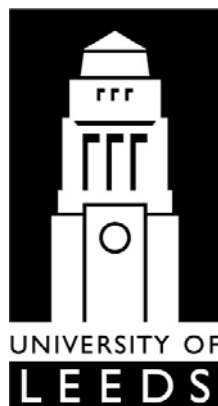

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second North Korean Nuclear Crisis and the Six
Party Talks

Professor Christoph Bluth

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Christoph Bluth

School of Politics and International Studies, University of Leeds

During the 1990s, the prevention of the proliferation of nuclear weapons became one of the central issues in international security. In the aftermath of 9-11, when international terrorists demonstrated their willingness to cause mass casualties, dealing with clandestine and incipient nuclear weapons programmes in 'rogue states' became a high priority due to the fear that such programmes might be a source of such weapons or nuclear materials for terrorists. The North Korean nuclear weapons programme had already become a major focus of concern, but the 'agreed framework' negotiated between the DPRK and the United States in 1994 had frozen the nuclear programme in return for various forms of economic support and improved political relations. By the end of 2002 the 'agreed framework' had all but collapsed and North Korea resumed its nuclear activities, resulting in the accumulation of enough plutonium for about eight nuclear weapons two years later.

This sequence of events raises several important issues. Why did North Korea walk away from a settlement that clearly addressed concerns crucial to its national interest and economic survival? Why did the Bush administration fail to pursue obvious strategies to maintain the freeze on North Korea's plutonium programme, resulting in a situation where the nuclear threat from North Korea has become practical rather than theoretical, when it went to war with Iraq to prevent a similar outcome? How do we interpret North Korea's negotiating behaviour and what are the prospects of any future settlement of the nuclear issue?

The origins of the second North Korean nuclear crisis

The issue of the North Korean nuclear programme first developed into a full-blown nuclear crisis in the early 1990s, almost provoking surgical strikes on North Korean nuclear facilities. After the intervention of former President Jimmy Carter who met with Kim Il Sung in Pyongyang negotiated resulted in the so-called 'Agreed Framework' of 1994 that involved a 'freeze' of North Korea's plutonium programme.

The 5 megawatt reactor at Yongbyon was shut down and about 8000 fuel rods from the reactor were put into sealed storage. Construction of two other reactors was suspended. In return North Korea was to receive regular shipments of heavy fuel oil and two light water reactors (to be supplied by the Republic of Korea) for the production of electricity. North Korea was to continue to participate in the nuclear non-proliferation treaty (NPT) and its nuclear materials would become subject to IAEA safeguards. The United States and the DPRK were to normalise relations, culminating in the establishment of diplomatic relations.¹

Although a significant breakthrough, the implementation of the Agreed Framework was hampered by various problems, including substantial delays in the construction of the LWR and irregular intervals in the shipment of fuel oil. One of the obstacles was the substantial opposition to the agreement in Congress on the part of many Republicans, who objected to the notion of giving in to North Korea's 'nuclear blackmail' and mistrusted Pyongyang's intentions. Nevertheless, on the face of it, the Agreed Framework was a resounding success. The freeze of the plutonium programme not only diffused a dangerous international crisis, but it prevented the accumulation by the DPRK of substantial amounts of plutonium, perhaps enough for 150 nuclear warheads.²

In addition to the Agreed Framework, the Clinton administration also embarked on negotiations to deal with North Korea's ballistic missile development and exports. It came close to achieving an agreement, but no deal was concluded in the end as the incoming Bush administration signalled its lack of support for such an arrangement, signalling a change in US attitudes to dealing with North Korea. Opinion on the Agreed Framework was divided. Some shared the view of its opponents in Congress that instead of acceding to what they considered to be blackmail the regime should be contained and isolated in order to hasten its collapse. However, contrary to wide-spread expectations the North Korean regime had not collapsed and proved to be much more resilient than many had believed. Moreover, a sudden collapse of the regime might itself have a catastrophic impact on the region and was therefore not necessarily desirable. This is why other officials supported the view that the Agreed Framework had successfully frozen North Korea's plutonium production since 1994 and that the United States should continue to use diplomatic efforts to restrain North Korean nuclear and missile programmes. Secretary of State Colin Powell made statements in support of further diplomatic efforts, while President

Bush openly voiced his doubts about attempting to engage North Korea in a difficult meeting with ROK President Kim Dae Jung.

On 6 June 2001 a policy statement was issued by the US government that indicated support for the Agreed Framework as long as North Korea fulfilled its conditions. The Bush administration even secured increased funding for the heavy fuel oil deliveries to North Korea. It also promised to continue to provide humanitarian food assistance. At the same time it rejected a continuation of the previous talks on missiles and instead stated that future talks should follow a broad agenda, including 'improved implementation of the Agreed Framework relating to North Korea's nuclear activities; verifiable constraints on North Korea's missile programmes and a ban on its missile exports; and a less threatening conventional military posture'.³ In return the United States would ease sanctions and take other steps to help the North Korean people. Gary Samore aptly described this approach as demanding more and offering less than the previous US government.⁴ Efforts by the North Korean government to revive the missile talks, including attempts to enlist Russian and European support, fell on deaf ears in Washington.

The events of 11 September 2001 had a profound impact on US national security policy in general and relations with North Korea in particular. The demonstration of the willingness of international terrorists to cause mass casualties raised the fear of the confluence on 'rogue states' that pursue weapons of mass destruction and sponsor terrorism and international terrorism. This was 'the axis of evil' described by President Bush in his 2002 State of the Union address. The President stated that the United States had the right to take preemptive action against threats, rather than wait until the US or its Allies were attacked with weapons of mass destruction. North Korea reacted strongly to its inclusion in the 'axis of evil', which it interpreted as a manifestation of Washington's desire to put pressure on North Korea in order to 'stifle' the regime.

