The Korean Nuclear Crisis

Gary Samore

As the world focuses on Iraq, North Korea is seeking to expand its nuclear arsenal as quickly as possible – perhaps, as North Korean leader Kim Jong-II sees it, to avoid Saddam Hussein’s fate. By summer 2003, barring major technical mishaps, North Korea will be able to extract enough plutonium from spent nuclear fuel for up to half a dozen nuclear weapons, to add to its current suspected stockpile of one or possibly two nuclear weapons. Over the next few years, North Korea could complete facilities capable of producing sufficient plutonium and highly enriched uranium for up to a dozen nuclear weapons annually. As its nuclear weapons arsenal expands, the risk grows that North Korea could afford to consume some material in nuclear tests or even sell it on the black market to raise cash.

Since October 2002, when it first exposed North Korea’s clandestine enrichment programme, the US has failed to find a successful formula for dealing with the growing North Korean nuclear threat. Restrained by the reluctance of its allies and its own focus on Iraq, Washington has not been able to mount effective international pressure in response to Pyongyang’s nuclear brinksmanship and is unwilling to run the risk of imposing nuclear red lines, which could trigger conflict on the Korean peninsula. While offering hints of diplomatic flexibility, Washington has refused to budge from its demand that North Korea dismantle its nuclear weapons programme as a condition for bilateral negotiations. For now, it appears that Washington will not take decisive military or diplomatic steps to stop North Korea from expanding its nuclear arsenal over the coming months.

Once the campaign against Iraq is over, however, Washington is likely to turn more attention to North Korea. Having identified proliferation to rogue regimes as the major threat to international security, Washington cannot be satisfied with its current policy – a mixture of no red lines, ineffective pressure and a refusal to negotiate – which has failed to prevent North Korea from advancing its nuclear capabilities. Options available to Washington and its East Asian allies are limited. A military solution,
already unattractive, will be even more dangerous once North Korea has expanded its nuclear arsenal. The US could try to work through the UN Security Council to isolate and punish North Korea, seeking to hasten regime collapse, but this approach could strain alliance relations, cause North Korea to take even more provocative action and increase the risk of conflict. As an alternative, Washington could seek to negotiate a more comprehensive and rigorous agreement with North Korea to replace the now defunct Agreed Framework, but such negotiations would be extremely difficult and protracted, with uncertain prospects for success. If neither pressure nor negotiations succeed, the US will be forced to contain North Korea and manage as best as possible the risks of an unrestrained North Korean nuclear threat for East Asian security.

Birth of the Agreed Framework

The roots of the current crisis lie in the resolution of the last crisis more than a decade ago. In March 1992, responding to the collapse of the Soviet Union
The Korean Nuclear Crisis

and to tentative overtures from the George H. Bush administration, North Korea (DPRK) signed a ‘full scope safeguards agreement’ with the International Atomic Energy Agency (IAEA), as required by North Korea’s 1985 adherence to the Non-Proliferation Treaty (NPT). Before 1992, North Korea had managed to delay signing its safeguards agreement under various pretexts, all the while constructing and beginning to operate an undeclared 5-megawatt (MW) graphite-moderated research reactor and reprocessing facility at the Yongbyon nuclear complex, intended to produce plutonium for its nuclear weapons programme.

Under the terms of the safeguards agreement, North Korea was required to declare and accept IAEA inspections of all nuclear material and facilities. By late 1992, however, the IAEA had determined that North Korea had not fully declared its pre-1992 plutonium production, and the IAEA requested inspections of suspect nuclear waste facilities that could contain evidence of North Korea’s real plutonium production, which the US estimated at 8-10 kilogrammes, enough for one or possibly two nuclear weapons. North Korea refused to allow these inspections, and the incoming Clinton administration, seeking to pressure Pyongyang, supported a March 1993 resolution by the IAEA Board of Governors threatening to declare North Korea in violation of its safeguards agreement and reporting the violation to the United Nations Security Council.

To Washington’s surprise, however, North Korea responded by declaring its intention to withdraw from the NPT, claiming that it faced a nuclear threat from the US. At the same time, Pyongyang offered to resolve the ‘nuclear issue’ through bilateral talks with the United States that addressed North Korea’s security concerns, such as its demand for security assurances. As required by its statute, the IAEA Board of Governors reported North Korea’s safeguards violation to New York, and in May 1993, the Security Council passed Resolution 825, calling on North Korea to retract its threat to renounce the NPT and to honour its safeguards obligations, and urging all member states to facilitate a solution.

