostility have a chance to move Pyongyang back from the precipice it is approaching. Economic pressure from neighbors will further impoverish the DPRK, but is unlikely to cause the regime's collapse. A military attack against the DPRK should be unthinkable. Either sanctions or a

limited military strike could easily escalate into a full-blown war that could cause half a million American and South Korean casualties, a devastated South Korean economy, and millions of North Koreans either dead or seeking survival in South Korea and China.

The American administration, as well as some EU states, should overcome their ideological aversion for dealing with Kim Jong-Il and engage the North in serious discussions to end the North's nuclear program and deal with the root cause of the DPRK's insecurity, namely the threat it perceives from the United States. Pyongyang has become a beggar state. It is often said that North Korea is the last vestige of the Cold War – in many ways, it would be more precise to call it an orphan of the Cold War. Fortunately, North Korea's leaders have so far preferred survival over suicide.

CHINA AND THE NORTH KOREAN NUCLEAR ISSUE

Zhang Xiaoming*

In the early 1990s, the North Korean nuclear issue led to an international crisis. The North Korean nuclear crisis, or the first round of North Korean nuclear crisis, as many people used to name it, began to appear on the headlines of the international media. And the North Korean nuclear issue has been one of the most destabilizing factors in Northeast Asian international relations ever since, by posing a great challenge to the regional security and stability. The 1994 Agreed Framework, signed by the US and DPRK in Geneva, cooled down the nuclear issue a little bit, but could not bring it to an end.

The second round of North Korean nuclear crisis erupted again in late 2002 and was followed by the U.S.-led war on Iraq in early 2003. Some commentators even related the war on Iraq to the second round of nuclear crisis on the Korean peninsula, by saying that the Iraqi war would be a testing ground for a possible second Korean War and Washington might be planning to target the Democratic People's Republic of Korea (DPRK) after Iraq, because it was labeled by President George W. Bush as part of the "axis of evil," along with Iraq and Iran, in his 2002 State of the Union address. In early 2005, the new US Secretary of State Condoleezza Rice called the DPRK an "outpost of tyranny" which made the North Korean very angry, and they demanded that Rice apologize for it. On February 10, the North Korean government officially declared that the DPRK has already possessed nuclear weapons and should be treated fairly as a nuclear nation, which posed a big shock to the international community.

But the North Korean issue has so far not led to a war on the Korean Peninsula, because the parties concerned, including the US and DPRK, are not willing to see a new war in this region, and they have made a great effort to solve the nuclear issue in a peaceful way. The 1994 Geneva Agreed Framework led the first round of North Korean crisis to an end. And although the second round of North Korean nuclear crisis is

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still there, five rounds of Six-Party Talks on the North Korean nuclear issue so far had been held from 2003 to 2005.

As one of the close neighboring countries of the Korean peninsula and a long-term traditional ally of the DPRK, China has always followed the situation on the peninsula closely and made a great effort to solve any real or potential international crisis in that region. Especially since 2003, China has been playing a very active and constructive role in the process of crisis management by acting as a mediator between Washington and Pyongyang, and hosting the multilateral international forums on the North Korean nuclear issue. The North Korean nuclear crisis has been placing China in a quite delicate position. To some extent, the North Korean nuclear issue has always been a great headache to the Chinese by putting them in a security dilemma. In this article, I am going to offer my personal explanation on China's attitude and approach to the North Korea nuclear issue.

China's policy goal on the Korean peninsula

A nuclear-free Korean peninsula is one of the basic policy goals China is now pursuing and will continue to pursue in the near future. For the sake of her national security, China is very concerned about the prospect of nuclear proliferation on the Korean peninsula. If nuclear proliferation on the peninsula became a reality, then China would have to live with more nuclear neighbors, a situation that it would not want to see. In addition, the North Korean nuclearization might lead to a chain reaction or a domino effect in Northeast Asia, where some other countries or entities would follow suite. Furthermore, perhaps most important of all, the nuclear proliferation on the peninsula might lead to a military strike against the DPRK by the United States, and then a second Korean War could break out on the peninsula. A forthcoming military conflict is sure to have a great negative impact upon China's national security. As we all know, China had been forced to get involved into several armed conflicts on the Korean peninsula since 16th century. It suffered a great loss from each of those interventions. The Chinese leadership has learnt a great lesson that it is in China's national interest to prevent and avoid getting involved into a new military conflict on the Korean peninsula[1].

Therefore, realizing the goal of denuclearization of the Korean peninsula and solving the DPRK nuclear issue through diplomatic and

[1] Zhang Xiaoming, *Zhongguo zhoubian anquan huanjing fenxi* (*China's Relations with Her Neighbors*) (Beijing: China International Broadcasting Press, 2003), p.97.

peaceful means is a quite clear position the Chinese government has been taking on the North Korea nuclear issue.

It should be pointed out that, in this regard, there is a great consensus among the parties concerned. China, the United States, Russia, Japan and the Republic of Korea (ROK), are all working for a nuclear-free Korean peninsula, and hoping for a peaceful resolution of the North Korea nuclear issue. Even the North Korean has stated quite clearly that their goal is also the denuclearization of the Korean Peninsula[2]. This is a good basis for international cooperation, both in bilateral and multilateral forms.

Origins and nature of the North Korean nuclear issue

To the Chinese, the nuclear issue of the Korean peninsula has its historical roots, it is the product of the cold war, and the result of the decades-long hostile relationship between the United States and the DPRK. That is to say, the nature of North Korean nuclear issue is the result of mutual hostility and mistrust between US and DPRK.

During the Korean War, both China and North Korea were concerned about the possibility of the United States' using atomic bombs. Four years after the signing of the Armistice Agreement, the United States deployed nuclear artillery and missiles in South Korea. Over the decade of the 1960s, the United States added atomic demolition munitions and Nike Hercules missiles with nuclear warheads to its nuclear stockpile in South Korea, both of which were forward deployed near the Demilitarized Zone (DMZ). Such a placement meant that these weapons might be used in the first moments of battle. Beginning in the second half of the 1950s, both Chinese and North Korean scientists started to work with their own nuclear projects, aiming to counter the nuclear threats from the United States, and they got the support from the Soviet Union, the Soviet Union even provided a small nuclear reactor to the DPRK for scientific research.

North Korea became a member of the International Atomic Energy Agency (IAEA) on September 6, 1974, and signed the Nuclear Non-Proliferation Treaty (NPT) on December 12, 1985, probably under pressure from the Soviet Union. But Pyongyang initially refused to sign the Nuclear Safeguards Agreement and allow international inspections of its nuclear facilities, on the grounds that U.S. nuclear weapons should first be withdrawn from the Korean peninsula. North Korea subsequently

[2] The National Institute for Defense Studies, ed., *East Asian Strategic Review 2005* (Tokyo: The Japan Times, Ltd., 2005), p. 61.

signed this agreement on January 30, 1992, after President George H. Bush announced the withdrawal of tactical nuclear weapons from the peninsula in September of 1991. IAEA inspectors made six inspections of North Korean nuclear facilities over the period from May 1992 to January 1993[3]. North and South Korea also concluded the "Joint Declaration on the Denuclearization of the Korean Peninsula" on January 20, 1992, which states: "South and North Korea shall not test, manufacture, receive, possess, store, deploy or use nuclear weapons," and "In order to verify the denuclearization of the Korean peninsula, South and North Korea shall conduct inspections…"[4] The Chinese government expressed its strong support for the denuclearization of the peninsula and highly praised the 1992 North-South joint declaration[5].

But the end of the Cold War did not lead to the end of the North-South political division on the Korean peninsula and the improvement of US-DPRK relationship. Even worse, in the post-Cold War era, the US government used to regard the DPRK as a "rogue state", by accusing the DPRK of violating human rights, sponsoring terrorist acts and sticking to the Stalinist model of socialism. The US continued to impose economic sanctions on the DPRK and refused to have a direct dialogue with the North Korean. In response, the North Korean leadership declared that, in order to counter the US hostile policy, the DPRK had to strengthen its national defense, including pursuing its nuclear program.

Therefore the key to solving the nuclear issue is a constructive dialogue between Washington and Pyongyang and the improvement of their bilateral relations. In other words, the United States should "engage" rather than "isolate" the DPRK in its efforts to solve the nuclear issue. And as US and DPRK are the "key actors", China could only play a supporting role on the North Korean nuclear issue.

China and the first round of North Korean crisis

In 1993, the US declared that it found a secret nuclear site in North Korean and asked for UN nuclear inspections. But the North Korean refused to take the request and withdrew from the NPT. As a result, the North Korean nuclear crisis broke out and the DPRK and the US were

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[3] Martin Hart-Landsberg, *Korea: Division, Reunification, and U.S. Foreign Policy* (New York: Monthly Review Press, 1998), pp. 161-163.

[4] Cited from Yang Byung Kie, "Changes in North Korea's Military Policy and East Asian Security," *Korea Focus* (Vol. 11, No. 1, January-February 2003), pp. 51-71.

[5] Liu Jinzhi, Zhang Minqiu, Zhang Xiaoming, *Dangdai zhong han guanxi* (*Contemporary Sino-Korean Relations*) (Beijing: Chinese Social Sciences Press, 1998), p. 217.

going to the brink of a military conflict. That is the first round of North Korean nuclear crisis and it lasted for about one year.

During the 1993-1994 nuclear crisis (or the first round of nuclear crisis) on the Korean peninsula, the Chinese government made its position quite clear. China strongly opposed nuclear proliferation in this region and urged the United States and DPRK to end the crisis through negotiations. During the crisis, as some analysts pointed out, China, "…quietly and firmly, in private, counseled the North to remain a member of the nonproliferation treaty"[6]. Jimmy Carter, the former US president, also played a very important role in easing the tension, by taking a trip to Pyongyang and met North Korean leader Kim Il-sung there. The crisis finally calmed down with the signing of the Agreed Framework between the DPRK and the United States on October 21, 1994. According to the Agreed Framework, the DPRK agreed to allow full and continuous inspections of its existing nuclear sites, to freeze the operation of and later dismantle its graphite-based nuclear reactors, and the United States agreed to supply heavy fuel oil to the DPRK, organize a consortium of nations to build new nuclear reactors based on a less dangerous light water technology, and gradually ease restrictions on trade, investment, and diplomatic contacts, leading to the establishment of full diplomatic relations.

Although the Agreed Framework could not bring the nuclear issue to a complete resolution, and the nuclear issue is still there, it did lead to the improvement of bilateral relations between Washington and Pyongyang on a small scale. In 2000, there was a historical summit between the North Korean and South Korean leaders, and North Korean and American high-ranking officials even exchanged visits. China was happy to see the calming down of the nuclear crisis by peaceful means and the improvement of the DPRK-U.S. relationship.

China and the second round of North Korean nuclear crisis

After his inauguration as the U.S. president, George W. Bush rejected the "engagement" approach set in motion by President Bill Clinton and said that he would undertake a sweeping review of U.S. policy toward the North Korea. In January of 2002, in his State of the Union address, President Bush labeled North Korea as part of an "axis of evil," along with Iran and Iraq. According to the North Korean account,

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[6] Sol Sanders, ed., The US Role in the Asian Century: A Panel of Experts Looks at National Interest in the New Environment (Lanham, Maryland: University Press of America, 1997), p. 348.

U.S. special envoy James Kelly, during his visit to Pyongyang in October 2002, claimed that the US has information on "highly enriched uranium programme" and that if the DPRK refused to take it out, the US-DPRK relationship would come into a dilemma. In response, the North Korean side declared that "it was entitled to possess weapons more powerful than nuclear weapons to cope with the US ever-growing moves to isolate and stifle it and it felf no need to explain what it meant to the US, its archenemy"[7].

As soon as Kelly got back home, he said that the North Korea's Vice Foreign Minister admitted the DPRK had a nuclear program based on uranium enrichment. Washington regarded North Korea's program to produce highly-enriched uranium for nuclear weapons as a clear and serious violation of the Agreed Framework, the IAEA Safeguards Agreements, the NPT, and the Joint South-North Declaration on the Denuclearization of the Korean Peninsula, and asked the North to give up its nuclear program and allow nuclear inspections. Accordingly, the Korean Peninsula Energy Development Organization (KEDO) Executive Board (the European Union, Japan, ROK, and the United States) during its meeting in New York on November 14, 2002, decided to impose punitive measures against North Korea, including the suspension of heavy fuel oil deliveries and a possible rescheduling of construction on the light water nuclear reactors. North Korea, in turn, ordered IAEA inspectors out of Yongbyon nuclear site and took actions to uncap and reprocess the spent fuel stored there and restart the reactor. As a result, a new round of nuclear crisis on the Korean peninsula erupted. It is in many ways "a rerun of the Korean nuclear crisis of 1993-1994", as pointed out by former U.S. Secretary of Defense William Perry[8].

The Chinese government expressed serious concern about the new round of nuclear crisis and urged the United States and the DPRK to hold direct talks. Former President Jiang Zemin of China and President Vladimir Putin of Russia in the joint communique released at the conclusion of their summit meeting in Beijing on December 2, 2002, called on North Korea to give up its development of nuclear weapons and resume dialogue with the United States on the basis of the Agreed Framework.

The newly elected Chinese President Hu Jintao, during a phone conversation with President Bush on March 19, 2003, said that China has

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[7] "FM Spokesman Reaffirms DPRK's Stance to Nuclear Talks," *The Pyongyang Times* (Weekly), No. 42 (2295), Ocbober 16, Juche 93 (2004), p. 1, p. 7. I read this news report during my visit to the DPRK in October 2004.

[8] A Brookings Leadership Forum, "Crisis on the Korean Peninsula: Implications for U.S. Policy in Northeast Asia," The Brookings Institution, January 24, 2003.

always stood for keeping the Korean peninsula nuclear-free, maintaining its peace and stability, and solving problems through dialogue, in the meantime, actions that could aggravate the situation should not be taken. In addition, Hu said the key to solving the issue is to launch dialogue as soon as possible, especially between the United States and the DPRK[9]. On March 27, 2003, the Chinese and Russian foreign ministers issued the Sino-Russian joint communique on the DPRK nuclear issue in Beijing, which considered equal and constructive dialogue between the United States and the DPRK to be of great significance, and urged North Korea and the United States to start bilateral dialogue and negotiations as soon as possible[10].