During a visit to Pyongyang in April 2002 South Korea's National Security Advisor Lim Dong Won tried to persuade Kim Jong Il to receive a special envoy from the United States. North Korea decided to resume the bilateral dialogue with the US. The Assistant Secretary of State for East Asian and Pacific Affairs, James Kelly, was supposed to visit Pyongyang on 10 July, but due to clashes between North and South Korean naval forces the visit was postponed until October.

Prior to Kelly's October trip to North Korea US intelligence issued a secret

assessment according to which North Korea had started a clandestine programme to produce highly enriched uranium (HEU) using centrifuge technology it had acquired from Pakistan in return for *Nodong* missiles. The information on which this assessment was based had come from a variety of sources. In 1999 Seoul informed Washington that North Korean scientists had visited Pakistan, and in March 1999 the Republic of Korea and the United States jointly prevented the purchase by North Korea of components for gas centrifuges in Japan. In 2001 a North Korean defector said that North Korea had been pursuing centrifuge technology for uranium enrichment for some time. Moreover, there was evidence that North Korea was seeking components such as certain types of aluminium types and equipment for uranium feed-and-withdrawal systems for which no other purpose appeared plausible.

The uranium enrichment programme was interpreted as a substantial breach of trust and evidence for the strong belief of the opponents of any accommodation with North Korea that the DPRK simply could not be trusted. Although technically not a breach of the Agreement Framework which was concerned only with plutonium, it was nevertheless incompatible with commitments under the Agreed Framework as it reaffirmed the North-South Declaration on denuclearisation (1992) which banned uranium enrichment and also the NPT.⁵ However the status of this programme and the location of any enrichment facility were unknown.

The provisional assessment of the CIA was that North Korea was constructing a uranium enrichment plant that would be able to produce HEU for two weapons annually once fully operational, possibly by mid-decade. The Republic of Korea and China were doubtful about the existence of an actual HEU programme. An analysis by experts from the International Institute of Strategic Studies in the United Kingdom, using the information that has come into the public domain, shows that, although no definite conclusions can be drawn, it seems unlikely that North Korea has an operational enrichment plan at present and may not have so for more than ten years. This tentative assessment is based on indication that North Korea is still seeking components for an enrichment plant, the difficulties of building other elements of the infrastructure required (i.e. a UF₆ feeder plant) given what is known about North Korea's nuclear facilities, and the technical difficulties of successfully operating a uranium enrichment plant based on centrifuge technology. More recent internal South Korean assessments seem to broadly concur with the judgement that North Korea is not yet very close to possessing the capacity for producing HEU.⁶ Thus Kim Taewoo

from the Korea Institute for Defense Analyses suggests that the Khan Research Laboratory may have provided North Korea with a number of P-1 and P-2 type centrifuges, 50 kg of UF₆ for calibration and technical information for the construction of enrichment stages and cascades. He concluded (as of the autumn of 2004) that North Korea most likely did not yet have any full-scale enrichment facilities or weapons-grade HEU, but that it might have laboratory-scale centrifuge facilities.⁷ Of course these conclusions are based on estimates given the available information and the actual state of the uranium enrichment programme in North Korea remains unknown.

Nevertheless, in the wake of summit meeting between Japanese Prime Minister Koizumi and Kim Jong Il on 17 September 2002 that signalled a degree of Japanese-North Korean rapprochement, the United States decided to confront North Korea about the clandestine uranium enrichment programme at the postponed meeting in Pyongyang that finally took place on 4-5 October 2002. Kelly met with Vice Foreign Minister Kang Sok Joo and other North Korean officials. He outlined the broad proposals, but then brought up the question of the clandestine uranium enrichment programme, stating that no progress could be made until the uranium programme was dismantled. According to the American version of events, the North Koreans initially denied the existence of the programme, but the next day, to the Americans' surprise, Kang admitted that the enrichment programme existed and claimed it was justified by the belligerence of the Bush administration and its various threats. Subsequently North Korea circulated versions of the meeting that differed substantially from that reported by Kelly. In November the DPRK ambassador to the United Nations stated that North Korea would be prepared to satisfy all security concerns the US might have, including those relating to the uranium enrichment programme, and the possibility of inspections of all North Korean nuclear facilities would be considered. Despite the presence of Korean speakers on the US delegation, there remains some uncertainty to what precisely transpired.⁸ Later, in December, North Korea denied it had acknowledged the existence of a uranium enrichment programme, claiming that Kang had merely asserted North Korea's right to have such a programme. At a conference at Wilton Park in the UK on Northeast Asian Security in October 2004, the North Korean delegation first stated that the DPRK did not have a uranium enrichment programme as such. When pressed, the North Korean ambassador to the UK, Ri Yong Ho, categorically denied that North Korea had a

uranium enrichment programme.⁹ North Korea accused the United States of violating the Agreed Framework because of the failure to deliver the light water reactor on time and to provide formal assurances that it would not threaten or use nuclear weapons against the DPRK.

The South Korean government was unwilling to abandon the 'sunshine policy' and make South Korean assistance to North Korea dependent on the abandonment of the enrichment programme. While Japan made normalisation of relations dependant on the resolution of the nuclear issue, leading to a breakdown in the talks, both Japan and the Republic of Korea were concerned that taking actions that would lead to the 'suspension' of the activities of KEDO would induce North Korea to retaliate by resuming nuclear activities frozen by the Agreed Framework. In the end the decision was that heavy fuel oil shipments would be suspended once the shipment that was already en route was delivered.