For Washington, Resolution 825 helped to overcome political obstacles to beginning bilateral negotiations with North Korea, which got underway in June 1993. During several rounds of negotiations, North Korea’s original demand for security assurances from the US evolved into a more complex package that ultimately shaped the Agreed Framework of October 1994. Under the Agreed Framework, North Korea immediately froze its plutonium production facilities (an operational 5-MW graphite-moderated reactor and larger 50-MW and 200-MW reactors under construction, a fuel fabrication facility, reprocessing plant and spent fuel rods) under IAEA supervision. Pyongyang also committed itself to eventually complying with safeguards and dismantling its indigenous nuclear facilities in exchange for
the supply of replacement nuclear power – in the form of a light-water reactor (LWR) project – and interim heavy oil supplies to fuel conventional electrical-generation plants.

The Agreed Framework was structured to require North Korean disarmament in stages, linked to the progress of the nuclear power project. In the first stage, the Agreed Framework capped further production of plutonium, but North Korea retained a residual nuclear-weapons capability (nominally enough plutonium for 1-2 bombs), until a ‘significant portion’ of the LWR project was completed. At that point, North Korea was required to satisfy the IAEA that all plutonium was accounted for and under inspection before the LWR project could continue. At further stages of the nuclear power project, North Korea was required to accept the removal of some 8,000 spent fuel rods from the 5-MW reactor (estimated to contain about 30 kilogrammes of weapons-grade plutonium) and dismantle its indigenous plutonium production facilities.

In addition to these specific nuclear disarmament provisions, the Agreed Framework included more general language calling for steps to normalise economic and political relations between Washington and Pyongyang. In theory, the Agreed Framework was designed to increase incentives for Pyongyang to sacrifice its residual nuclear weapons capability once a ‘significant portion’ of the LWR project was completed. North Korea, however, had a strong incentive to develop an alternative source of nuclear material production so it could declare its plutonium stocks to the IAEA, as required by the Agreed Framework, but still retain a secret nuclear capability as a hedge against real and perceived external threats. By cheating, Pyongyang could have its cake and eat it too.

During the Clinton administration, suspicion of North Korean cheating focused on a massive underground construction site at Kumchang-ni, where the US believed that North Korea was building a secret plutonium production reactor and reprocessing centre. However, Washington and Pyongyang negotiated a US ‘visit’ to the site in May 1999, which determined that the site was not designed or intended to house plutonium-production facilities.

Ironically, while the US was focusing its intelligence and diplomatic efforts on Kumchang-ni, a more serious North Korean effort to circumvent the Agreed Framework was already underway. Though not known at the time, North Korea had apparently obtained gas-centrifuge uranium enrichment technology from Pakistan in exchange for No-dong missiles around 1997–1998. Even as North Korea began to develop this alternative route to produce weapons-grade material, Washington and Pyongyang...
made further efforts to negotiate limits on North Korea’s military capabilities. In September 1999, North Korea agreed to a moratorium on additional long-range missile tests, in exchange for American agreement to lift a number of economic sanctions, and the two sides came close to completing a comprehensive agreement at the end of the Clinton administration to limit North Korea’s indigenous missile programme and end all missile-related exports.

Death of the Agreed Framework

For the new Bush administration, the Agreed Framework was radioactive. Many Republicans, including leading officials of the incoming administration, had long argued that the Framework amounted to paying ‘blackmail’ to a rogue regime that could not be trusted. Rather than reward Pyongyang for its bad behaviour, these officials advocated a strategy of containment and isolation, hoping to hasten the regime’s collapse, thus removing the problem at its roots. But the Bush team was divided. Other officials argued that even if the Agreed Framework had not eliminated the nuclear weapons programme, it had succeeded in capping North Korean plutonium production. They supported continued diplomatic engagement and inducements to further limit North Korea’s nuclear and missile programmes.

In a compromise between these two administration factions, Washington issued a June 2001 policy statement declaring that it would continue to honour the Agreed Framework, including funding for heavy oil deliveries, as long as North Korea stuck to its side of the bargain. At the same time, the new policy essentially rejected a continuation of the previous missile negotiations and stated that any future negotiations should pursue 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’. In return for these North Korean actions, Washington was vague about the benefits North Korea could expect to receive, but said that the US would ‘expand our efforts to help the North Korean people, ease sanctions, and take other political steps.’

In essence, the new US approach demanded more and offered less. In response to these tougher terms, Pyongyang initially refused to resume discussions with Washington, and relations hardened further when President Bush included North Korea, along with Iraq and Iran, in his January 2002 ‘axis of evil’ speech. By April 2002, however, North Korea finally agreed to resume discussions, and Washington prepared a self-described ‘bold initiative’ to offer North Korea economic and political benefits if it gave up weapons of mass destruction and missiles, drew down
conventional forces from the demilitarised zone (DMZ) with South Korea (ROK) and improved human rights. Following a clash of naval forces between North and South Korea in late June, however, Washington cancelled a planned July trip by Assistant Secretary of State James Kelly to Pyongyang to present this new proposal.