Meanwhile, the Chinese government expressed its willingness to make active efforts and play a constructive role for the peaceful resolution of the nuclear issue. As a Chinese Foreign Ministry spokesman said, China's stance can be summarized as being a mediator to "promote dialogue" and "cool both sides down"[11]. But the Chinese government did not elaborate on the concrete measures for its "constructive role" as a "mediator". Beijing hosted the tripartite talks among China, the United States and the DPRK in April 2003, and although the Beijing meeting did not lead to a breakthrough, it paved the way for the Six-Party Talks and conductive to the final solution of the nuclear issue. In addition, China is willing to make more effort to bring the United States and the DPRK back to the negotiating table.

China even tried very hard to make a multilateral international forum on the North Korean nuclear crisis a reality. With the great efforts made by the Chinese government, the first, second and third rounds of the Six-party Talks on the North Korean nuclear issue, which involved US, China, Russia, Japan, ROK and DPRK, were held in Beijing, in August 2003, February 2004, and June 2004, respectively.

The parties concerned shared some consensuses, most of all, the goal of denuclearization of the Korean peninsula. But unfortunately, the scheduled fourth round of talks (in September 2004) aborted due to the North Korean boycotting. Even worse, Pyongyang announced on Feb. 10, 2005, that it possessed nuclear weapons and would not return to six-nation talks on dismantling its programs. As a result, the North Korean nuclear crisis entered a critical point and placed China in a security dilemma.

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[9] "Hu, Bush discuss relations, Iraq and DPRK," March 19, 2003 (Xinhua News Agency), http://www.chinadaily.com.cn/news/2003-03-19/108597.html.

[10] "China willing to 'mediate, promote dialogue' on DPRK nuclear issue: FM spokesman," March 27, 2003, http://www.chinadaily.com.cn/news/cn/2003-03-27/109696.html.

[11] Ibid.

More pressure or more incentives?

After the North Korean declared it possessed nuclear weapons, some U.S. and Asian country officials were increasingly convinced that North Korea has no intention of giving up its nuclear weapons programs, opening up the possibility that the Bush Administration and perhaps Japan would begin to favor pressing for a tougher action against the so-called reclusive communist nation. But China and South Korea believe that it is necessary to keep pressing and providing more incentives along the diplomatic track. The Chinese President Hu Jingtao and Premier Wen Jiabao stated quite clearly that China wants "a denuclearized Korean peninsula" and "will continue to work to bring North Korea back to the talks".

China has been continuing to work for a peaceful solution even after the scheduled fourth round of Six-Party Talks aborted and the North Korean officially declared they possessed nuclear weapons. A senior Chinese official traveled to Pyongyang shortly after the Feb. 10 announcement and elicited a highly conditional statement from North Korean leader Kim Jong Il that his government might return to the talks. And Chinese officials also have repeatedly pressed the US to show more flexibility in the negotiations.

However, China is not willing to put too much pressure on the DPRK. In fact, the Chinese government has especially been opposing imposing sanctions on the North Korea. Although China--a historical ally of and the principal supplier of economic assistance to North Korea--does have some influence on the DPRK, it used to be unwilling to use this influence to put pressure on Pyongyang. As William Perry commented, "Their theory, based on their experience, is that pressure on North Korea only makes problems worse, not better, and that they ought to try to deal with the North in a non-coercive way"[12]. Therefore, China is willing to push North Korea too hard to talk to the United States by cutting off fuel and food aid to the DPRK.

In mid-June, 2005, North Korean leader Kim Jong Il said the North Korea will return to six-party talks focused on his country's nuclear program next month "if it is certain that the United States is respecting the North as a partner," according to South Korean Unification Minister Chung Dong Young who met Kim in Pyongyang. Kim even said, "the denuclearization of the peninsula remains valid and is also a testament left

[12] A Brookings Leadership Forum, "Crisis on the Korean Peninsula: Implications for U.S. Policy in Northeast Asia," The Brookings Institution, January 24, 2003.

by my father Kim Il Sung," referring to the 1992 agreement between the two Koreas signed by the founder of the communist state, who died in 1994[13]. But the Kim did not set the date for resuming the six-party talks which was stalled about one year ago. And the Bush administration harbors doubts that North Korea will give up nuclear arms program in return for security guarantees and economic incentives. And the American government has been trying to persuade the Chinese government to use "the full range of leverage" to force the North Korean to change its behavior. China is still reluctant to do so for fear of security problems and out of concern about angering North Korea[14].

On July 9, 2005, the North Korean announced that they would return to the talks in the week beginning on July 25. The agreement was finally reached at a dinner meeting, with the Chinese as the host in Beijing, that included Christopher Hill, a former American ambassador to South Korea who has recently become the lead United States negotiator to the talks, and Kim Kye Gwan, North Korea's deputy foreign minister[15].

The fourth round of Six-Party Talks was finally held and hosted by China in Beijing in late July 2005 and early August. After a "recession" which was creatively suggested by the Chinese, the fourth round of talks resumed in September 2005. China, the host of the talks, pressed all sides to discuss a comprise proposal that would allow North Korea to retain a nuclear energy program and get a new light-water reactor at some point, but that would require the country first to abandon its nuclear weapons efforts[16]. On September 19, 2005, as an important breakthrough of the fourth round of the talks, a joint statement was adopted and issued. It declared that:

> "The six parties unanimously reaffirmed that the goal of the six-party talks is the verifiable denuclearization of the Korean Peninsula in a peaceful manner. The DPRK committed to abandoning all nuclear weapons and existing nuclear programs and returning, at an early date, to the Treaty on the Non-Proliferation of Nuclear Weapons and to IAEA safeguards. The United States affirmed that it has no nuclear weapons on the Korean Peninsula

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[13] Joohee Cho, "N. Korea's Kim Says He'll Talk if US Gives Respect," *Washington Post*, June 18, 2005, A14.

[14] Steven R. Weisman, "Bush Aids Report 'Increasing Doubts' North Korea Will Give Up Nuclear Arms Program," *New York Times*, June 15, 2005.

[15] Joel Brinkley and David Sanger, "North Koreans Agree to Resume Nuclear Talks," *New York Times*, July 10, 2005.

[16] Joseph Kahn, "North Korea Talks Extended to Discuss Chinese Proposal," *The New York Times*, September 18, 2005.

> and has no intention to attack or invade the DPRK with nuclear or conventional weapons…The DPRK stated that is has the right to peaceful uses of nuclear energy. The other parties expressed their respect and agreed to discuss, at an appropriate time, the subject of the provision of light water reactor to the DPRK…"[17].

But there is still a long way to go to make the application of the above-mentioned and vaguely worded joint statement a reality. In November 2005, the fifth round of the Six-Party Talks was held in Beijing. The three-day session did not generate a major breakthrough on the implementation of the September joint statement, failed to resolve even basic procedural issues, like setting up working groups to tackle technical problems pertaining to inspections and other matters. All sides agreed to resume discussion soon, but they did not set a date to do so[18].

But China, the host of the talks, is still working hard to solve the North Korean nuclear issue in a peaceful way. China's constructive role on the North Korean nuclear issue was highly praised. During his recent visit to China in November 2005, US President George W. Bush thanked China for "taking the lead" in disarmament talks with North Korean[19].

Conclusion

As a close neighboring country of the Korean Peninsula, China has been working very hard for a nuclear-free Korean peninsula and a peaceful resolution of the North Korea nuclear issue through constructive dialogue between and among the parties concerned, for the sake of her own national interest. China has been especially playing a much more active role in this regard since 2003, by hosting the Six-Party Talks and acting as a mediator and communication channel between the United States and the DPRK. It coincides with the "peaceful rise of China" and China's growing confidence in her multilateral diplomacy.

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[17] "Full Text of 6-Party Talks Joint Statement," cited from *China Daily* website, http://www.chinadaily.com.cn/english/doc/2005-09-19/content_479150.htm

[18] Joseph Kahn, "North Korea and US Spar, Causing Talks to Stall," *The New York Times*, November 12, 2005.

[19] Joseph Kahn and David E. Sanger, "Bush, in Beijing, Faces a Partner Now on the Rise," *New York Times*, November 20, 2005.

The One and the Many: U.S. Security Strategy in Northeast Asia
John Feffer*

The security environment in Northeast Asia is undergoing a dramatic transformation and, unlike during the Cold War era, these changes have little to do with the United States. Japan is seeking more "normal" military capabilities, combining new hardware such as in-flight refueling for strategic bombers with new constitutional provisions that permit a much wider range of military engagement. China is growing militarily, yet its influence in the region owes more to adroit diplomacy than hard power. South Korea under Roh Moo-Hyun is seeking to play a "balancing" role between hegemonic powers as a way of maintaining a certain regional equilibrium that can sustain its own engagement policies with North Korea.

Although not responsible for these changes, the United States has certainly attempted to adapt to the shifting order. The last several years have witnessed important alterations in U.S. force posture in East Asia, including troop draw downs, base realignments, and an adjustment of military strategy in favor of greater mobility, rapidity of response, and technological sophistication. For all these transformations in the military realm, however, the United States has not made equivalent changes in its political approach to security in the region. It remains locked in an outdated framework of bilateralism, one that threatens to atrophy further to a single, strong bilateral security tie with Japan. It continues to address the North Korean problem -which extends beyond the current nuclear crisis to encompass the country's dangerous isolation from the international community- with a set of crude "sticks". Its failure to support inter-Korean engagement threatens to unravel the U.S.-South Korean alliance. And the Bush administration remains without a consistent China policy. It has identified Beijing as a central threat to U.S. interests in the larger Asian region and yet relies on the Chinese leadership in both the "war on terrorism" and the ongoing attempts through the Six Party Talks to address the North Korean nuclear question.

At bottom, the United States struggles with the challenge of the "one and the many". It is drawn to support one big alliance with Japan even at the risk of losing influence with other countries in the region. It is

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drawn to articulating one big threat, that of China, to the detriment of understanding a series of underlying threats in the region. And it is transfixed by the idea of working together with countries in the region to address one big problem, namely North Korea's nuclear program, rather than supporting cooperative security structures in the region that could address a range of security issues that persist from the Cold War era and have emerged more recently as a result of the rapidly changing security environment.

The Policy of the Second Term

In testimony before Congress on 26 May 2005, new Assistant Secretary of State Christopher Hill outlined U.S. policy for East Asia[1]. It was not a dramatic speech, for it did not mark any major departure in U.S. policy. However, Hill's speech reflected some subtle but important changes in Bush's second-term approach to the region.

Hill placed emphasis, for instance, on "freedom", echoing Bush's second inaugural and implying political linkages between human rights and security issues not only with respect to China (for instance, opposition to lifting the ban on arms sales that the European Union favors) but to North Korea as well (with human rights an increasingly important topic for the administration as well as for Congress)[2]. Hill devoted a good amount of space to U.S. relations with Japan and, despite South Korean and Chinese objections, supported Tokyo's bid for a permanent UN Security Council seat. He not only stressed the importance of U.S. bilateral relations in the region but also the bilateral Chinese-Japanese and South Korean-Japanese relationships, implying that the countries of the region should take a page from the U.S. strategy book in thinking about their own security problems.

Perhaps the most striking part of Hill's speech, however, was the section on multilateralism. The remarks on "multilateral engagement" amounted to a mere three sentences acknowledging the importance of APEC, ARF, and ASEAN. By comparison, Hill lavished three full

[1] Christopher Hill, "North East Asia Vital to U.S. Regional and Global Interests," 26 May 2005; http://hongkong.usconsulate.gov/uscn/state/2005/052602.htm.

[2] President Bush's meeting with North Korean defector Kang Chol Hwan on 13 June 2005 – a meeting that lasted almost as long as the official state visit of South Korean leader Roh Moo Hyun – underscores the importance of human rights in the administration's policy toward Pyongyang.

paragraphs on Mongolia. Even the paragraph on Mongolia's multilateral engagement was more detailed than the paragraph on U.S. multilateral engagement.

Hill's remarks thus conformed to the conventional narrative: the U.S. vision of the East Asian security order is a bilateral one. But in Bush's first term, an important counter-narrative emerged from the State Department. Former Secretary of State Colin Powell described this counter-narrative, somewhat disingenuously, in an early 2004 article in *Foreign Affairs*[3]. The administration policy, Powell contended, was not unilateral but instead relied primarily on partnerships. In East Asia, for instance, the administration pushed for Six-Party Talks against the advice of those calling for direct bilateral negotiations with Pyongyang. And the administration was also championing the Proliferation Security Initiative (PSI) as a multilateral non-proliferation strategy (with the Regional Maritime Security Initiative eventually slated for East Asia in particular). Powell might also have mentioned the trilateral coordination of policy with South Korea and Japan. Powell's views found echo in Francis Fukuyama's vision of a "neoconservative moment" in which the United States ceased to ignore regional arrangements proposed by China, Japan, Malaysia, and others. "I believe that East Asia is under-institutionalized", Fukuyama wrote in 2004, "and ripe for some creative thinking by the United States[4]". Multilateralism, at least in Asia, seemed to be a point on which both pragmatists and neoconservatives in the Republican Party could agree.

What Powell neglected to mention was that the administration chose a multilateral format for talks with North Korea to hobble negotiations not advance them[5]. And the PSI, since it lacked participation from South Korea and China, more resembled the anemic "coalition of the willing" that backed the U.S. attack on Iraq; it is, to quote one scholar, an attempt to apply the administration's concept of "preemptive self-defense" in a way that "eschews both ad hoc unilateralism and

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[3] Colin Powell, "A Strategy of Partnerships," *Foreign Affairs*, January/February 2004. Powell's essay was a change from his confirmation hearings, when he conspicuously left out any mention of Asian multilateralism. See, e.g., Ralph Cossa, "Bush's Emerging Asia Policy: What's Still Missing," *PacNet 6*, Pacific Forum, CSIS, 9 February 2001.

[4] Francis Fukuyama, "The Neoconservative Moment," *The National Interest*, Summer 2004.

[5] There is some evidence that the Bush administration chose the six-party format to put five party pressure on North Korea only to discover that China and Russia (and to a certain extent South Korea as well) would not play along. In either case, the format was chosen for instrumental reasons rather than to achieve a true multilateral agreement.

institutionalized multilateralism"[6]. Powell also forgot to mention that the Bush administration had pushed one of the premier multilateral institutions -the Korean Peninsula Energy Development Organization (KEDO)- out of existence. Like the Clinton administration, the Bush administration has relied on "a la carte multilateralism", which means working in coalition with others if possible, working bilaterally as a matter of course, and working alone if necessary. As Ralph Hassig and Kongdan Oh argue, multilateralism usually represents an obstacle for the Bush administration: "The risk in broadening any alliance is that some members might not be sympathetic to U.S. foreign policy and might even work against it"[7]. Since the international community has grown even less sympathetic toward U.S. foreign policy in the last five years, as suggested by numerous polls, the risks in alliance-broadening have grown proportionately.