The calculation in Washington was that North Korea was too weak to retaliate against the suspension of HFO and that pressure from the international community and the threat of sanctions would yield the desired result, i.e. dismantlement of the nuclear programmes. Moreover, the growing confrontation with Iraq over its alleged WMD was thought to put pressure on Kim Jong Il as well by signalling that a similar confrontation might be on the cards with regard to the North Korean nuclear programme.¹⁰ This turned out to be a major tactical misjudgement. First of all, it flew in the face of past experience with North Korean negotiating behaviour that was characterised by extreme brinkmanship in apparent defiance of practical realities and what outsiders might have calculated to be in the DPRK's best interest. As Scott Snyder has demonstrated, if North Korea judges the external environment to be unfavourable to the pursuit of its agenda, then it adopts a position of *kojip* (stubbornness or unyielding attitude) until the external environment becomes more favourable.¹¹ Secondly, North Korea drew precisely the opposite conclusion from the example of Iraq: 'The Iraq war teaches a lesson that in order to prevent a war and defend the security of a country and the sovereignty of a nation, it is necessary to have a powerful physical deterrent.'¹² North Korea may also have calculated that the United States would be preoccupied with the Iraq crisis and could not afford to mount a similar confrontation in the Far East at the same time. On 12 December 2002 the DPRK announced that it was restarting the 5MW reactor and resuming construction of the 50MW and 200MW reactors.

These events occurred in the run-up to presidential elections in the Republic of Korea. During the election campaign, the GNP and its candidate Lee Hoi Chang were very critical of the 'sunshine policy'. The candidate of the Millennium Democratic Party, Roh Moo Hyun, on the other hand was prepared to expand cooperation with North Korea even further. The question of relations with the United States was very much on the agenda, especially as a result of an incident where two Korean schoolgirls were killed in a traffic accident by a US armoured vehicle. Roh refused to visit the United States prior to the election and called for the revision of the SOFA (Status of Forces Agreement) in order to put the bilateral relationship on a more equal basis. On 19 December Roh was elected by a narrow margin, partly due to the anti-American sentiment that affected parts of the electorate.¹³

It is tempting to speculate that Roh's victory gave North Korea the sense that its hand had been strengthened. On 22 December, a mere three days after the election, North Korea ordered the IAEA to remove surveillance cameras and seals on the 5 MW reactor, the spent fuel storage pond and the reprocessing facility, and expelled the inspectors themselves on 27 December. It also announced that preparations to resume reprocessing would be completed soon. The action was justified on the basis of safety concerns relating to the handling of spent fuels from the reactor that had been unfrozen. However, it was clear that reprocessing 8000 spent fuel rods that had been removed from the reactor in 1994 would give North Korea about 25-30 kg of plutonium, enough fissile material for up to 8 nuclear weapons.

The reaction by the United States was surprisingly muted. Secretary of State Colin Powell was almost non-chalant about the prospect of North Korea, which was believed to have acquired enough plutonium for two nuclear weapons before the Agreed Framework, building more nuclear weapons: 'What are they going to do with another two or three nuclear weapons when they're starving, when they have no energy, when they have no economy that's functioning?'¹⁴ There was no longer any talk of preemptive strikes or any form of military pressure to be brought to bear. Even more surprisingly, those conservative pundits such as Charles Krauthammer and William Safire who derided negotiations with North Korea in 1994 and called for military action then now played down the North Korean threat and advocated doing nothing. Ivo Daalder and James Lindsay from the Brookings Institution noted acerbically: 'The Bush administration and its hawkish supporters have found their match in Kim Jong Il's North Korea.'¹⁵

Pyongyang signaled its interest in entering discussions with the United States, but the Bush administration did not want to enter negotiations with North Korea 'under duress', and thus responded by initiating steps designed to gradually bring the pressure of the international community to bear through the mechanisms of the IAEA and the UN Security Council. The IAEA Board of Governors passed a resolution on 6 January 2003 that called on the DPRK to allow the return of inspectors and the restoration of monitoring equipment. This was described as the last chance for North Korea to restore the freeze; failing that there was the prospect that DPRK non-compliance would be reported to the UN Security Council. The US also offered to 'talk to North Korea about how it will meet its obligations to the international community', a softening of its previous refusal to have discussions with North Korea before it abandoned its nuclear weapons programme.

North Korea seems to have perceived the US response as a further escalation of its pressure tactics. The American attitude to the nuclear issue seemed to be of one piece with its general hostility to the DPRK as symbolised by its inclusion in the 'axis of evil'. Political support for the Agreed Framework was vanishing both in Washington and Pyongyang. On 10 January the DPRK announced that it was formally withdrawing from the NPT in order to be free from all obligations in relation to safeguards. Technically withdrawal from the NPT is subject to a 90-day notice period. North Korea declared that the required notice had already been given in March 1993 when it stated its intention to withdraw from the NPT. At the same time it sought to reassure the international community that it would not actually build nuclear weapons: 'Though we pull out of the Treaty, we have no intention to produce nuclear weapons and our nuclear activities at this stage will be confined only to peaceful purposes such as production of electricity.'¹⁶

The DPRK views the International Atomic Energy Agency (IAEA) from quite a different perspective. The role of the IAEA is, in effect, to verify compliance with the obligations under the NPT. This is viewed by the United States as a purely technical task. To require North Korea to submit to IAEA inspections is therefore simply to ask the DPRK to comply with the obligations that it has signed up to. North Korea, however, sees the IAEA as an instrument of the hostile policy of the US towards the DPRK. Adopting the position that it has not acknowledged the existence of a highly enriched uranium programme and claiming that no hard evidence has been produced that it does exist, it considers the resolution by the IAEA Board of

Governors that calls for its abandonment through verifiable means as part of an American conspiracy to strangulate the North.¹⁷ This is yet another example in which the IAEA has been used to brand North Korea a criminal country by alleging violation of international treaty obligations. Thus the activities of the IAEA are viewed as politically motivated, that the IAEA acts on instructions from Washington and uses intelligence fabricated by the United States. The withdrawal from the NPT is explained as a response to the hostile policy of the US and its nuclear threats against the DPRK. Thus it is alleged that the US has violated the negative security assurances embodied in the framework of the NPT which state that nuclear states may not threaten the use of nuclear weapons against a non-nuclear state that has ratified the NPT. The war against Iraq is cited as an example of how the United States abuses international organisations, and that the attempt to use inspections to bring about disarmament does not help to avert war, but rather brings it about.¹⁸ On the basis of Article 10, section 1 of the NPT North Korea claims it has the right to withdraw from the NPT if its national interests are severely threatened. Such a threat exists because of the nullification of the Geneva Agreed Framework as a result of KEDO's cessation of heavy fuel oil supplies, and the hostile policy of the US including the threat of pre-emptive nuclear attacks.¹⁹