Though the rhetoric of multilateralism was not matched by substantive multilateralism, even this rhetoric withered away after Powell resigned in November 2004. Condoleeza Rice's decision not to attend the summer 2005 ARF summit is a potent symbol of Washington's lack of interest in regional security structures. Although Rice convened a one-day meeting with representatives of Japan and South Korea to discuss strategy in advance of the fourth round of the Six-Party Talks, trilateralism has received scant attention from the Bush administration and the Trilateral Coordination and Oversight Group (TCOG) has fallen by the wayside. PSI is still viable and, indeed, there has been some mention of a PSI "plus" that would address counterfeiting and drugs. But with PSI's chief promoter John Bolton now at the United Nations, this initiative has taken a back seat to the unilateral reconfiguration of U.S. forces and the strengthening of the bilateral security relationship with Japan.

The Role of Japan

With full U.S. support and indeed pressure[8], Japan has embarked on an ambitious reworking of its concept of national security. The U.S.-Japan security relationship has always been close, closer even than the

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[6] Michael Byers, "Policing the High Seas: The Proliferation Security Initiative," *The American Journal of International Law*, vol. 98, no. 3, July 2004, p. 543.

[7] Ralph Hassig and Kongdan Oh, "The Dilemma of Security Cooperation in Northeast Asia," *Joint U.S.-Korea Academic Studies*, vol. 15, 2005, p. 163.

[8] See "Article 9 Hindering U.S. Ties, Bid for UNSC Seat: Armitage," Kyodo News, 23 July 2004.

nuclear umbrella or the number of troops and bases might otherwise suggest. But now, Japan is breaking out of its constitutional shackles to become something like the "Great Britain of Asia"[9], It provided logistical support for the U.S. war against the Taliban, peacekeepers for the war in Iraq, and Marine Self Defense Forces for humanitarian operations after the recent tsunami disaster in Southeast Asia. In December 2004, the Diet passed new defense guidelines that modified a longstanding ban on arms exports so that the government could fully cooperate with the United States on missile defense. In February 2005, the United States and Japan updated their security agreement to include the area around Taiwan as a "common strategic objective", though without mentioning what specific military assistance Japan might provide the United States in case of war. In May 2005, Japan participated for the first time in Cobra Gold military exercises in Thailand.

Japan's security role is not simply supplemental to the United States. Japanese Self-Defense Forces have been more aggressive in pursuing and even attacking vessels. In 1999, using offensive force for the first time since World War II, the SDF fired on suspected North Korean spy ships. No longer limited to rhetorical force, Tokyo has felt more comfortable challenging Beijing over oil deposits in disputed waters[10]. To reflect its new capacities, the SDF is about to be renamed, simply, the Japanese Army. More dramatic offensive capabilities are in the offing, as Japan is currently acquiring an in-flight refueling capability so that its air force can conduct retaliatory strikes (long-range surface-to-surface missiles, also on the wish list, have apparently become less of a priority). The broaching of this taboo topic of using offensive force has made it possible for Japanese officials to discuss even more "unthinkable" options such as a first-strike capability and even, though an overwhelming percentage of the population remains opposed, a formal nuclear arsenal. True, Japan's military forces, even under the restraints of the "peace constitution", were not inconsiderable: a 2004 military budget of $42 billion (roughly comparable to what the British and French spend, but double the South Korean budget)[11], a quarter of million people in the

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[9] Ralph Cossa and Brad Glosserman, "U.S.-Japan Defense Cooperation: Has Japan Become the Great Britain of Asia?" *CSIS-PacForum Issues and Insights*, March 2005.

[10] James Brooke, "Japan sets challenge to China on the seas," *The New York Times*, 14 April 2005.

[11] The SIPRI Military Expenditure Database, Stockholm International Peace Research Institute, 2005;

armed forces (more than the British, somewhat less than the Germans)[12], a "recessed" capacity to produce an arsenal of nuclear weapons in as little as six months, and an overall level of technology surpassed only by the United States. In other words, Japan's military capacity has been "normal" for some time. With the change of military philosophy and the acquisition of the hardware to back it up, however, Japan's military will vault to the top tier and clearly outclass its regional competitors.

The Trajectory of South Korea

If Japan's relationship with the United States can be summed up as an exclamation point, the U.S.-South Korean alliance is a big question mark. A major reason for the attenuation of the trilateral coordination of the 1990s, which had been a key part of the Clinton administration security strategy and might have served as the core of an East Asian NATO, is that one leg of the triangle has atrophied. Although force modernization dates back to Pentagon re-evaluations of the early 1990s and Japan's restructuring of its security philosophy began in earnest after 1998, U.S. disenchantment with South Korea is more recent, beginning with George W. Bush's first awkward meeting with Kim Dae Jung in spring 2001. Since that time, the Bush administration has treated trilateral relations as a zero-sum game, with Japan's gains balancing South Korea's losses.

With the election of Kim Dae Jung in 1997 but more so with Roh Moo-Hyun's victory in 2002, South Korea's regional threat perception has diverged dramatically from that of Japan and the United States. The changes in South Korean perspective can't be understood in budget terms, for the government has continued to allocate a significant portion of its budget to the military and has only increased that share in the last few years[13]. Rather, South Korea has begun to transform its political view of North Korea and its economic understanding of China. North Korea no

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[12] "Armed Forces, Weapons Holding and Employment in Arms Production," Bonn International Center for Conversion, March 2005.

[13] The 2004 budget of $16.18 billion was an 8.1 per cent increase over 2003. In May 2005, the Roh administration announced its intention to increase the defense budget by 9-10 per cent annually over the next 5 years. See "Seoul to Boost Defense Budget for Independent Deterrent," *Chosun Ilbo*, 9 May 2005; http://english.chosun.com/w21data/html/news/200505/200505090023.html.

longer serves as a "main enemy"[14]. Efforts to engage the country economically (through Kaesong), culturally (through exchanges), militarily (discussions on East Sea disputes), and even politically (raising the forbidden topics of POWs and South Korean abductees in the June 2005 ministerial) all add up to a bilateral "grand bargain" that requires a certain measure of regional cooperation (or at least acquiescence) to succeed. China, meanwhile, has been a principle economic partner and a source of cultural interest, clearly for the younger generation of political and civic leaders but also for the business community. China remains a "threat" in certain regards -witness the "garlic wars" of 2000 when South Korea attempted to impose tariffs on cheap Chinese garlic pouring into the country. But South Korea's decision not to join the United States and Japan in PSI or missile defense is as much to maintain good relations with Beijing as to curry favor with Pyongyang.

Seoul's different threat perception also figures in its decision to pull out of the U.S.-South Korea Combined Forces Command's Plan 5029, the coordinated effort to prepare for North Korea's collapse. South Korea sees reunification in a 20-30 year timeframe, not as a sudden German-style absorption. A grand bargain with the North is predicated on regime evolution not regime collapse, thus the desire to maintain distance from U.S. military plans. More daringly, Seoul has opposed U.S. plans to bring "strategic flexibility" to military forces so that they can engage more easily in "out of area" operations.

This reconfiguration of threat -and movement toward a grand bargain with North Korea- underlies recent statements from Roh Moo-Hyun about his desire for South Korea to play a "balancing" role in East Asia. Some in the United States interpreted "balancing" to mean "neutrality" (as the Voice of America reported)[15] and thus a *de facto* abrogation of the U.S.-South Korean alliance. Hitoshi Tanaka, in charge of North Korea policy in the Japanese Foreign Ministry, rejected this "balancing" role with the suggestion that South Korea was somehow not sufficiently democratic: "Japan would not bring up such an idea of playing a balancing role between China and the U.S. because Japan is a democratic country. It is impossible to play a balancing role between

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[14] Bo-mi Lim, "S. Korea to Stop Calling North Main Enemy," *The Associated Press*, 28 January 2005.

[15] Kurt Achin, "South Korean President Heads to Washington for Talks," *Voice of America*, 9 June 2005; http://www.voanews.com/tibetan/2005-06-09-voa12.cfm.

countries with different values"[16]. Both the United States and Japan fundamentally misinterpreted Roh's statement. Quite simply, Seoul doesn't want to be caught between the United States and China or between Japan and China. The Korean peninsula has suffered throughout history from its vulnerable geopolitical position. Moreover, Seoul requires a measure of regional balance to institutionalize the hard-won cooperation that characterizes North-South relations[17].

In punishment for its declarations of independence, more so than as a response to civil society protests against U.S. army actions, the United States may well reduce the number of troops in Korea to fewer than 25,000. In addition, a four-star general's post will be transferred from Korea to Hawai'i[18]. Some U.S. conservatives are so provoked by South Korea's independent noises that they are urging an end to the alliance. They articulate strongly what some in the Bush administration believe but prefer not to say publicly: Seoul is no longer a reliable ally[19]. Seoul's decision in November 2005 to reduce by one-third its troop contribution in Iraq will only strengthen these conservative voices in the United States.

The "Threat" of China

During the Clinton administration, a group of "China bashers" emerged to challenge what they perceived as Washington's unacceptable accommodation of Beijing. This group called itself the "Blue Team" (to be distinguished from the "Red Team" of the Clinton administration). After a few years of apparent quiescence, the "Blue Team" has regrouped to advance once again its Clinton-era agenda. These "China bashers" argue for a more robust response to China's increased military spending and "expansionist" aims and for a greater commitment to arming Taiwan and boosting the island's international legitimacy. Secretary of Defense

[16] Young-A Soh, "Koizumi's North Korea Policy Chief Says Balancing Role "Impossible," *Dong-A Ilbo*, 7 November 2005; http://english.donga.com/srv/service.php3?bicode=060000&biid=2005110701968.

[17] This distinction between proactive balancing and "neutrality" can be found, for instance, in Amb. Seok Hyun Hong, "The Korea-U.S. Alliance: A Vision of Common Interests and Ideals for the Next Half-Century," 11 May 2005; http://www.koreaemb.org/archive/2005/6_1/foreign/foreign1.asp.

[18] Halloran, op. cit.

[19] See Daniel Kennelly, "It's Time for an Amicable Divorce with South Korea," *The American Enterprise*, July/August 2005.

Donald Rumsfeld's statements in June 2005 reflect the growing influence of this group. "China appears to be expanding its missile forces, allowing them to reach targets in many areas of the world, not just the Pacific region, while also expanding its missile capabilities here in the region", Rumsfeld said. "Since no nation threatens China, one must wonder: Why this growing investment?"[20] Pragmatists within the Bush administration, however, have been wary of foregrounding any China-bashing arguments at a time when they are putting pressure on Beijing to render North Korea more flexible at the Six-Party Talks[21]. This debate between neo-conservative idealism and *realpolitik* took place behind the scenes of the Department of Defense assessment presented to Congress in July[22]. The discussions also prefigure the battle shaping up around the next Quadrennial Defense Review in February 2006, which is expected to place a greater focus on the Asia-Pacific region[23].

But the real threat to U.S. interests that China currently poses has little to do with its military capabilities. The Chinese threat is a diplomatic one. While the United States has focused on other parts of the world, fumbled the North Korea issue, and alienated its South Korean ally, China has changed the reality on the ground. Since introducing its New Security Concept in 1997, China has identified a way of winning friends and gaining influence in East Asia through multilateralism.

Multilateralism functions in two important ways for China. On one hand, it is a method that better organizes Chinese interests in the region than the previous approaches of isolationism, hard-power confrontation, or intermittent bilateralism. Taking international institutions seriously, as opposed to simply paying lip service out of allegiance to communist internationalism, turns out to pay actual dividends. At the same time, multilateralism is a tactic that gives an asymmetrical advantage. If the United States and Japan eschew multilateralism in the region, China can win points in this relatively

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[20] See, for example, Mark Mazotti, "Chinese Arms Threaten Asia, Rumsfeld Says," *Los Angeles Times*, 4 June 2005.

[21] See, for instance, John Feffer, "Washington Woos and Boos China," *Asia Times Online*, 3 March 2004.

[22] It has cropped up in usual fashion through calculated leaks to Bill Gertz of *The Washington Times*. See Gertz, "Chinese Dragon Awakes," *The Washington Times*, 26 June 2005.

[23] *America's Alliances in East Asia*, IISS, vol. 11, issue 3, May 2005. For a recent analysis of these underlying currents in the Bush administration, see Michael Klare, "Revving Up the China Threat," *The Nation*, 24 October 2005.

neglected arena. China's military is outclassed by the United States, so it can have no power advantage: the Council on Foreign Relations estimates that the Chinese military is at least two decades behind the United States in terms of technology and capability[24]. Nor can China hope to woo Japan or South Korea away from the United States and into its own bilateral security alliances (U.S. fears of South Korea slipping into the Chinese orbit have been exaggerated). Thus, multilateralism offers China a way of gaining influence asymmetrically, much as insurgents will opt for guerrilla warfare to gain an asymmetric advantage against a larger military force.

As Samuel Kim points out, China's new foreign policy can be most easily seen in its divergent responses to the two nuclear crises on the Korean peninsula[25]. In 1994, Beijing largely ignored the problem. Eight years later, though, it worked hard to build a multilateral forum to defuse the confrontation. Similarly, in the South China Sea during the 1990s, China attempted to use military force or the threat thereof to advance its territorial claims. But in 2003, China signed the Treaty of Amity and Cooperation (TAC) with ASEAN committing the parties to a non-aggression pact and raising the possibility of a more binding agreement on the South China Sea in the future[26]. Instead of continuing to juggle its border disputes with Russia and Central Asian states bilaterally, China channeled them into the Shanghai Cooperation Organization, an organization that expanded to address larger security questions of terrorism and separatism. Under China's guidance, the SCO has also sought to undercut U.S. military power in Central Asia -at the 5 July 2005 summit, the SCO called for the withdrawal of U.S. military from bases in Uzbekistan and Kyrgyzstan- and to build a broad-based regional alliance by according observer status to Iran, Mongolia, Pakistan, and India. This multilateral approach doesn't, of course, apply to areas that Beijing has already declared part of its territory: China is not interested in internationalizing the Taiwanese or Tibetan issues for these are not considered foreign policy questions. However, China is quietly repairing ties with former adversaries Russia and India, has concluded agreements with U.S. allies such as Pakistan and the Philippines, and is pursuing

[24] *Chinese Military Power*, Report of an Independent Task Force Sponsored by the Council on Foreign Relations, New York: Council on Foreign Relations, 2003, p. 24.