Seeing the US as the source of the problems, the DPRK sought bilateral talks with the United States to deal with the nuclear issue, but Washington demurred because it did not want to be seen to have been blackmailed into negotiations. Instead the Bush administration proposed multilateral talks, in order to increase the pressure on North Korea to accept the dismantlement of its nuclear programmes and shift the onus for dealing with North Korea on the regional states. Thus in late January the US proposed privately a set of multilateral talks involving the five permanent members of the UN Security Council plus the EU and four regional states (the ROK, the DPRK, Japan and Australia). North Korea rejected the idea out of hand, insisting on direct bilateral talks with the United States.

Clearly Pyongyang did not want a set of talks where it was confronted by an array of countries hostile to its position. It perceived the United States as the source of external threat, and therefore a deal could be made only with Washington.

The US approach to the issue was fundamentally flawed. While it was in line with the moral absolutism of the Bush administration, it was based on false premises and would be unable to deliver any results. Not all parties in the proposed multilateral

talks could be counted on to put pressure on North Korea. While China did not want a nuclear-armed DPRK, it was unclear to what extent it would use its considerable leverage as North Korea's largest trade partner and supplier of aid to achieve compliance with the demands of the international community. China did not want the North Korean regime to collapse and preferred the continued existence of two Koreas with the North acting as a buffer state. This does not mean that China was necessarily happy with the Kim regime, but it wanted the DPRK to engage in economic reform along the lines of the Chinese model.²⁰ The Republic of Korea took the nuclear issue very seriously, because of its direct ramifications for South Korean security, but Roh's version of the 'sunshine policy' was one of engagement with North Korea that did not really have any place for 'sticks' along with the 'carrots'. There were deep divergences between the Bush administration and the Roh government on how to approach the issue of the North's nuclear programmes. The Bush team adopted a surprisingly relaxed, approach that belied its bellicose rhetoric. While it wanted a nuclear-free DPRK, it did not see the current situation as a crisis or a development that was so alarming that everything had to be done to prevent the reprocessing of plutonium, which was the attitude that had dominated the perspective of the Clinton administration. The Roh government on the other hand sees the suspension of the Agreed Framework as a serious crisis, which could result in North Korea having something of the order of 8 nuclear weapons and could raise tensions between the US and the DPRK to such an extent that the United States might take military action against North Korea. There is also a profound difference with regard to strategic objectives. The Bush administration was unsure that the nuclear crisis could be resolved without regime change in the North, and therefore adopted a policy of isolating, containing and transforming the North.²¹ The ROK government on the other hand was and remains convinced that the only chance of transforming the DPRK is through a policy of engagement. In this context the nuclear issue has to be resolved with some urgency, as it threatens to derail the policy of engagement.²² The paradoxical result was that both countries adopted contrary policies, neither of which had any chance of achieving their objectives. There was no prospect that the Bush administration's goal of isolation and containment of North Korea could be achieved given that its regional partners resolutely refused to implement such an approach. Moreover, multilateral talks with North Korea had no chance of success due to the divergent objectives of the participants and the unwillingness of the Republic of

Korea and China to come up with the appropriate mix of sticks and carrots to induce concessions from the North Korean side. The policy of the Roh government in Seoul, on the other hand, was flawed for the same reason, namely that despite the rhetorical affirmations of the seriousness of the nuclear problem, it was neither able nor willing to devise any instruments that would have a serious chance of dealing with it.

Tensions increased once more in February 2003 when North Korea announced that it was putting its nuclear facilities for the production of electricity on a normal footing, which presumably meant it was restarting the 5MW reactor at Yongbyon. Satellite observation detected very heavy activity at the spent fuel facility, indicating that North Korea might be moving fuel rods for reprocessing. On 12 February 2003 the Board of Governors of the IAEA found North Korea in violation of its NPT safeguard obligations and referred the matter to the UN Security Council. The US deployed additional bombers and stealth aircraft to the region. The DPRK responded with a warning that it might launch a first strike in response to a build-up of US forces in the region, and North Korean fighter planes harassed a US RC-135 reconnaissance plane. During the *Foal Eagle* exercises that were conducted jointly by the US and the ROK, the United States deployed a number of F-117A stealth fighter bomber to South Korea and 2 long-range bombers to Guam.²³

The next move on the diplomatic front came from China, after Secretary of State Powell visited Beijing in February. China was concerned that tension between the DPRK and the United States was rising. On the one hand, China wanted to avoid a collapse of the DPRK under US military and economic pressure (i.e. it opposed US ambitions for regime change in North Korea). After all, China would have to deal with many of the social and economic consequences. At the same time it wanted to avoid instability or even a military conflagration in its backyard. China was under strong American pressure to use its influence with Pyongyang, which in private discussions it always claimed was minimal. China's role in the diplomacy vis-à-vis North Korea became part of a complex diplomatic game. By rejecting bilateral talks with North Korea and its general approach to the nuclear issue, Washington had considerably reduced the available policy instruments at its disposal. It was looking to Beijing to inject new momentum into the process, i.e. get the North Koreans to see sense. Reliance on China was problematic for several reasons. One, it was unclear how much influence Beijing had in Pyongyang. Two, Chinese and US objectives for the outcome of the process were not wholly congruent. Three, seeking favours from

Beijing could have an impact on the situation with Taiwan which was the dominant issue in Sino-US relations.