[25] Samuel Kim, "China's New Role in the Nuclear Confrontation," *Asian Perspective*, Vol. 28, no. 4, 2004

[26] Ronald A. Rodriguez**,** "Conduct Unbecoming in the South China Sea?" PacNet 22a, 21 May 2004; http://www.csis.org/pacfor/pac0422A.pdf.

bilateral security dialogues with South Korea and Japan. It continues to work closely with North Korea, despite myriad ideological disagreements. In addition to deals over steel, coal, and railroads, China has acquired a lease to the North Korean port of Rajin, which will provide important access to the Sea of Japan[27]. Such energetic diplomacy suggests that the brokering abilities it has brought to the Six-Party Talks could equally apply to the region as a whole -if other conditions were more encouraging[28].

China's multilateralism, while taking advantage of U.S. disinterest in alliance-building in the region (outside of Japan and Australia), is not put forward as an alternative to U.S. power. In fact, as Robert Sutter points out, China believes that the U.S. military "guarantees the sea lanes of communication so important for oil imports coming to China, helps maintain stability on the Korean peninsula, and provides important leadership in the war on terrorism"[29]. In this sense, China views U.S. unilateralism much as the world views Microsoft's commanding market position: an aggravating system but a useful system nonetheless[30]. There are exceptions to this rule: China pushed for the SCO to take a position on ending the tenure of U.S. troops at bases in Kyrgyzstan and Uzbekistan. But in general China's multilateralism has been a constructive asymmetrical response to U.S. unilateralism rather than an aggressive symmetrical opposition. At the same time, while China has gotten the "religion" of multilateralism, it remains agnostic about what forms multilateralism can and should take. It is thus experimenting with various institutions: SCO, ASEAN, Six-Party Talks, ARF, and so forth.

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[27] Michael Rank, "Minerals, railways draw China to North Korea," *Asia Times*, 18 November 2005.

[28] To a certain extent, Beijing has applied its diplomatic abilities to expanding contacts with Taiwan, but this doesn't fall within the realm of foreign policy, at least as far as the Mainland is concerned.

[29] Robert Sutter, "The Rise of China and South Korea," *Joint U.S.-Korea Academic Studies*, vol. 15, 2005, p. 16.

[30] The analogy comes from an unnamed Asian diplomat quoted in Kurt Campbell, "The Challenges Ahead for U.S. Policy in Asia," Foreign Policy Research Institute E-Notes, 30 March 2001.

Conclusion

Apart from Japan, which appears intent on airbrushing its own history and focusing on the abductee issue with North Korea, China's support for diplomatic and multilateral solutions to regional problems has found a receptive audience in Asia. The United States continues to maintain alliances in the region through selling arms and twisting arms. But it is falling behind fast in terms of wielding influence as an effective power broker in the region.

What could push the Bush administration, which has abandoned even the thin multilateralism of the Powell era, to move away from the single-minded focus on threats to the embrace of a truly substantive multilateralism? Put another way, why should the Bush administration support Chinese and South Korean efforts to institutionalize the Six Party Talks and turn them into something like an Asian version of the Conference on Security and Cooperation in Europe (CSCE)? Three overriding concerns are propelling the Bush administration, against its will, in this direction: terrorism, non-proliferation, and comparatively waning influence. The more overarching threat of terrorism has already strengthened U.S. relations with Russia and China. The United States might find an Asian CSCE attractive if it took a clear anti-terrorism stance. Second, the United States would embrace a proto-CSCE arrangement if it were built around the elimination of North Korea's nuclear program. Finally, the United States might endorse such a structure if it felt locked out of East Asian developments (in the same way that it pushed APEC in order not to miss out on Asian economic growth).

These three motivations are encouraged by an emerging liberal-conservative consensus in the United States in favor of a regional security mechanism in East Asia. On the "right", Francis Fukuyama has called for the institutionalization of "Five Party Talks" that would counter growing nationalism in the region, "channel Chinese ambitions", and assuage fears of Japan's new assertive security policy[31]. He takes issue with traditional U.S. indifference to multilateralism in Asia by presenting the best realist case[32]. Even though Fukuyama's influence in the Bush administration is minimal -he supported Kerry in the last presidential campaign- his views

[31] Francis Fukuyama, "Re-Envisioning Asia," *Foreign Affairs*, January/February 2005.

[32] It is ironic that the promoter of the "end of history" argument now must support the very kind of institutions that he once derided in order to counter the very kind of threats that he once claimed were largely spent.

represent an important strain of thinking among U.S. conservatives (and can be found as well in the work of Andrew Bacevich[33]).

On the "left," meanwhile, James Goodby and Donald Gross make a more formal pitch for the CSCE structure of three baskets covering security, economics and humanitarian concerns[34]. They put the Korean peninsula at the center of their "grand bargain" by arguing that a peace agreement must replace the current armistice arrangement. Their rationale is based largely on the growing alienation of the United States from ongoing trends in the region, exemplified by Washington's non-invitation to the first East Asia Summit in December 2005 in Malaysia (which is further underlined by the gap between U.S. neo-liberal economic philosophy and the more corporatist East Asian position)[35].

Washington's comparatively waning influence in the region, while a concern for American opinion makers, may well provide the countries enough space to find their own path to multilateralism. Kurt Campbell has argued that multilateral security initiatives, to have the greatest chance of success in East Asia, must come from the region not from Washington[36]. The convergence of Chinese and South Korean perspectives on the value of multilateral security structures creates the best political atmosphere in years for just such a regional initiative.

Despite these encouraging trends, U.S. support of substantive multilateralism -the many over the one- is by no means inevitable. In the end, the United States may find itself a victim of its own strengths and weaknesses. It remains the dominant military power in East Asia, but it cannot use this strength without either destroying great swaths of the region in a devastating conflict or generating tremendous antipathy through an ill-conceived "surgical" strike. Meanwhile, its diplomatic weakness -showcased so dramatically in the failure to compromise in the nuclear stalemate with North Korea- leaves the field open for China to emerge as the true, regional power broker.´

Unless the United States fundamentally reevaluates its grand strategy in East Asia and begins to exercise its diplomatic acuity as much

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[33] See, for example, Andrew Bacevich, *The New American Militarism*, Oxford University Press, 2005.

[34] James Goodby and Donald Gross, "From Six Party Talks to a Regional Security Mechanism," PacNet 16, Pacific Forum CSIS, 24 March 2005.

[35] See, for example, Sunhyuk Kim and Yong Wook Lee, ""New Asian Regionalism and the United States," *Pacific Focus*, vol. XIX, no. 2, Fall 2004.

[36] Campbell, FPRI, op. cit.

as its military muscles, it will find itself shut out of what will be the most important region of the world in the 21st century.

INFLUENCIA RUSA SOBRE COREA DEL NORTE: DE GRAN HERMANO A CONVIDADO DE PIEDRA

José Ignacio Ortega Vasalo*

La Unión Soviética (URSS) jugó un papel crucial en la expulsión de las tropas imperiales japonesas de la península coreana y en el advenimiento de la República Popular Democrática de Corea (RPDC) el 9 de septiembre de 1948. Esta no es una afirmación gratuita de la propaganda soviética, sino una conclusión compartida por la inmensa mayoría de los historiadores, al sur del paralelo 38, en Oriente y en Occidente. Sólo la demencial historiografía oficial norcoreana tiende a quitar méritos o, incluso, obviar el papel de las tropas del Ejército Rojo, al que se adscribió la guerrilla coreana al mando de Kim Il-sung, pero la desclasificación de los archivos soviéticos a partir de 1991 puso a cada uno en su sitio. Aún hoy, historiadores chinos tienen que corregir a menudo a sus homólogos norcoreanos en su valoración del papel del Ejército chino en la Guerra de Corea (1950-53). Mao perdió a un hijo y China a cerca de un millón de soldados en su intento de evitar que la península coreana, patio trasero chino, se convirtiera en un feudo estadounidense.

Más de medio siglo después, desaparecida la URSS, la Rusia de Vladímir Putin intenta recoger el testigo, aunque sólo tímidamente. El Kremlin ha pasado de ser el gran hermano, bajo cuyo paraguas florecían todos los regímenes comunistas, a ejercer un papel de convidado de piedra en las negociaciones nucleares a seis bandas, con sede en Pekín.

Papel histórico de la URSS

En 1884 Rusia firmó con Corea un Tratado de Amistad y Comercio. Durante el siglo XIX, el *leitmotiv* de Rusia en esta zona era contrarrestar el expansionismo japonés y británico. No obstante, la derrota frente a la armada japonesa en 1904-05 echó por tierra las ambiciones de los zares en la península coreana durante varias décadas. Esta derrota frente a Japón fue el detonante de la revolución de febrero de 1905, reprimida a sangre y fuego por Nicolás II. La afrenta nipona nunca fue

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olvidada por los dirigentes soviéticos, como quedaría de manifiesto a finales de los años 30.

Un inmejorable ejemplo de la estrecha vinculación entre la URSS y el nacimiento de la Corea comunista es el hecho de que el líder norcoreano Kim Jong-il nació en el Lejano Oriente Ruso (1942) y no en una montaña sagrada, uno de tantos mitos y leyendas que rodean a la primera dinastía comunista de la historia. Aunque la propaganda norcoreana mantenga que el "Amado Líder" nació en la cima del monte Paekdu, situada entre Corea y Manchuria, destino obligado de peregrinación para los 23 millones de norcoreanos, en realidad, Kim llegó al mundo en un campamento guerrillero en las inmediaciones de Viatskoye, aldea situada a 70 kilómetros de la ciudad de Javárosk. A orillas del río Amur, frontera natural entre China y Rusia, este pueblo era un escondite ideal para las guerrillas comandadas por su padre, ya que se encontraba fuera del alcance del ejército japonés.

En el invierno de 1940, Kim Il-sung cruzó en compañía de su esposa, Kim Chong Suk, la frontera entre Manchuria y Rusia para huir de la persecución de los japoneses. Al poco tiempo, su unidad se había integrado en la 88 Brigada Especial de Rifles del Ejército Soviético. Con todo, a pesar de estar al mando de varios centenares de hombres y ser el oficial norcoreano de mayor rango, nunca llegó a tomar parte activa en la guerra que se desarrollaba al otro lado de la frontera, donde los japoneses cedían terreno a marchas forzadas. Según algunas fuentes, Kim sí combatió a los nazis en Europa.

Cuando el Ejércirto Rojo ocupó Pyongyang, sin encontrar apenas resistencia, Kim padre voló a Vladivostok, desde donde se trasladó en barco a Corea del Norte, a tiempo para las celebraciones de la victoria. Su mujer y el pequeño Kim no se le unieron hasta febrero de 1946 cuando el Ejército Rojo le había nombrado ya presidente del Comité Provisional del Pueblo Norcoreano, el máximo órgano de decision.

Frente a esta realidad, la máquina de propaganda estalinista de Pyongyang subraya que Kim Il-sung y su esposa combatieron heróicamente a los japoneses desde las montañas que separan Manchuria de la península coreana, y que cuando Kim Jong-il tenía tres años y medio, su padre derrotó al mando de un ejército de sacrificados trabajadores y campesinos al ejército imperial japonés, entrando triunfalmente en Pyongyang.

Tras la liberación, el poder en Corea fue a parar a manos de los partisanos, es decir, los miembros de la guerrilla antijaponesa. El propio Kim Il-sung era prácticamente desconocido para sus conciudadanos. El

comandante soviético de Pyongyang enseguida reparó en él. Según los informes enviados a Moscú, la lealtad de Kim estaba fuera de duda. Espías de la KGB soviética participaron activamente en la eliminación de la práctica totalidad de los intelectuales y de los opositores al comunismo. "¿Se han vuelto todos locos en Corea del Norte?", exclamó Labrenti Beria, número dos tras Stalin en el Partido Comunista de la Unión Soviética (PCUS), sorprendido de la fiebre destructora lanzada por la dirección comunista norcoreana tras asumir el poder.

Algunos historiadores aún se preguntan qué hubiera sido de la península coreana si Stalin no hubiera ordenado a su Ejército que interrumpiera su irresistible avance a la altura del paralelo 38, que dividía a Corea prácticamente en dos partes iguales, en agosto de 1945. Este paralelo es hoy uno de los últimos vestigios de la Guerra Fría en el mundo, pero podría haber sido una simple anécdota geográfica de no ser por la bomba nuclear lanzada por Estados Unidos sobre Hiroshima y Nagasaki, que no sólo provocó la capitulación japonesa, sino que paró en seco las ambiciones de Stalin, que se conformó con el botín de las islas Kuriles, reclamadas desde entonces por Japón.

Stalin siempre fue una fuente de inspiración para Kim Il-sung. Con las ideas del dirigente soviético en mente, Corea del Norte lanzó una salvaje colectivización de la agricultura y sus dirigentes hicieron especial énfasis en la industria pesada, haciendo oídos sordos a otras consideraciones, como la productividad y el bienestar de la población. El culto a la personalidad fue otra de las nociones estalinistas adoptadas por el régimen norcoreano.

No obstante, cuando llegó la hora de implicarse militarmente en la Guerra de Corea (1950-53), Rusia se conformó con ser el principal suministrador de armamento y material. Los carros de combate T-34 hicieron estragos en las filas del Ejército estadounidense. Sin embargo, Corea del Norte tuvo que pagar grandes sumas de dinero por ello, algo que no ocurrió en el caso de China, que consideró su participación en la guerra una obligación moral y un imperativo estratégico.

Corea del Norte no se resigna a ser uno más

Kim Il-sung nunca se conformó con ser una pieza más del bloque socialista. Kim lamentaba que Moscú aprovechara el aislamiento de Pyongyang para adquirir en Corea del Norte materias primas a bajo precio. Por esta razón, el régimen norcoreano siempre se negó a integrarse

en el Consejo de Asistencia Económica Mutua (COMECON). Corea del Norte no quería ser un simple suministrador de recursos minerales con destino a la capital del imperio, Moscú, a cambio de máquinas y tractores soviéticos obsoletos. Kim quería desarrollar su propio sistema económico-político, integrado por la idea *Juche* (independencia política), el *Chajusong* (independencia) y el *Songun* (autosuficiencia militar).

Tras consolidar su poder, a través de la eliminación de todos sus rivales, Kim Il-sung comenzó a tomar decisiones sin consultar con Moscú. En varias ocasiones, Kim confesó sentirse alienado por la necesidad de tener que rendir cuentas ante el PCUS. El empecinamiento de Corea del Norte en seguir su propio camino -era un Estado socialista pero mantenía relaciones comerciales con Occidente- certificó su defunción. A mediados de los años 70, era evidente que Corea del Norte estaba endeudada –la megalomanía le llevó a comprar ingentes cantidades de equipamiento técnico a Europa y Japón-, mientras el sur comenzaba su imparable despegue.

Aunque durante la Revolución Cultural Kim Il-sung fue tachado de "gordo revisionista" por los guardias rojos, el régimen norcoreano sentía más afinidad con las violentas campañas revolucionarias y antiburguesas de Mao en China, que con la coexistencia pacífica impulsada por los predecesores de Stalin en la URSS. Al tiempo que Pekín se alejaba de Moscú, Pyongyang incrementaba su ostracismo ideológico en el bando socialista. La crisis de los misiles de Cuba agravó aún más la diferente percepción del mundo de ambos regímenes. Kim Il-sung no podía soportar la política de distensión -puro y simple servilismo, en su opinión- aplicada por los dirigentes soviéticos en su relación con Estados Unidos...

Pero, muy a su pesar, Corea del Norte fracasó en su intento de independizarse económica y técnicamente de Moscú, y tras varios años de flirteos con Occidente, volvió al redil socialista. Ahora, la URSS podía imponer de nuevo las condiciones de los contratos y de la asistencia.

La Perestroika

Los contactos políticos entre Moscú y Pyongyang se redujeron en gran medida con la llegada al poder de Mijaíl Gorbachov. El socialismo con rostro humano impulsado por el ideólogo de la Perestroika, Alexander Yákovlev, no podía diferir más del empecinamiento de Kim Il-sung en crear un "paraíso socialista". La política de acercamiento a Occidente aplicada por Gorbachov desde 1985 le convirtió en un traidor a

ojos de Pyongyang, consciente de que estaba cerca de convertirse en el apestado internacional que es hoy en día. La historiografía norcoreana considera a Gorbachov como un "Judas del siglo XX" y a su política de distension con Washington como "un caballo de Troya en las filas del socialismo real".

El presidente de Estados Unidos, George Bush, padre del actual mandatario norteamericano, certificó la defunción del comunismo a finales de 1991, pero Kim Il-sung hizo oídos sordos a las invectivas occidentales. "El Socialismo ha fracasado en algunos países, pero el socialismo científico está más vivo que nunca en la mente de las gentes. Aunque el socialismo está experimentando algunos reveses debido al oportunismo que le corroe, renacerá y logrará la última victoria por su precisión científica y verdad", replicó.

Poco antes de la caída de la URSS, el jefe de la KGB, servicios secretos de la Unión Soviética, Vladímir Kriuchkov, denunciaba durante una reunión del Politburó del PCUS que Corea del Norte poseía "una o dos armas nucleares". Debemos recordar que la URSS entregó a Pyongyang dos pequeños reactores nucleares en 1965. La URSS había colaborado activamente en la militarización de la sociedad norcoreana desde el principio, especialmente desde la acuñación en 1965 de la política *Songun*, que daba prioridad a los gastos militares. A decir verdad, las autoridades norcoreanas han acabado por reconocer que el gasto en defensa ha repercutido en el nivel de vida de la población.

Tras la desintegración de la URSS y la defenestración de Gorbachov, las relaciones entre Moscú y Pyongyang se reducen a su mínima expresión. Moscú incluso exigió el pago de la deuda contraída por Pyongyang con la antigua URSS, que ascendía a miles de millones de dólares.

Para que nos hagamos una idea del shock que supuso la desaparición de la URSS para el régimen norcoreano, debemos recordar que la URSS entregaba a Corea del Norte más de mil millones de dólares anuales en asistencia. La dependencia económica se hizo aún más evidente a partir de los años 70, cuando la disparidad de crecimiento y bienestar con el Sur comenzó a salir a la luz. Rusia no quería seguir subsidiando a una economía en estado ruinoso.

La política exterior con Boris Yeltsin se guió por el pragmatismo y las necesidades económicas. Por ello, Moscú se apresuró a establecer relaciones diplomáticas con Seúl en 1990, decision que hacía realidad las peores pesadillas de Pyongyang. La diplomacia rusa en los años 90 siguió al fielmente la línea marcada por Gorbachov: integración en Occidente.

Rusia tenía demasiados problemas como para hacerse cargo de los de sus vecinos, frente a una URSS que había asumido esa pesada carga durante décadas.

Putin en en Kremlin

La llegada de Vladímir Putin al Kremlin el 31 de diciembre de 1999 fue providencial para Pyongyang. En febrero de 2000 los ministros de Asuntos Exteriores de ambos países firmaron en la capital norcoreana un nuevo Acuerdo de Amistad, Cooperación y Buena Vecindad. También se reanudaron los trabajos de la comisión de cooperación económico-comercial y científico-técnica. En julio del mismo año, Putin hizo una histórica visita oficial a Pyongyang, donde fue recibido con los brazos abiertos y en donde los líderes de ambos países acordaron promover los contactos políticos y económicos. El dirigente norcoreano le devolvió la visita en julio-agosto del año siguiente. Kim recorrió en un tren blindado 10.000 kilómetros antes de llegar a Moscú. La Declaración de Moscú fue un nuevo paso en el reforzamiento de los lazos entre ambos países. En agosto de 2002, ambos dirigentes se volvieron a reunir en Vladivostok, a orillas del Pacífico.

"El restablecimiento de los contactos políticos, económicos, militares y culturales es un hecho. La situación es mucho más halagüeña que durante la década de los 90 con Yeltsin, que ignoró completamente a Corea del Norte", confesaba a finales de noviembre Stanislav Varivoda, corresponsal de *Itar-Tass* en Pyongyang durante los últimos dos años. No obstante, matizaba que "no todas las iniciativas rusas han sido exitosas". En su opinión, Corea del Norte "aún desconfía de las auténticas intenciones de Rusia". Pyongyang quiere que Rusia contribuya más a aliviar la asfixiante presión diplomática y el bloqueo económico que ejerce Estados Unidos sobre el régimen comunista. Según el experto en asuntos coreanos, Yan Yen Ji, "el colapso de la URSS condenó al régimen norcoreano al ostracismo. Con Putin, las relaciones entre Moscú y Pyongyang empiezan prácticamente de cero". Fuentes del ministerio ruso de Asuntos Exteriores estiman que los intercambios comerciales han aumentado progresivamente en los últimos cuatro años, aumentando de 100 millones de dólares en 1999, a 130 millones en 2003 y 146,3 millones el pasado año.

El propio Kim Jong-il dio la bienvenida públicamente a las inversiones rusas al encargar a su gobierno que diera preferencia a las

iniciativas de Moscú durante su encuentro con Konstantín Pulikovski, representante plenipotenciario de Putin en el lejano oriente ruso. Este visitó Pyongyang invitado por Kim para asistir el 10 de octubre a los festejos por el 60 aniversario de la fundación del Partido de los Trabajadores de Corea. En este sentido, Corea del Norte se ha comprometido a conceder a Rusia un área libre de impuestos en Rason. El establecimiento de éste área en la frontera entre Corea del Norte, China y Rusia, en la cuenca del río Tumangang, es, por el momento, sólo un proyecto.

Por otro lado, ambos países acordaron en 2005 renovar la línea férrea entre Rajin, el puerto norcoreano más septentrional, y la ciudad rusa de Hasan, la última parada del transiberiano. Empresarios rusos han participado activamente en la modernización de la refinería de petróleo de Sungri y la planta metalúrgica de Kim Chak. Además, ingenieros rusos construyeron una planta de producción de cristal, que abastecerá el 40 por ciento de las necesidades del país. El 60 por ciento de la producción será destinada a la exportación.

Sucesión dinástica

La postura de Moscú hacia el régimen norcoreano quedó de manifiesto cuando la agencia oficial rusa *Itar-Tass* emitió a mediados de octubre un teletipo de su corresponsal en Pyongyang acerca de la sucesión en la primera dinastía comunista de la historia. Según esta información exclusiva, Kim Jong-il tiene intención de anunciar en los próximos meses a su sucesor eligiendo a uno de sus tres hijos varones. Se da el caso que Kim tiene casi la misma edad que tenía su padre, el "Presidente Eterno", cuando en 1977 le nombró públicamente su sucesor. La noticia creó un gran revuelo, ya que, por una vez, la fuente era fiable. Itar-Tass es la única fuente de información diaria que ofrece una cobertura periodística seria sobre lo que ocurre en Corea del Norte. Otras agencias presentes sobre el terreno, como la china Xinhua y la cubana Prensa Latina se limitan a reproducir los despachos oficiales.

En una conversación mantenida con Stanislav, éste señaló sobre la posición del Kremlin que "Rusia apoya a Kim Jong-il y a su régimen. El Kremlin lo considera predecible". Es decir, Moscú no aboga ni por la democratización gradual de Corea del Norte, ni por una revolución que ponga freno a las tropelías del régimen. En una mentalidad que nos retrotrae a los tiempos de la Guerra Fría, Rusia "no quiere grandes

cambios en Corea del Norte. El Kremlin no quiere ni oir hablar de cambios bruscos ni de golpes de Estado", ya que "los americanos saldrían siempre ganando". "A Rusia no le conviene que los americanos hagan con Corea del Norte lo mismo que en Irak, que se hagan con el control de la situación y acaben instalando una base militar a escasos kilómetros de la frontera rusa", agregó.

La guerra en Afganistán sirvió a Estados Unidos de disculpa para instalar dos bases militares en Kirguizistán y Uzbekistán, el patio trasero de Rusia, circunstancia repetidamente criticada por el Kremlin. Estados Unidos abandonó a finales de noviembre la base uzbeka de Karshi-Janabad, limítrofe con Afganistán, ante la reorientación de la política exterior de Tashkent, que firmó el 14 de noviembre con Moscú un tratado de asistencia militar mutua en caso de agresión; pero Washington ha arrancado de las nuevas autoridades kirguizes el compromiso de extender la presencia norteamericana en la base aérea de Manás. Rusia, que es consciente de que Georgia y Ucrania acabarán integrándose en la OTAN, no desea verse rodeada por bases militares occidentales. En resumen, el régimen norcoreano es un problema engorroso para Pekín, Seúl, Tokio y Washington, pero no tanto para Rusia. Moscú apoya al régimen y es reticente a cualquier cambio en el status quo de la península.

Órdago nuclear

Durante la visita oficial del presidente ruso a China, en diciembre de 2002, dos meses después del estallido de la crisis nuclear coreana, Putin y su homólogo chino, Jiang Zemin, abogaron por recurrir a la presión diplomática para que Corea del Norte desmantelara su programa nuclear. "Ambos países consideramos que es importante para el destino del mundo y para la seguridad del noreste de Asia, preservar el estatuto libre de armas nucleares de la península coreana", señalaba la declaración conjunta emitida al término de su encuentro. El documento rezaba que "China y Rusia atribuyen una gran importancia a la normalización de las relaciones entre los Gobiernos de Estados Unidos y Corea del Norte, en línea con el acuerdo marco suscrito en 1994". "El régimen de no proliferación de armas de destrucción masiva y las relaciones entre ambos países deben cimentarse en el respeto de los acuerdos firmados, en el diálogo y en los intereses de ambos países", añadía el documento.

En esta declaración ya se vislumbraba la postura invariable de Moscú y Pekín. La crisis nuclear bien puede afectar a la región en su conjunto, pero su solución descansa en el acuerdo entre Pyongyang y Washington, cuya enemistad es un "vestigio" de la Guerra Fría. No obstante y a pesar del órdago nuclear, el corresponsal de *Itar-Tass* insiste en que "Corea del Norte no es una amenaza para Rusia". Y es que Rusia, uno de los principales suministradores de armas y tecnología nuclear con destino a Corea del Norte, siempre ha desconfiado de la capacidad norcoreana para fabricar o lanzar armas atómicas.

A principios de septiembre, un satélite norteamericano captó imágenes de una nube tóxica en forma de hongo de 4 kilómetros de radio cerca de la frontera con China. La explosión tuvo lugar en la region nororiental de Ryanggang, donde se encuentran emplazadas varias bases de misiles, en una jornada en la que se celebraba el 56 aniversario de la fundación de la República Popular Democrática de Corea. La reacción de la comunidad internacional fue de alarma: Pyongyang podría haber realizado un ensayo nuclear, cumpliendo las amenazas lanzadas durante la tercera ronda de negociaciones nucleares a seis bandas celebrada en Pekín. No obstante, Rusia reaccionó con escepticismo. El presidente del comité de Relaciones Exteriores de la Duma o Cámara de Diputados de Rusia, Konstantín Kosachov, puso en duda que Corea del Norte disponga de los medios necesarios para "el lanzamiento de armas nucleares", al tiempo que tachó las ambiciones nucleares norcoreanas como "un dolor de cabeza para toda la humanidad". Pero, advirtió, "Corea del Norte sí es capaz de fabricar bombas sucias, que podrían contaminar con radiactividad toda la región".

El general Vladímir Belouz, experto de la Academia de Ciencias de Rusia, señalaba que "en el caso de todas las potencias nucleares, anunciaron la posesión de armas sólo tras realizar los ensayos. Con Corea del Norte, todo sucede al revés". "Han sido varias las ocasiones en las que Pyongyang ha anunciado que posee armas nucleares, pero nunca ha aportado evidencias. Durante mucho tiempo el régimen norcoreano ha aplicado una política de propaganda nuclear con elementos teatrales", indicó. Eso sí, admitió que es posible que Pyongyang disponga de la tecnología que permita crear bombas atómicas, no transportables, no verificadas sobre la base de la utilización de plutonio. "Esos equipos pueden ser emplazados en silos cerca de la frontera con Corea del Sur. Incluso, si existen, Corea del Sur también alberga serias dudas de que pudieran ser explosionados", agregó.

Por su parte, el vicepresidente de la Academia de Problemas Geopolíticos, Leonid Ivashov, manifestó que Corea del Norte "no dispone de potencial nuclear ni para defender su territorio". "Las declaraciones rimbombantes de Pyongyang son reacciones a las amenazas de Estados Unidos. Estas son afirmaciones de carácter preventivo", aseveró. En lo que sí coinciden todos es que Corea del Norte dispone de un programa de enriquecimiento de plutonio, para el que contaron con la indispensable ayuda de técnicos soviéticos. Lo cierto es que expertos rusos consideran que cualquier ensayo nuclear sería "un grave error estratégico por parte de Pyongyang, que ahora tiene una gran capacidad de maniobra y tiene en su mano muchas oportunidades de canjear su programa nuclear por contrapartidas económicas".