Extensive shuttle diplomacy by China's Vice Premier Qian Qichen resulted in Kim Jong Il's agreement for North Korea to take part in three-party talks that were held on 24-25 April 2004 in Beijing. China temporarily halted oil supplies to the DPRK for 'technical reasons', putting pressure on Pyongyang to cooperate. At the same time Russia and China prevented action by the UN Security Council against North Korea in response to the IAEA report on 9 April. After consultations with Tokyo and Seoul Washington agreed to the three-party talks. The Bush administration was determined not to talk the North Koreans directly, whereas Beijing and Pyongyang saw the talks as a means of establishing a direct dialogue between the United States and North Korea.

During the three party talks the DPRK delegation made a concrete proposal called a 'bold initiative'. It was based on the concept of four stages of simultaneous steps to be taken by the United States and North Korea, resulting in the dismantlement of North Korea's nuclear weapons programme. In the first stage North Korea would declare its intention to dismantle nuclear weapons and HFO shipments would be resumed. In the second stage inspections of North Korea's nuclear facilities would take place, and the United States and the DPRK would sign a non-aggression pact. In the third stage, other issues would be resolved – there would be an agreement on missiles, political relations between the DPRK, the US and Japan would be normalised. In the final stage, once the light water reactor was completed, North Korea would finally dismantle its nuclear programme.

The United States rejected the North Korean proposal out of hand. The head of the US delegation James Kelly restated the position of the Bush administration that only after complete, irreversible and verifiable (CVID) disarmament would any political and economic agreements be possible. The North Korean delegation had come to Beijing expecting direct bilateral talks with the Americans, who were under strict instruction not to participate in such a meeting. The Chinese tricked the US delegation into an informal bilateral meeting by arranging for the two delegations to be in the same room at the same time. The Chinese were frustrated by the behaviour of both the Americans and the North Koreans. The chief delegate of the DPRK delegation, Li Keun, informally told Kelly that the DPRK already had one or two nuclear weapons and had completed reprocessing the 8,000 spent fuel rods from the 5

MW reactor, even though North Korea had denied these facts to the Chinese. There was also a hint that North Korea could make more weapons or transfer them. The talks broke up in failure after one formal meeting and a day earlier than scheduled.

On 12 May 2003 the DPRK proclaimed the nullification of the North-South Declaration on Denuclearization, and there were indications that the reprocessing of spent fuel rods had begun. In July 2003 North Korea told the United States privately that it completed the reprocessing of the 8,000 fuel rods. Intelligence assessments indicated that some reprocessing had most likely occurred, but it could not be confirmed that reprocessing had been completed.

Given the past experience with North Korea's missile proliferation and the statements at the Beijing meeting the prospect that North Korea might be tempted to proliferate nuclear materials and technology emerged as the most serious threat posed by the nuclear program. In June 2003 the Bush administration launched a Proliferation Security Initiative (PSI) as an international effort to interdict shipments of items related to WMD. North Korea was the immediate target of this initiative, but it was unclear how ultimately the transport of plutonium which could be carried in a small suitcase could be prevented. This is not to say that is not important and indeed it is gaining international support, but it cannot entirely mitigate the dangers of proliferation from a state like North Korea.²⁴

In early July Russia and China once again prevented action by the UN Security Council against the DPRK, while China was engaged in the resumption of diplomacy. Pyongyang was offered extra food and oil deliveries as an inducement to accept participation in the new talks which involved six parties, namely the United States, Russia, China, Japan, North Korea and South Korea. The various parties came to the talks with different agendas. China, Russia and South Korea intended the talks to provide a means of establishing a bilateral dialogue between the US and the DPRK. The United States had accepted the principle that there should be a bilateral meeting with North Korea on the margins of the conference, but it wanted to maintain the multilateral framework and enlist the support of the other regional states to put pressure on North Korea. Japan wanted progress on the issue of kidnapped Japanese citizens as well as the nuclear issue.

The first of the Six Party Talks was held in Beijing on 27-29 August 2003. As expected, North Korea proposed once again a series of simultaneous steps beginning with the exchange of a US security assurance and a North Korean pledge to give up

its nuclear weapons and eventually leading to disarmament. The DPRK delegation hinted that it might accept a freeze on its nuclear activities as a first step. The US stuck to the principle of 'dismantlement first'. Although the US delegation did not present a detailed counterproposal to the DPRK, it suggested that North Korean disarmament could take place in several phases, leaving the door open to some 'rewards' before complete, irreversible and verifiable disarmament had taken place. Nevertheless, security assurances and the resumption of heavy fuel oil deliveries could only be discussed after some disarmament had occurred. Moreover, the US also made it clear that full diplomatic normalisation would require more than the dismantling of nuclear programmes; other issues such as ballistic missiles, biological and chemical weapons and conventional forces would need to be addressed.²⁵

The South Koreans proposed a three-stage process which was to be a compromise between the North Korean and the US approach. The first stage would consist in simultaneous declaration of security assurances and commitment to nuclear disarmament, followed by sequential actions that would involve the implementation of disarmament in different stages, reciprocated by inducement on the part of the US and other parties to the talks. After a resolution of all of the issues, nuclear, missiles, other WMD and conventional forces, full normalisation of relations with North Korea and the US and Japan could take place. However, due to the attitude of some of the other parties, this proposal did not gain any traction.

The paradoxical feature of these talks was that there was a great deal of common ground regarding the shape of any final agreement. The disagreement was primarily about the modality of the disarmament process. North Korea was not willing to relinquish its tangible assets without some downpayment, while the United States had adopted the principle that it would not be seen to be blackmailed into negotiations and reward illicit behaviour, thereby completely restricting its freedom of maneuver in the discussions. In addition, however, the issue of the HEU programme remained an insurmountable obstacle as North Korea denied the US allegations about the existence of such a programme. In private conversations the North Koreans told the Americans that Kelly had misunderstood what Kang said in October 2002. Such a denial, however, meant that the programme was not on the table for inclusion in any disarmament deal, and without it there could be no such deal. True to form, the North Koreans again issued threats; this time they said they would declare their nuclear status and conduct a weapons test if there was no solution. This behaviour did nothing

to improve North Korea's bargaining position and only hardened the American stance.

There was no joint final communiqué but the Chinese Ministry of Foreign Affairs issued a statement as chair of the talks that summarised some general principles that all parties seemed to agree to, including the need to resolve the North Korean nuclear issue through dialogue, the denuclearisation of the Korean peninsula and the need to continue the six party talks.

Despite the lack of progress the United States was content with outcome of the talks in so far as a clear message was sent to North Korea. The North Koreans reacted negatively. The delegation issued a statement at Beijing airport prior to leaving to the effect that North Korea had no interest in future talks.²⁶ The Ministry of Foreign Affairs in Pyongyang issued a statement on the talks that said: 'The six-party talk was nothing but empty discussions. We came to realize that there are no other alternatives but self-defense capability and nuclear deterrence capability unless the U.S. changes its hostile policy.'²⁷ Nevertheless, North Korea's chief delegate, Vice Foreign Minister Kim Young Il, stated: 'The denuclearisation of the Korean peninsula is our ultimate goal, and possessing nuclear weapons is not our goal.'²⁸

As China and the Republic of Korea made efforts to achieve the resumption of the talks, North Korea indicated a lack of interest. On 2 October 2003 Pyongyang made a public announcement to the effect that it had completed the reprocessing of spent fuel rods from Yongbyon and that the plutonium would be used to enhance its nuclear deterrent force. However, these claims could not be independently confirmed.

Some progress was made at the Asia-Pacific Economic Cooperation (APEC) summit in Bangkok. In separate conversations with the Chinese President Hu Jintao and the President of the Republic of Korea Roh Moo Hyun President Bush expressed his willingness to join in a multilateral written security guarantee to North Korea if the DPRK agreed to dismantle its nuclear weapons programme. This indicated some movement in the US position.

On 4 November 2003 KEDO formally suspended the light water reactor project for one year, which was not unexpected given that the entire Agreed Framework was in effect in suspension. China's efforts to convene another round of the Six Party Talks in December ran into difficulties as various public statements reemphasized the differences between North Korea and the United States. China's initial draft was rejected and the US proposed its own text, supported by Japan and the Republic of Korea. On 6 December the North Korean Foreign ministry issued the

following statement:

‘A package solution based on the principle of simultaneous action is the core issue to be agreed upon between the DPRK and the US, being the key to solving the nuclear issue. This is our consistent claim. The DPRK advanced a productive proposal to put into practice measures of the first phase if the U.S. found it hard to accept the package solution all at once. These measures are for the U.S. to delist the DPRK as a sponsor of terrorism, lift political, economic and military sanctions and blockade on it and for the U.S. and neighbouring countries of the DPRK to supply heavy oil, power and other energy resources to the DPRK in return for its freeze of nuclear activities.’²⁹

But simultaneous action was precisely what President Bush was not going to accept.

In view of the lack of progress, there was some shift of policy in Washington. This may have been the consequence of more intense lobbying on the part of Seoul, coupled with the politically risky commitment to send some South Korean troops to Iraq. It may also have been helped by the forthcoming presidential election in the US which meant that some of the potentially controversial foreign policy areas were given to Powell in order to diffuse any attacks by Kerry. Whatever the reason for the shift, at the next round of the Six Party Talks Undersecretary of State Kelly for the first time presented a detailed US proposal for the resolution of the nuclear crisis. It involved some concession to the concept of simultaneous action, in that the US was willing for fuel shipments to be resumed and a provisional guarantee not to attack North Korea. It also offered talks on lifting US sanctions. In return, the DPRK would have to freeze its nuclear activities within 3 months, to be followed by complete dismantlement. This proposal involved significant elements of a proposal that had been developed by the Ministry for Foreign Affairs and Trade in Seoul previously, thereby narrowing the differences between Seoul and Washington about how to handle talks with the DPRK.³⁰

During the two hour bilateral meeting between the US and the DPRK the North Korea delegation discussed the proposal, but insisted on ‘freeze for compensation’ and, characteristically, threatened to test a nuclear weapon if the US would not accept their proposal.

After the talks the North Korean Foreign Ministry issued a statement to the effect that some common ground had been reached at the talks in Beijing but stressed that there were still ‘big differences’, in particular with regard to the issue of whether

North Korea had a secret uranium enrichment programme. Moreover the time frame was characterised as unrealistic. On 30 June the North Korean ambassador to Russia stated that the DPRK wanted 2 million kilowatts in energy compensation before freezing its nuclear programme.

In July the Under Secretary of State for Arms Control and International Security, John Bolton, visited Seoul and affirmed in a lecture at Yonsei University that the US was not interested in a temporary freeze of North Korea's nuclear activities. Instead he invited North Korea to follow the example of Libya which had given up its support for international terrorism and its WMD programmes in return for lifting of sanctions and a return to the international community. It was clear that the US still required CVID as the final outcome of the process, even though this had been rejected by the DPRK.

Although the participants of the Six Party Talks agreed to hold a fourth round in September 2004, North Korea soon began to send signals that it was backing away from holding another round so soon, even though US Secretary of State Powell and DPRK Foreign Minister Paek Nam Sun met in Jakarta at the ASEAN regional forum, the highest level encounter since the crisis began. On 25 July 2004 the Foreign Ministry called the US offer a sham, and after the passage of the North Korea Human Rights Act in the US Congress on 27 July 2004 the Ministry questioned the usefulness of the Six Party Talks. There was a widespread view that North Korea had decided to postpone the resumption of the talks until after the US Presidential election in November 2004, an interpretation that North Koreans vigorously denied.³¹ Instead they said that they would not attend the talks unless the United States abandoned its hostile stance towards North Korea.