De lo contrario, señala Iván Sanfranchuk, director en Rusia del Centro de Información de Defensa, "el régimen norcoreano reduciría considerablemente sus posibilidades de regateo". Una vez que un país entra en el club de las potencias nucleares, ya no puede dar marcha atrás y, en caso de hacerlo, significaría el cambio del régimen, como en Sudáfrica, advierte. "En cualquier caso, hasta que los satélites confirmen un ensayo nuclear. Todo el mundo dudará que Pyongyang posee armas nucleares", sentenció.

Conversaciones nucleares a seis bandas

Aunque las relaciones bilaterales habían mejorado considerablemente desde la llegada al poder de Putin en el año 2000 y Rusia comparte con Corea del Norte 18 kilómetros de frontera, Moscú ha jugado un papel de convidado de piedra en las conversaciones nucleares multipartitas que han tenido lugar en Pekín desde el verano de 2003. Rusia no había participado a principios de los años 90 en las primeras conversaciones nucleares. Esas conversaciones únicamente involucraron a Pyongyang, Seúl y Washington. Fruto de todo ello se firmó el Acuerdo Marco de 1994, cuya violación fue el detonante de la actual crisis. En esta ocasión, Washington, que quería evitar a toda costa el formato bilateral, propuso la participación en las conversaciones de Japón y China, quinteto al que se sumó en el último momento Rusia. Desde el principio quedó claro que Pekín y Moscú forjarían un frente común para paliar la presión de surcoreanos, norteamericanos y japoneses sobre el régimen norcoreano, pero lo cierto es que "Rusia juega un papel menor", como señaló el corresponsal de *Itar-Tass*.

La posición rusa se ha mantenido invariable desde que se celebró la primera ronda de conversaciones a seis bandas. Esta postura es casi idéntica a la que mantiene en relación al programa nuclear de Irán, crisis que ha acaparado muchas portadas en los últimos meses. En opinión de Moscú, las amenazas de llevar ambos casos ante el Consejo de Seguridad de Naciones Unidas y las amenazas de sanciones económicas únicamente agudizarán el aislamiento internacional de ambos regímenes y su radicalización.

"Moscú intenta prevenir un mayor aislamiento del régimen norcoreano", asegura Alexéi Bogaturov, subdirector del Instituto de Seguridad Interancional de Moscú. Ambos países tienen derecho a desarrollar un pograma nuclear con fines civiles. Se da el caso de que Moscú coopera estrechamente con Irán en este terreno. Las presiones diplomáticas son contraproducentes, es necesario introducir medidas de confianza, señala Moscú. Con todo, el anuncio el 10 de febrero de 2005 por parte de Corea del Norte de que estaba en posesión de armas nucleares y de que abandonaba las negociaciones multipartitas fue descrito como un "paso en la dirección equivocada" por Serguéi Ivanov, ministro ruso de Defensa. En la misma línea, Alexánder Yakovenko, portavoz del ministerio de Asuntos Exteriores señaló: "La solución a la crisis nuclear descansa en las conversaciones, no en el relanzamiento de la carrera armamentista más aún nuclear". "Rusia comprende las exigencias de seguridad de Corea del Norte, pero este anuncio no se corresponde con su intención declarada de contribuir a una península coreana libre de armas nucleares", agregó.

Posteriormente, durante la visita en mayo pasado a Pyongyang de una delegación de la Duma rusa, en medio del impasse entre la tercera y cuarta ronda de negociaciones a seis bandas, Kosachov manifestó que Rusia estaría "dispuesta a respaldar un programa para el desarrollo pacífico de energía nuclear en Corea del Norte bajo estricta supervision internacional". Kosachov acusó a Estados Unidos de provocar la crisis con su "intransigencia". "Los norcoreanos temen que se repita el escenario de las ´revoluciones de color´ importadas del exterior, después de que Estados Unidos haya calificado al régimen como ´un reducto de la tiranía´", dijo. Eso sí, al mismo tiempo, Kosachov exhortó al número dos del régimen comunista norcoreano, Kim Yong Nam, presidente del Presidium Supremo de la Asamblea Popular Suprema de Corea del Norte (Legislativo) a regresar al Tratado de No Proliferación (TNP) nuclear.

En línea con su postura en las negociaciones de defender una península coreana libre de armas nucleares y al mismo tiempo el derecho

de Pyongyang a disponer de un programa atómico, la Agencia Federal de Energía Atómica de Rusia se mostró dispuesta a construir un reactor nuclear en Corea del Norte para abastecer de energía a este país.

Rusia mantiene que fue Estados Unidos quien provocó tanto la crisis de 1993-94 como la actual con sus intentos de incrementar su hegemonía en esta zona del mundo. En esta última ocasión, la inclusión de Corea del Norte en el 'eje del mal', junto a Irak e Irán, y la alusión del presidente norteamericano, George W. Bush, a ataques preventivos contra los países proscritos fue la gota que colmó el vaso de la paciencia de Pyongyang. La presencia de casi más de 30.000 soldados norteamericanos en Corea del Sur es otro de los obstáculos para la paz en la zona, según los rusos. Moscú nunca apoyará "aventuras militares" contra Corea del Norte. Si la Guerra de Corea de 1950-53 puso fin a la coalición antihitleriana, un ataque contra Pyongyang desuniría para siempre a la coalición antiterrorista y abriría una nueva página de la Guerra Fría.

Armamento

El órdago nuclear norcoreano se entiende mejor si se considera que su armamento convencional es, en gran medida, obsoleto. El ejército norcoreano no está preparado para afrontar una invasión, a pesar de su 1,1 millón de efectivos y 4,5 millones de reservistas. Al fin y al cabo, enarbolar la amenaza nuclear siempre le ha dado resultado. Según el comité de cooperación técnico-militar de Rusia, agencia que gestiona la venta de armas a países extranjeros, el volumen de venta de armas con destino a Pyongyang es mínimo. Se reduce a piezas de repuesto y equipos para reforzar su capacidad militar convencional. No obstante, el comité vaticina una progresiva alza de las exportaciones a Corea del Norte, ya que la mayor parte de su armamento es de fabricación soviética. Según fuentes de la ONU, Moscú ha provisto a Pyongyang con cerca de 300 sistemas antimisiles Igla-1 en los últimos 15 años. En comparación, Corea del Sur ha recibido también de Rusia grandes cantidades de armamento. Lo cierto es que durante los noventa Kazajistán, Bielorrusia y Ucrania vendieron a Corea del Norte más armamento que Rusia.

Corea del Norte cuenta con más de medio millar de aviones de combate, aunque la mitad se encuentra en muy mal estado. Eso sí, dispone de 30 modernos Mig-29 y 35 cazabombarderos SU-25, además de un número indeterminado de Mig-21 y helicópteros Ka-32. Todas estas son naves de origen ruso, que necesitan reparaciones. Además, cuenta con

3.500 carros de combate, entre ellos los soviéticos T-35 y T-62, y los chinos Tip-59. También dispone de dos docenas de buques Romeo y Whisky; tres fragatas, seis corbetas y medio centenar de barcos de vigilancia costera. "En esta dirección es en la que va a avanzar la cooperación militar entre Rusia y Corea del Norte. Reparación, modernización, servicio y mantenimiento", señaló el portavoz del comité.

En esta materia, Rusia mantiene una mentalidad pragmática. Moscú anunció en noviembrde 2005 la venta de más de 1.000 millones de dólares en sistemas de defensa antiaérea a Irán, en claro desafío a Estados Unidos. El jefe del Estado Mayor del Ejército ruso, Yuri Baluyévski, aseguró que Moscú se ha cansado de que Washington utilice la guerra contra la proliferación de armas de destrucción masiva para marginar a posibles competidores en el mercado de armamento. Rusia ya aseguró recientemente que, mientras no haya sanciones, seguirá vendiendo armas a países denostados como Siria e Irán. Lo mismo se puede decir de Corea del Norte.

Según el informe emitido a principios de octubre por el ministerio de Defensa surcoreano, Corea del Norte compró en 2004 armas por valor de 10 millones de dólares a Rusia y China. Según los expertos rusos, esta cantidad es del todo insuficiente para mantener un ejército del tamaño del norcoreano. En opinión de Maxim Piadushkin, subdirector del Centro de Análisis de Estrategia y Tecnología, Rusia no va a dejar de vender armamento a ambas Coreas. Moscú no va a arriesgarse a perder a un cliente tan generoso como Corea del Sur. Además, la industria militar rusa no tiene intención de hacer descuentos a Corea del Norte. Eso quedó de manifiesto cuando Pyongyang manifestó hace unos años su deseo de adqurir varios buques de guerra, pero "carecía de los medios económicos". Actualmente, la *realpolitik* marca la forma de actuar del complejo militar-industrial ruso.

Medidas de confianza

Rusia ha lanzado una serie de medidas de asistencia y cooperación con Corea del Norte en un intento de evitar un colapso del régimen. Significativa fue la decisión de Rusia de comenzar a colaborar con el Programa Mundial de Alimentos (PMA) de la ONU. Rusia donó a principios de agosto del 2004, 34.700 toneladas de trigo a Corea del Norte para alimentar a dos millones de personas necesitadas. En la actualidad, el

régimen norcoreano únicamente puede satisfacer el 80 por ciento de las necesidades básicas de su población.

En otra decisión sin precedentes, Rusia estaría dispuesta a arrendar parte de su territorio en la región de Primorie, limítrofe con Corea y China, para que los campesinos norcoreanos puedan hacer frente a la escasez alimentaria. Según la prensa surcoreana, Seúl acarrearía con todos los gastos de construcción de infraestructuras en territorio ruso. Una gran parte de los jornaleros de temporada contratados por los rusos para cultivar la tierra en esta región son chinos. Primorie, cuya capital es Vladivostok, pero cuya población ronda los dos millones se ha convertido en la última década en destino obligado para los inversores y turistas japoneses, chinos y surcoreanos.

Aunque Putin no viajó a Corea del Norte a finales de noviembre de 2005 durante su gira asiática por China, Japón y Corea del Sur, donde asistió a la cumbre del Foro de Cooperación Económica de Asia y el Pacífico (APEC), sí intentó hacer partícipe a Pyongyang de los proyectos de cooperación energética con Seúl. Rusia podría "matar cuatro pájaros de un tiro" al suministrar petróleo al cinturón industrial chino, a ambas Coreas y a la necesitada Japón a través del puerto pacífico de Najodka. Todos estos países están decididos a diversificar sus fuentes de energía, habida cuenta de la inestabilidad latente en Oriente Medio. Según el corresponsal de *Itar-Tass*, una compañía rusa habría sucrito recientemente un acuerdo con las autoridades norcoreanas para suministrar petróleo y combustible por vía férrea al deprimido norte del país. Kim Jong-il podría visitar Rusia en 2006, como ya ocurrió en 2001 y 2002. "Me expresó su deseo de visitar Rusia, el extremo oriente y Siberia", señaló Pulikovski, representante plenipotenciario de Putin en el distrito federal del Lejano Oriente Ruso.

En una decisión sin precedentes, Corea del Norte dio el visto bueno a la construcción de una iglesia ortodoxa en las afueras de la capital. Paradójicamente, los servicios religiosos serán oficiados por sacerdotes norcoreanos, que se formaron en Moscú. Según algunas fuentes, en Corea del Norte existen actualmente dos iglesias protestantes y una católica, aunque Dios sólo hay uno: Kim Il-sung.

Conclusiones

Rusia no ha recuperado aún la ascendencia de antaño sobre Corea del Norte. En ese sentido, China le lleva la delantera. Pekín ha sido

mucho más generosa con el régimen norcoreano, al suministrarle en los últimos años una gran parte de sus necesidades energéticas (más del 70 por ciento) y de grano (30 por ciento). Aunque es verdad que China se juega mucho más en el envite. Pekín teme una crisis humanitaria que desemboque en el éxodo de millones de norcoreanos al cinturón industrial del noreste de China. Según los cálculos de las organizaciones de derechos humanos entre 100.000 y 300.000 refugiados norcoreanos viven ya en esta región.

Rusia tendrá que asumir un papel mucho más activo en la solución de la actual crisis nuclear y de los problemas económicos estructurales de Corea del Norte si quiere asegurarse una cuota de influencia en la futura península coreana. Moscú debería jugar sus bazas con inteligencia si quiere tener algo que decir en Corea en el siglo XXI.

Mis conversaciones con funcionarios del ministerio de Asuntos Exteriores de Corea del Norte en Pyongyang en junio de 2003 me hacen pensar que las autoridades norcoreanas siguen viviendo según los estándares de la Guerra Fría. "No estamos aislados -repetían-, eso es lo que dice la propaganda estadounidense. Simplemente seguimos nuestro propio camino". Su optimismo, fanatismo y arrogancia no admite comparaciones. Uno no puede dejar de admirar su obstinación. Pyongyang es una ciudad sin luz y Corea del Norte un país a oscuras. Los norcoreanos tienen que ir andando a todas partes, pero siguen resistiendo. El odio visceral a Estados Unidos alimenta su supervivencia. El Reino Ermitaño no cuenta los días, ya que vive al margen de los vientos de la historia.

THE ROLE OF THE UNITED NATIONS IN ENSURING PEACE, SECURITY AND STABILITY IN KOREA

Alfonso Ojeda*

The UN participation in Korea : its content and limitations

The United Nations (UN) was established in the aftermath of World War II "to save succeeding generations from the scourge of war". Its mission was basically to guarantee international peace, security and co-operation, as well as to develop friendly relations between nations. The fulfilment of these noble and ambitious objectives presents a constant challenge which justifies, and at the same time ensures, its existence as the most important world organization. At the end of World War I, a decision was made to create a world organisation that would allow the peaceful resolution of international conflicts. The League of Nations, the international organization which was the predecessor of the UN, had a markedly eurocentric profile.

This society, based in Geneva, had to face without success repeated waves of the most devastating warmongering, which emphasized its impotence when the time came for action to avoid or end armed conflicts. In addition to its failure to stop Japanese aggression in Manchuria in the early 1930s, the League barely reacted to the Spanish Civil War. Italy withdrew in 1937 after breaking the covenant by conquering Abyssinia. Hitler disregarded the League when he invaded Czechoslovakia in 1938. This institution did not oppose the Nazi attack on Poland in 1939. When World War II broke out, there was no possibility of halting it. Out of this tragic scenario there emerged a new international order embodied in the UN Charter of San Francisco.