Pyongyang did not yield many clues as to real reason for its decision to stall the six party process. For over a year there were conflicting messages, and the participating governments appointed new representatives to the talks without any clear signal as to if and when they would resume. One school of thought suggested that North Korea had decided that as economic relations with China and the Republic of Korea continued, whereas relations with the US remained tense, it needed to at least partially remove the ambiguity over its nuclear program in order to deter the United States. However in many respects Pyongyang's behaviour was similar to that in the past – by continuously ratcheting up the threat, completing the reprocessing of the fuel rods from the reactor, threatening the resumption of missile tests, claiming to

have a working nuclear deterrent and stopping the 5 MW (e) reactor to extract fuel rods it seemed to try to increase its leverage while at the same time demanding the resumption of dialogue with Washington on a bilateral basis. Reports from the US Defense Intelligence Agency that North Korea might be preparing a nuclear test and could have missiles capable of delivering nuclear weapons to the United States contributed to the growing atmosphere of crisis.³²

By June 2005 this game seemed to have come full circle. During the meeting in Pyongyang to celebrate the 2000 unification summit involving a sizeable South Korean delegation Kim Jong Il arranged an impromptu meeting with the ROK Unification Minister Chung Dong Young in which he indicated a willingness to return to the Six Party Talks in July 2005 and even give up nuclear weapons and medium and long-range missiles provided that US ceased its hostile attitude and respected North Korea rather than despising it.³³ After the meeting it became clear that now the government of the Republic of Korea had been successfully enlisted in North Korea's diplomatic campaign. Foreign Ban Ki Moon for example stated that statements by US Secretary of State Rice and Under-Secretary of State Paula Dobiensky that North Korea was an 'outpost of tyranny' was 'regrettable' as they might prevent Pyongyang from rejoining the six party talks, and he questioned the intention of US diplomacy toward North Korea.³⁴ Even if North Korea were to rejoin the talks, the structural impediments to an agreement remain, so that neither the United States nor the DPRK are likely to achieve their objectives.

Conclusion

The fundamental reality underlying the nuclear crisis, the dynamic that drives it is the fact the North Korean state under the Kim regime is not sustainable. Without a transformation of the political system and the country's economy it cannot survive indefinitely, but such a transformation will mean the end of the current regime. The nuclear program has been developed as an asset that can address North Korea's security problems and elicit cooperation from concerned countries, such as South Korea, Japan, China and the United States to mitigate the economic crisis. From the viewpoint of these countries the critical question is how to the decline of North Korea is to be managed. After playing with the idea of a North Korean collapse and rapid unification, the Republic of Korea has come down firmly on the concept of the 'sunshine policy' that is designed to develop a level of economic integration between

North and South that will ultimately result in economic and political reform, leading eventually to the end of the division of the Korean peninsula. The Bush administration rejected the premises underlying the sunshine policy and was deeply sceptical about the possibility of engaging North Korea in a meaningful way. Instead it sought to confront the Kim regime and deal with it by containment and isolation with the purpose of bringing about regime change. The political philosophy on which the foreign policy of the Bush administration was based was incompatible with the realities on the ground in North East Asia. None of the key players in the region behaved in a manner compatible with US policy. Rather than adapt to the circumstances, the Bush administration stuck to its position and thus let the situation drift. In other words, compellence failed quite spectacularly simply because the United States lacked effective means to implement it. The result was the worst of all possible worlds from the US perspective, because North Korea moved from a theoretical nuclear capability to a more convincing practical capability, while at the same time continuing to receive economic support from China and South Korea and the prospects of exerting any real pressure on the DPRK continued to diminish. Moreover the United States became dependent on China for the success of its policy to such an extent that spillover into other areas became noticeable. US behaviour may have strengthened Kim Jong Il internally as the image of a nuclear threat from a superpower is a powerful means to legitimize the high degree of internal political control and repression. Furthermore, the possibility of achieving the complete elimination of nuclear weapons and intermediate range missiles from the Korean peninsula has become remote as North Korea claims the status of a nuclear power and is looking for an agreement that involves a nuclear freeze rather complete dismantlement.

From Pyongyang's point of view the Bush administration exhibited a hostility towards the DPRK that in conjunction with the new US national security doctrine and its implementation in Afghanistan and Iraq fostered the image of a real and present threat. This threat appeared to be so urgent that the development of a real nuclear defence capability seemed to override other political and economic considerations. The Kim regime interpreted the attempt of the US government to use the Six Party Talks to rapidly eliminate all military and civilian nuclear facilities from North Korea as part of its larger strategy to bring down the regime itself.³⁵ Abandoning the Agreed Framework as its benefits seemed to be less real after the suspension of the heavy fuel

oil shipments, Pyongyang moved to increase the size of its bargaining chip quite dramatically. However, Pyongyang was also trapped in fundamental misperceptions arising from its own world view. It clearly has exaggerated the US threat as there are neither good military nor diplomatic options for the US to put pressure on North Korea. Moreover the US administration did not react to North Korea's tactics of intimidation and brinkmanship in the way that the Kim regime had expected. If the US found North Korea incomprehensible, the DPRK found Washington to be immovable. Pyongyang now finds itself in a situation where it has no idea how to cash in its bargaining chip and it has lost the substantial benefits that were to accrue from the 'Agreed Framework'. North Korea could continue to ratchet up the military threat, but it runs the risk at some point of going beyond the limits acceptable to China and South Korea, triggering substantial sanctions. China has indicated that it might change its view on sanctions if North Korea were to conduct a nuclear test, for example.