From the very beginning, the UN has had to approach the thorny question of the Korean reality. This is a complex task, as historically the Korean Peninsula is made up of an intricate labyrinth of conflicting interests. In addition to this, the political climate was not favourable to conflict resolution. On various occasions the UN has come up against a reality which is difficult to modify and the two super-powers did not

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always facilitate its task. What was missing, as a result, was skill, conviction and above all the desire for integration to be able to find a way out of what is known as 'the Korean question'. We can not forget that the UN was heavily dependent on the US, especially in its early history. The intervention in Korea is a good example of this. Finally, the judicial and institutional framework of the Charter sets limits on the degree of autonomy which the UN's organisms and agencies can develop.

It is significant that one of the earliest attempted goals of the UN – the unification of Korea - has still not been realized. If this objective were to be achieved, some of the uncertainty which now threatens the security and stability of the Asia-Pacific region would disappear. If in addition we proceed to evaluate the UN intervention in the Korean War, we can praise its decided backing for a multinational offensive organized to halt the North Korean aggression. But the cessation of war actions in 1953 has not brought any permanent calm to the Peninsula, since an International Peace Agreement, which would formally heal the wounds of the past, has still not been signed.

To continue with this rapid overview of the UN's participation in Korean affairs, it can not be ignored another focal point of tension which still exists at the present time. What we are referring to here is the nuclear crisis. It would be impossible to make an in-depth study *hic et nunc* of this question and it is discussed in other contributions to this book. This is a problem with negative effects on aspirations for peace, security and regional stability. Up to the present day we know that the efforts of the International Atomic Energy Agency (IAEA), linked to the UN, have been an effective means of pressure, although not the only one, in their attempts to solve the crisis. The formula of dialogue and compromise, which are basic elements to remove the tensions, has emerged from another more informal, flexible and transitory forum. The North Korean nuclear crisis shows that the institutional pressure exerted by the IAEA may be complemented by the advances facilitated by the six party talks.

Some analysts have found a plethora of arguments to lament the modest achievements of the UN in its management of Korean topics. Nevertheless, these criticisms have to be considered within the correct context. First of all, the UN does not have the prerogatives pertaining to supra-nationality, as is the case of the European Union. While the Member States continue to resist the transference of part of their sovereign powers, it is difficult to demand a greater prominence of the UN in realizing world order values.

As we will see below, the UN's performance has not in fact turned out as lacklustre as might appear at first sight. We must not forget that the UN suffers from the continuous and ever-increasing pressure of expectations which are difficult to fulfil. The UN history is the history of achievements, failures, hopes, despair, promises and performances. These areas of light and shade are precisely what allows it to advance towards more ambitious goals. The definitive chapter on the role of the UN in Korea has still to be written.

First responses to the division of Korea

As is common knowledge, at the end of World War II, on the pretext of military logistics and without consulting the native population, the peninsula was divided into two ideologically antagonistic States. To the south of the 38th parallel, the Republic of Korea (ROK, South Korea) was established in 1948 under the auspices of the USA. To the north, the Democratic People's Republic of Korea (DPRK, North Korea) was founded shortly after under the patronage of the Soviet Union. What was understood as a provisional measure taken by the winning powers, then became a permanent situation. It is true that the UN General Assembly, through its resolution in November 1947, approved a programme which clarified the uncertainty as to the future of Korea. By holding democratic elections the goals of independence and sovereignty were indeed to be reached, leaving the way clear for the withdrawal of all occupying forces from Korean territory.

It is important to note that the UN had programmed the holding of elections with the aim of electing the representatives of the National Assembly, which would then convene to form a National Government. This Government would "take over the functions of government from the military commands and civilian authorities of North and South Korea". Thus, implicitly, the UN was encouraging reunification, since the new government resulting from the ballot boxes would exert its powers over the whole Korean territory. However, the good intentions conflicted with an adverse political reality. On 12 December 1948 the UN General Assembly had to admit that "the unification of Korea has not yet been achieved".

In spite of the General Assembly's repeated invocations in favour of the unification of Korea[1], the reality has, year after year, been manifestly contrary to these good wishes. This aspiration to overcome the effects of the division ended up fading away when faced with the rivalry existing between the US and the USSR. Neither the prestige/supremacy (*auctoritas*), universally recognized of the UN, nor its powers [2] (*potestas)* were sufficient factors to achieve the desired goal of reunification.

The UN was the victim of disproportionate expectations. The gap between 'what is' (territorial division) and 'what should be' (unification) turned out to be unbridgeable. Certainly the circumstances were not specially favourable and the necessary consensus between the two sides involved was far from mature. Even although it is convenient to evaluate the good intentions positively, the theme of reunification makes clear the limits within which this international organization could handle - and still handles –its international affairs. This is why these good intentions have remained in the realm of wishful thinking.

The UN intervention during the Korean War

North Korea's unexpected invasion of South Korea on June 25, 1950 presented a new challenge to the UN's credibility and its capacity to resolve conflicts. Few countries were prepared to tolerate another military aggression flaring up so soon after the end of the World War II. The armed conflict, if not satisfactorily resolved, could have unfavourable repercussions on the predicament of the UN, since humanity would again be reminded of the weaknesses, defects and insufficiencies of the League of Nations when World War II broke out.

When North Korea attacked the South, the UN Secretary-General at the time, Trygve Lie, informed the Security Council that the attack should be considered as "a threat to international peace". The aggression was a clear breach of international law, especially as the General

[1] Here could be cited the Resolution of November 14, 1947, which implicitly recommends Korean unification. Other resolutions had already expressly contemplated this objective. E.g. see those of December 12 , 1948 ; October 7 , 1950 ; December 7, 1970 and November 18 , 1975.

[2] The Resolution of September 12 , 1948 deals with prohibitive elements required of all States , as well as calling upon Member States to refrain from any acts derogatory to the results achieved and to be achieved by the United Nations in bringing about the unity of Korea.

Assembly had already legitimated the Republic of Korea as the sole "lawful government" in the Korean peninsula. After exercising the tasks of patronage, support and political orientation, the UN could not abandon the people of South Korea to their sad destiny. The country had hardly any self-defensive capacity. Its weakness was demonstrated as soon as the conflict began. Without external aid the country was destined to disappear. This explained why on the very day of the invasion, the UN Security Council, at the request of the United States, by a 9-0 vote with one abstention (Yugoslavia) and one absence (the USSR), stated that an "armed attack" had occurred and called for immediate cessation of the hostilities, the withdrawal of North Korean forces, and the assistance of UN members in carrying out the resolutions. A second UN resolution on June 27, 1950, recommended (*sic*) UN members to provide such assistance to the Republic of Korea as might be necessary to repel the armed attack and to restore international peace and security in the area.

The UN's response to the attack of necessity had to be quick, effective and exemplary. If this were not the case, the invasion and later occupation of South Korean territory by the North Korean forces would become an fait accompli, difficult to eradicate in the future. A 'breach of peace' had come about and consequently the international community had to react collectively with total firmness, so avoiding the validation of the dangerous precedent of impunity.

In his Memoirs, President Truman compared the communist aggression with the previous Nazi and Fascist ones in very eloquent words : "There was no suggestion from anyone that either the United Nations or the United States could back away from it. This was a test of all the last five years of collective security. Communism was acting in Korea just as Hitler, Mussolini, and the Japanese had acted 10, 15, or 20 years earlier. If the Communists were permitted to force their entry into the Republic of Korea without opposition of the free world, no small nation would have the courage to resist threats and aggression by stronger Communist neighbours. If this was allowed to go unchallenged, it would mean a third world war, just as similar instances had brought on the Second World War. It was also clear to me that the foundations and principles of the United Nations were at stake unless this unprovoked attack on Korea could be stopped"[3].

On July 7, 1950, the Security Council requested members sending military forces to Korea to place them under a US-led unified command

[3] H. S. Truman, *Year of Decisions*. Doubleday. New York, 1956, pp. 332-334.

and it authorized the use of the UN flag concurrently with the flags of the various participating nations.

The brilliant military operation sponsored by the UN not only managed to expel the North Korean troops from the invaded territory but also, on October 2, the first South Korean units crossed to the north of the 38th parallel. China had threatened to enter the Korean conflict if UN forces crossed the 38th parallel and on November 28 the Chinese 'volunteers' launched mass attacks. The course of the war came to a complete impasse with the exchange of offensives and counter-offensives. On May 18, 1951 the General Assembly recommended an embargo against China of all shipments of arms and items useful for war[4]. Long and exhausting negotiations were carried out and finally a weak Armistice Agreement was signed on July 27, 1953. It declared the long awaited ceasefire and established a demilitarized zone. In addition the Military Armistice Commission was set up to supervise compliance with the Agreement.

How should the role of the UN in the conflict be judged? It must be recognized that the UN did not have any previous experience to facilitate the prevention and resolution of armed conflicts. The art of diplomatic prevention was not as well developed as it is nowadays. In addition, the ideological tensions between the capitalist and communist worlds made it very difficult to adopt agreements satisfactory to both blocs. Added to this there is another factor which casts certain shadows on the management of the crisis. During the 50's there did not exist a complete, precise, legal and universally accepted definition of certain expressions such as "war of aggression", "terrorist actions", "peaceful settlement of international disputes" or "intervention within the domestic jurisdiction of any State". Throughout its eventful history, the UN has developed, perfected and clarified its international norms, as well as the principles stated in Article 2 of its Charter. Nowadays, the meaning and scope of these international principles and obligations are unequivocally determined. The *Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in Accordance with the Charter of the United Nations* (UN General

[4] Schachter points out that they were not legally mandatory because the sanctions were adopted by the General Assembly under its recommendatory authority. The fact that communist countries and some non-aligned states did not apply the boycott seriously limited its effectiveness. Oscar Schachter, "United Nations Collective Security: Its Once and Future Role", in Daniel J. Meador (ed.), *The Korean war in retrospect: Lessons for the future*. University Press of America. Boston, 1998, p. 126.

Assembly Resolution, October 24, 1970) condemns not only the so-called "wars of aggression ", but also the intervention in internal or external affairs of another State, and even forbids the organizing, inciting or financing of terrorist and subversive activities.

Moreover, the intervention of the UN made clear how complicated the handling of a war crisis was when the superpowers demonstrated their absolute discrepancy on the ways and means of solving it. The temporary absence of the USSR from the Security Council, due to the heated debate over who the China representation in the UN corresponded to, offered certain cover or legal basis to the first pronouncements of the UN, but the Soviets soon realized that their boycott had consequences which were very damaging to their strategic interests. The return of the Soviet representative in August 1950 managed, by threat of veto, to paralyze the resolutions which should have emerged from the Security Council. What then took shape was an ingenious but risky initiative called *Uniting for Peace*. The United States could count on sufficient support in the General Assembly to approve the pertinent resolutions, so that it managed to shift the centre of gravity, in functional terms, from the Council to the Assembly. To a certain extent this formula turned out to be very useful to make up for the lack of operational capacity in Korea.

There was no lack of denunciation and critical protests of the presumed illegality of circumventing the Security Council through the link with the Assembly in the adoption of agreements related with the conflict. In contrast to these doctrinal opinions, there is equally no lack of other jurists who defended the international legality of the resolution *Uniting for Peace*. To this end it has been argued that is the responsibility of the Security Council to exercise the 'primary' responsibility for the maintenance of international peace and security, but that this responsibility does not have to be exclusive to the Council, especially when an emergency situation suddenly arises which could potentially cause many deaths and where also the Council is temporarily blocked because of political discrepancies.

What is certain is that this practice set a dangerous precedent , as it could be invoked in the future in analogous situations and justly, when a country with the right of veto does not obtain the majority backing of the Assembly .

Another theme which is of considerable interest from the legal point of view is whether the multinational forces sponsored by the UN exceeded the limits of the Resolution to liberate South Korea from the North Korean aggression. There is no doubt that the penetration of the

multinational forces into North Korean territory opened the way for the entry of communist China into the war, lengthening in this way the course of a war which ended up even more bloody and devastating. Once again the doctrinal discrepancies arise with arguments in pro or in contra.

According to the underlying criteria for the restrictive scope of the UN mission in Korea, the troops which fought under its sponsorship had to limit themselves exclusively to recovering the territory invaded by the North Koreans. Thus, the objective of the United Nations consisted only in restoring the *status quo ante bellum*. If this approach is followed, then we must accept that the UN forces exceeded the powers and capacity given them by the UN itself, since they penetrated to the north of the 38th parallel. In addition, and respecting a general principle corresponding to Criminal Law in the civilized nations, any action related to legitimate defence is subject to limits of proportionality, since the means of repelling an aggression should be proportionate to the means of attack. In this context it could be argued that once the North Korean troops had been expelled from South Korean territory, the opening of a new war front by the multinational troops could be considered disproportionate, since it would necessarily cause incalculable damage to the civilian population.

But the criteria which have prevailed historically are very different. The military actions beyond the 38th parallel were implicitly legitimized by the UN when it recommended that "all appropriate steps be taken to ensure conditions of stability throughout Korea". (Resolution of the General Assembly, October 7, 1950). In addition, according to the same Resolution, the UN forces should not remain "in any part of Korea" except as necessary for achieving stability, unification, independence and democratic government in Korea. As the totality of the territory of Korea includes both the north and the south of the 38th parallel , it can be deduced therefore that the UN lent its consent to the development of military actions in any part of Korea, which includes North Korea.

The above legal arguments must be seen in the light of what at the time seemed to be elementary logic. During the war, it was of vital importance to prevent the regrouping of the North Korean forces. Beyond the 38th parallel the North Korean military potential was intact, particularly its headquarters, reinforcement troops, a large part of its equipment and its basic supply sources. General MacArthur estimated that the destruction of the North Korean army was a military requirement and that operations could not be stabilized at the 38th parallel.

Unfortunately for the UN sponsored forces, the advance towards the Yalu river opened up a new front. The war became more costly,

longer, even bloodier and more unpopular. China carried out its threat to intervene in the conflict. Whatever the reasons were which persuaded Mao Zedong to enter a war - which incidentally was detrimental to his strategic interests, particularly the recovery of Taiwan, - what is certain is that the UN resolutions did not manage to soothe the suspicions of China which historically had considered the Korean Peninsula as a sort of anteroom to prepare the invasion of its territory. During the Korean war, China felt its security threatened as the allied forces advanced towards its border[5]. The massive response of the Chinese "volunteers" reflects the deterioration of a conflict which could not be controlled by the UN itself. It has even been suggested that "the UN operation in Korea was sorely beset by uncertainty, vacillation, confusion, and contention on this issue. The initial objective of expelling the invaders from South Korea gave way to the aim of conquering North Korea, and the difficulties and dangers of pursuing the latter aim ultimately caused reversion to the former"[6]. The UN was, in effect, the victim of its own ambition, because during a crisis situation objectives as complex and diverse as detaining a territorial aggression and at the same time achieving the national unification of the Korean nation should not be confused .