Despite various protestations about the need to resolve the North Korean nuclear issue, it is clear that there is a drift towards the de facto acceptance of North Korea's nuclear arsenal. This might be unproblematic if it results in a stable deterrence relationship on the Korean peninsula. However the nuclear problem is only a symptom of a deeper underlying problem, namely the unsustainability of the North Korean regime. Over time this problem will get worse rather than better. Consequently it is to be expected that Pyongyang will seek additional ways to stir up the crisis. Even though clearly all sides are deterred from taking military actions, this level of brinkmanship is inherently risky and the possibility of a crisis escalating to a devastating military conflict cannot be excluded. Moreover, if North Korea in the future acquires the capability to target the continental United States with nuclear weapons, the strategic calculus will change dramatically. Consequently the nuclear issue cannot be ignored, and the United States must develop a more realistic policy to deal with it, possibly through bilateral discussions with North Korea complementary to the Six Party Talks which could become a more wide-ranging security forum for North East Asia. Indeed, the nuclear issue cannot be dealt with in isolation from the larger issue of the future of the Korean peninsula itself. This however requires political leadership on the part of the United States, the willingness to abandon preconceptions and move forward with bold initiative that have so far been lacking.

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²Wade L. Huntley, 'Ostrich Engagement: The Bush Administration and the North Korea Nuclear Crisis'. *The Nonproliferation Review*, Vol. 11. No.2, Summer 2004, pp.81-115

³US White House, Statement by the President, 13 June 2001.

www.whitehouse.gov/news/releases/2001/06/20010611-4.html

⁴Gary Samore, 'The Korean Nuclear Crisis', *Survival*, Vol.45, No.1, Spring 2003, pp.7-24, p.11

⁵For details, see Strohmaier, op.cit.

⁶Interviews in Seoul, July-September 2004

⁷Taewoo Kim, 'North Korean Nuclear Politics at the Crossroads', *The Korean Journal of Defense Analysis*, Vol. XVI, No.2, Fall 2004, pp.27-47, p.40

⁸Daniel A. Pinkston and Phillip C. Saunders, 'Seeing North Korea clearly', *Survival*, vol. 45, no.3, Autumn 2003, pp.79-102, see pp.81-82

⁹The author was present at this meeting. For further discussion, see Selig S. Harrison, 'Did North Korea Cheat?', *Foreign Affairs*, Vol.84, No.1, January/February, 2005; Mitchell B. Reiss and Robert L. Gallucci, 'Dead to Rights', *Foreign Affairs*, Vol.84, No.2, March/April, 2005, pp.142-145; Richard L. Garwin, 'HEU Done It', *Foreign Affairs*, Vol.84, No.2, March/April, 2005, pp. 145-146; Selig S. Harrison, 'Harrison Replies'. *Foreign Affairs*, Vol.84, No.2, March/April, 2005, pp.146-148

¹⁰Huntley, op.cit., p.96

¹¹Scott Snyder, *Negotiating on The Edge – North Korean Negotiating Behaviour*, Washington, DC, United States Institute of Peace Press 2002

¹²KCNA, 18 April 2003

¹³For an analysis of anti-American sentiment in the Republic of Korea, see Sung-han Kim, 'Anti-American Sentiment and the ROK-US Alliance', *The Korean Journal of Defense Analysis*, Vol.XV, No.2, Fall 2003, pp.105-130

¹⁴Ivo H. Daalder and James Lindsay, *America Unbound*, Washington, DC, Brookings Institution 2003

¹⁵Ivo Daalder and James Lindsay, 'Where Are the Hawks on North Korea?', *American Prospect*, 1February 2003

¹⁶IISS, *North Korea's Weapons Programmes – a Net Assessment*, Basingstoke, Palgrave 2004, p.19

¹⁷KCNA 10 January 2003

¹⁸KCNA 7 April 2003

¹⁹KCNA 28 December 2003

²⁰Andrew Scobell, 'China and Inter-Korean Relations: Beijing as Balancer', in Samuel Kim (ed.), *Inter-Korean Relations*, Basingstoke, Palgrave 2004, pp.81-96

²¹Haksoon Paik, 'What is the Goal of the U.S.Policy toward North Korea: Nonproliferation or Regime Change?', Nautilus Policy Form Online, 7 April 2005, www.nautilus.org

²²Chung-in Moon, 'The North Korean Nuclear Problem and Multilateral Cooperation: The Case of the Six Party Talk', *Whitebook on the Korean Economy*, Korea Institute for International Economic Policy, Seoul 2004; Jong-Yuan Bae and Chung-in Moon, 'The Bush Doctrine and the North Korean Nuclear Crisis', *Asian Perspective (Special Issue on the Bush Doctrine and Asia)* Vol. 27, No. 4, (2003) pp. 9–45; Chung-Hoon Lee and Chung-in Moon, 'The North Korean Nuclear Crisis Revisited: The case for a Negotiated Settlement', *Security Dialogue* Vol. 34, no. 2 (June 2003), pp. 135-151

²³See IISS, op.cit.

²⁴Thomas D. Lehrman, 'Rethinking Interdiction. The Future of the Proliferation Security Initiative', *The Non-Proliferation Review*, Summer 2004, Vol.11, No.2, pp.1-45

²⁵Joseph Kahn, 'Korea Arms Talks Close With Plan for a New Round', *New York Times*, 30 August 2003

²⁶Moon (2004) op.cit., p. 25

²⁷KCNA, 30 August 2003

²⁸Moon (2004), op.cit., p.26)

²⁹KCNA, 6 December 2003

³⁰Interviews in Seoul, July 2004

³¹Personal discussions with North Korean officials in the UK, October 2004

³²The DIA has been consistently hawkish on North Korea – it was responsible for the (false) reports of nuclear facilities at Kumchang-ri, and recently the Director testified that North Korea had the capability to strike at the US with nuclear weapons, a judgement disputed by most experts

³³ Korea Herald, 21 June 2005

³⁴ Chosun Ilbo, 21 June 2005

³⁵KCNA, 4 December 2004; also based on discussions with North Korean officials at Wilton Park, UK in October 2004