So was the UN intervention in the Korean War in fact negative? In spite of its errors and omissions, due in part to its inexperience and to the legal limitations imposed by the San Francisco Charter, not to mention the divisive positions of the USSR and USA, it has to be considered that the immediate end which justified the multinational intervention under the auspices of the UN was achieved in exemplary fashion. The aggression was halted, teaching the international community a lesson on how to respond rapidly and convincingly to military attack. The UN rescued the weakened Republic of Korea on the brink of a precipice, which could have meant its complete disappearance .

North Korea, meanwhile, did not manage to achieve its ambitions to unify the Korean peninsula by armed force. The international community managed to recover the value of the coexistence between the two Korean States. North Korea initiated a new reunification dynamic

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[5] Did the Chinese government suspect that on the pretext of liberating South Korea the intention was really to 'liberate' the People's Republic of China and impose the nationalist government of the Republic of China? In this context see Patrick James, "International crises: A view from the South", in Shreesh Juyal and B. Ramesh Babu, *The United Nations and World Peace*. Sterling Publishers Private Limited, 1990, p. 291.

[6] Inis L. Claude, Jr, "Korea and collective security", Daniel J. Meador (ed.), *The Korean war in retrospect: Lessons for the future*. University Press of America, Boston, 1998, p. 98.

which apart from its provocations and interferences, is today subject to dialogue and mutual understanding The North Korean Constitution in force expressly supports the peaceful unification of the whole of Korea[7].

The simultaneous admission of the two Koreas into the UN: benefits for the stability of the Korean Peninsula

Much to its regret, North Korea was forced to accept the duality of the Korean representation in the United Nations. The simultaneous, although separate admission of the two Koreas on September 17, 1991, opened a new and certainly more promising chapter in its diplomatic relations. The present balance of costs and benefits for the two Korean countries is undoubtedly positive. In this context it could be pointed out that the first benefit is related to the discipline, the cooperative spirit or desire to collaborate together, the interest in striving towards the attainment of common ends (what is known as *affectio societatis*), which is aroused in any individual person or legal entity, by the freely accepted membership of any beneficent organization.

The forced isolation of any nation causes feelings of resentment towards all the others and this situation is dangerous, as well as unjust. The simultaneous entry of the Republic of Korea and the Democratic People's Republic of Korea into the UN was one more step towards the normalization of their status on the world stage. The UN imposes a discipline which all member countries must respect and comply with. It is more worthwhile to have all the nations abide by some minimum rules of the game than to set them apart in diplomatic isolation. It is for this reason that the UN membership of the two Koreas has opened the way to compromise, which materializes in the adoption and internal ratification of international norms and obligations and compliance with them. Both Koreas will be able to contribute to the resolution of global issues such as disarmament, international peace keeping, humanitarian affairs, environmental protection , health, etc.

Some authors go even further and affirm that North Korea's bellicose behaviour in the Korean Peninsula has been constrained by the United Nations Command (UNC) presence over the years[8].

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[7] Article 9, Socialist Constitution of the Democratic People's Republic of Korea, adopted on September 5, 1998.

[8] Young Whan Kihl, "North Korea and the United Nations", in Samuel S. Kim (ed.), *North Korean Foreign Relations in the Post-Cold War Era*, Oxford University Press, 1998, p. 267.

The second benefit has been established with the passing of time. If we examine the behaviour and attitudes of the two Koreas from a historical perspective, it may appear to us that between them there is a great lack of understanding, at times tinged with hostility. This is not altogether true in relation to their proposals and attitudes within the United Nations itself. In fact, this international organization, with all its defects and limitations, has facilitated the convergence of pan-Korean interests.

Even if, as seen above, the UN's efforts in favour of unification have not yet brought forth the desired fruits, at least this international organization has managed to bring the Korean interests on to same wavelength overall. On repeated occasions the two Koreas have reached a certain unity of criteria. Certainly, Seoul and Pyongyang have never missed the opportunity to demonstrate to the international community that in spite of the territorial divide and the ideological confrontation between North and South, it is possible for them to reach an important degree of agreement. Studies exist which demonstrate the frequency of consensus positions when they exercise their vote in the General Assembly and in its committees. As one author has highlighted [9], in the 47th session, the two voted together 184 times out of 212 – a remarkable 86.8% of the time. In the 48th session, the frequency of agreement was 105 out of 136 – 77.8 %. If we combine the two sessions, we find 289 agreements out of 347 – an impressive 83 %.

North Korea and the UN: from criticism to pragmatism

The panorama of the relationship between the North Korean regime and the UN is dominated by its ups and downs, vicissitudes and incidences. The legitimate right of the North Koreans to demand the maximum respect for its sovereignty and independence has created the image of a country which is not very accommodating, at times unruly, which on certain occasions defends noble causes and on others provokes an aggravation of the tension on the world stage.

The Democratic People's Republic of Korea has not stinted on its critical commentaries on the institutional working and configuration of the UN. Some North Korean demands, such as eliminating the veto power

[9] Byung Chul Koh, "North Korea's Policy toward the United Nations", *The United Nations and Keeping Peace in Northeast Asia*, the Institute for Peace Studies, 1995, p. 66.

of the permanent members and shifting more power to the General Assembly, are shared by many developing countries[10].

Apart from that, Pyongyang rejected the UN resolutions related to the Korean war, considering them to be very far from objective and impartial. For the North Korean government, the UN adopted resolutions on the peace, security and reunification of the Korean peninsula in the absence of the DPRK party concerned, at UN General Assembly sessions from 1948 to 1970. Pyongyang even blamed the UN for being "one of the parties responsible for the division of Korea".

As far as the North Korean criticisms of the International Atomic Energy Agency's (IAEA) handling of the nuclear crisis in the Korean peninsula are concerned, it points out that this institution, dependent on the UN, has bowed to the interests of the United States of America. Pyongyang justified its withdrawal from the Nuclear Non-Proliferation Treaty (NPT) by claiming that the IAEA had lost its impartiality as the result of US manipulation. Moreover, the information provided by the USA to the IAEA is not the most reliable, according to North Korean criteria, since it is normally 'filtered' by its intelligence services.

Aside from the recriminations and verbal disputes, however, there are more positive and hopeful aspects which should be highlighted. North Korea's admission to the UN made it eligible for a wide range of economic, scientific and technical assistance from the UN and its specialized agencies. It has already benefited from the aid offered by the United Nations Development Programme. The Tumen River Economic Development Area, consisting of Huchun in northeast China, Rajin-Sonbong in North Korea and Posyet in the Russian Far East, was promoted by the UNDP in 1992[11].

Given that economic and social progress makes political stability viable, the UN programmes promoting development and stability are projected within the specific scope of the Member States. This explains the network of agencies and programmes dependent on the UN which aim to satisfy concrete and specific interests. The UN's commitment to humanitarian values is both positive and encouraging. Over the years the UN has become an genuine seed bed of international solidarity and cooperation . As an example of this, we need only to mention the World

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[10] Kongdan Oh, Ralph C. Hassig, *North Korea through the looking glass,* The Brookings Institution Press, Washington , DC, 2000, p. 173.

[11] See Ojeda, A., Hidalgo, A., Laurentis, E. (coords.), "Cooperación e integración en el noreste asiático: Corea y el regionalismo", *El ámbito exterior de las relaciones coreanas*. Editorial Verbum. Madrid, 2005, pp. 93-96.

Food Programme (WFP), with North Korea as one of its most apt beneficiaries. The WFP is one of the key agencies in preparing emergency relief operation for victims of natural disasters and food shortages. It handles needs assessment, coordinates contributions from donors and transports and manages the distribution of food aid on a country basis[12].

The WFP is by far the largest humanitarian agency in the DPRK[13]. This country has suffered widespread food shortages since 1995 as a result of the country's serious economic difficulties and consecutive natural disasters. Nutrition needs have increased dramatically among the most vulnerable sectors (young children, pregnant and nursing women and elderly people), and this when the shortage of dietary requirements affects the whole population to some extent. To give just one example which highlights the crude reality, in November 2004, one kilo of rice in Pyongyang costed the equivalent of 20 % of a normal monthly salary[14].

The North Korean government has facilitated the work of the WFP in recent years, which encourages a certain optimism but still maintains significant restrictions on free access to populations, markets and consumers[15].

Conclusions

In the early stages the role played by the UN in Korea was fairly controversial. The critical considerations came particularly from the Communist bloc. With the simultaneous entry of the two Koreas into the UN, Pyongyang and Seoul managed to normalize their relationship with the international community as a whole.

South Korea has understood how to make best use of the potential offered by the United Nations and the UN has helped to raise its international profile. A good example of this is its participation as elective member of the Security Council during the period 1996-1997.

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[12] For a wider view of the WFP see D. John Shaw, Sir Hans W. Singer, " A note on Some UN Achievements with Special Reference to the World Food Programme", in Martin Ira Glassner (ed.), *The United Nations at Work*. Praeger, 1998, pp. 186-212.

[13] However, cooperative relationship between the DPRK and the WFP is rather unclear in the future.

[14] WFP DPR Korea EMOP 10141. Emergency Food Assistance to Vulnerable Groups in DPR Korea, p. 5.

[15] Ibidem, p. 4.

North Korea has adopted evolutionary tactics, since at first it took offence with the UN for the way Korean matters were dealt with. Later it toned down its criticisms to adopt a more pragmatic attitude. Pyongyang has still not taken full advantage for its own benefit of all the potential the UN offers. Perhaps this is the moment to follow the path marked out by the People's Republic of China during the post -Mao Zedong era. Instead of following a sterile policy of complaints and grievances, China is making good use of the numerous UN forums to establish its international prestige. In addition it does not miss any opportunity to obtain benefits thanks to the beneficial tasks of the agencies and programmes under the auspices of the UN. The membership of any country of the UN is not at odds with that double personality portrayed in such a masterly way by Miguel de Cervantes: while Don Quixote keeps to the path of idealism, Sancho Panza follows another reality more akin to utilitarianism or pragmatism.

Full Text of a Joint Statement Issued by Six Nations

09-19-2005

For the cause of peace and stability on the Korean Peninsula and in Northeast Asia at large, the six parties held in a spirit of mutual respect and equality serious and practical talks concerning the denuclearization of the Korean Peninsula on the basis of the common understanding of the previous three rounds of talks and agreed in this context to the following:

1) The six parties unanimously reaffirmed that the goal of the six-party talks is the verifiable denuclearization of the Korean Peninsula in a peaceful manner.

The Democratic People's Republic of Korea (North Korea) committed to abandoning all nuclear weapons and existing nuclear programs and returning at an early date to the treaty on the non proliferation of nuclear weapons (NPT) and to IAEA (International Atomic Energy Agency) safeguards.

The United States affirmed that is has no nuclear weapons on the Korean Peninsula and has no intention to attack or invade the DPRK with nuclear or conventional weapons.

The ROK (South Korea) reaffirmed its commitment not to receive or deploy nuclear weapons in accordance with the 1992 joint declaration of the Denuclearization of the Korean Peninsula, while affirming that there exist no nuclear weapons within its territory.

The 1992 joint declaration of the Denuclearization of the Korean Peninsula should be observed and implemented.

The DPRK stated that it has the right to peaceful uses of nuclear energy.

The other parties expressed their respect and agreed to discuss at an appropriate time the subject of the provision of light-water reactor to the DPRK.

2) The six parties undertook, in their relations, to abide by the purposes and principles of the Charter of the United Nations and recognized norms of international relations.

The DPRK and the United States undertook to respect each other's sovereignty, exist peacefully together and take steps to normalize their relations subject to their respective bilateral policies.

The DPRK and Japan undertook to take steps to normalize their relations in accordance with the 2002 Pyongyang Declaration, on the basis of the settlement of unfortunate past and the outstanding issues of concern.

3) The six parties undertook to promote economic cooperation in the fields of energy, trade and investment, bilaterally and/or multilaterally.

China, Japan, the ROK, Russia and the U.S. stated their willingness to provide energy assistance to the DPRK. The ROK reaffirmed its proposal of July 12, 2005, concerning the provision of 2 million kilowatts of electric power to the DPRK.

4) Committed to joint efforts for lasting peace and stability in Northeast Asia. The directly related parties will negotiate a permanent peace regime on the Korean Peninsula at an appropriate separate forum.

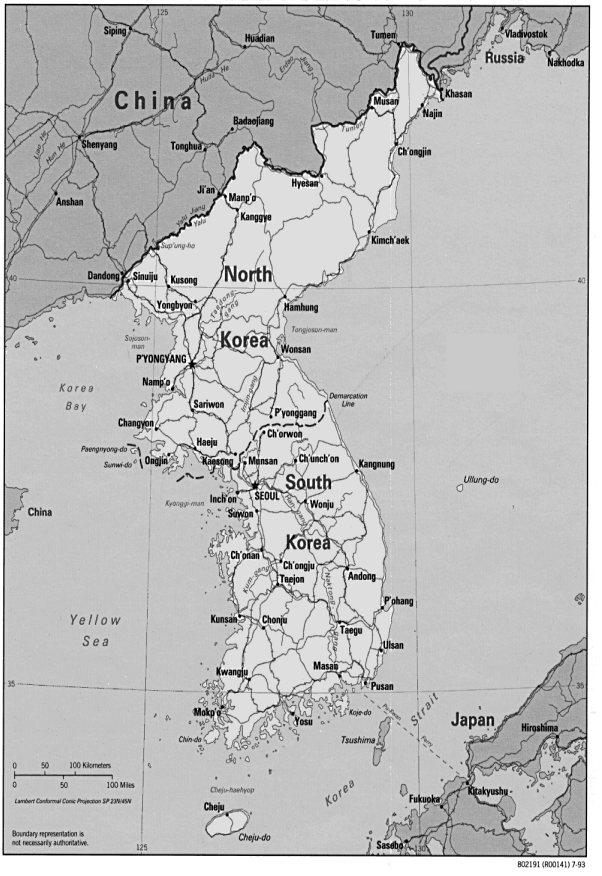
The six parties agreed to explore ways and means for promoting security cooperation in northeast Asia.

5) The six parties agreed to take coordinated steps to implement the aforementioned consensus in a phased manner in line with the principle of ``commitment for commitment, action for action.''

6) The six parties agreed to hold the fifth round of the six party talks in Beijing in early November 2005 at a date to be determined through consultations.

MAP

Korean Peninsula



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