Around the time that Washington cancelled the Kelly visit, the US intelligence community completed an assessment of North Korea’s nuclear programme, concluding that North Korea had embarked on a large-scale enrichment project, based on Pakistani technology. Although the location of the centrifuge facility was uncertain, the CIA publicly estimated that North Korea was constructing a plant that could produce enough weapons-grade uranium for two or more nuclear weapons per year when fully operational, possibly by mid-decade. According to other, unconfirmed reports, Pakistan may also have provided North Korea with nuclear weapons design assistance and even supplies of weapons-grade uranium.

Initially, Washington did not act on the intelligence assessment of North Korean cheating. While the conclusion strengthened the position of those in Washington who argued that negotiations with Pyongyang were futile and dangerous, there were differing views on how to respond to North Korea’s violation, as well as concern that a potential confrontation with Pyongyang would distract attention from the administration’s focus on Iraq. Washington became nervous, however, following the surprisingly successful summit between Prime Minister Koizumi and DPRK leader Kim Jong-Il on 17 September 2002, which appeared to pave the way for dramatic progress in normalisation talks between Japan and North Korea. Faced with this prospect, Washington felt compelled to confront Pyongyang before any arrangements were concluded to provide substantial Japanese economic assistance.

With this in mind, Washington made arrangements for Assistant Secretary James Kelly to meet with DPRK Vice-Foreign Minister Kang Sok Ju in Pyongyang on 4-5 October. In the initial meeting, Kelly outlined Washington’s ‘bold initiative’, but informed Kang that the US could not proceed with any steps to improve relations until North Korea dismantled its clandestine uranium enrichment programme. According to American accounts, Kang initially denied US accusations, but in a follow-up meeting he acknowledged the programme, which he justified as a response to the Bush administration’s threats and hostility. Kelly pointed out that North Korea began the enrichment well before President Bush took office.

North Korea’s ‘admission’ that it was pursuing a secret enrichment programme took Washington by surprise. Some officials saw it as a gambit...
like North Korea’s admission that it had abducted Japanese citizens – to begin negotiations. Others saw it as a brazen act of North Korean defiance. In any event, Washington had little interest in a confrontation with Pyongyang that would divert energy away from the diplomatic and potential military campaign against Iraq, and complicate relations with South Korea and Japan, which were both wary of pushing the North into desperate actions.

Washington was equally determined not to negotiate a new agreement with Pyongyang that would offer fresh incentives for the North to abandon its already-banned enrichment programme. For those officials already sceptical about the wisdom and morality of the Agreed Framework, North Korea’s admission strengthened the case for abandoning it altogether and resisting any North Korean effort to ‘blackmail’ the US into new negotiations. Officials who favoured engagement with the North found it hard to justify a new deal that would ‘reward’ North Korea for violating existing agreements.

In its initial public statement on 16 October, Washington announced that North Korea had ‘acknowledged’ that it was pursuing a clandestine enrichment programme in violation of the Agreed Framework and other agreements, and called on the North to ‘eliminate its nuclear weapons programme in a verifiable manner’. At the same time, Washington emphasised that it sought a ‘peaceful resolution of the situation’ in close consultation with South Korea and Japan and held out the prospect of discussing economic and political measures to ‘improve the lives of the North Korean people’ if the DPRK complied with its nuclear obligations. In essence, Washington demanded that North Korea abandon its nuclear weapons programme as a basis for any further bilateral discussions on improved relations.

On 25 October, North Korea officially responded that the US had produced ‘no evidence’ that the DPRK was violating the Agreed Framework; Pyongyang instead accused the US itself of violating the Agreed Framework by, among other things, failing to deliver the Light Water Reactor project on time and failing to provide the DPRK with formal assurances against the threat or use of nuclear weapons. Pyongyang rejected Washington’s proposal that it disarm as a condition for talks and counter-proposed that it was ready to seek a negotiated settlement on three conditions: ‘Firstly, if the US recognises the DPRK’s sovereignty, secondly, if it assures the DPRK of non-aggression and thirdly, if the US does not hinder the economic development of the DPRK.’

Rather than agree to bilateral talks with North Korea, Washington sought to line up support from China, South Korea and Japan for a policy of political and economic pressure on Pyongyang. The results were mixed.
All three countries shared Washington’s objective of disarming North Korea’s nuclear weapons programme, but, in varying degrees, they were wary of pressuring North Korea, reluctant to hold their bilateral relations with Pyongyang completely hostage to the nuclear issue, and believed that a solution would ultimately require direct negotiations between the US and DPRK anyway.

Of the three, Tokyo was the most responsive to Washington’s requests. In late October, Japan informed North Korea that normalisation would depend on resolution of the nuclear issue; Tokyo’s tougher position quickly led to a breakdown in Japan-DPRK talks. In contrast, South Korean President Kim Dae Jung, anxious to preserve his ‘sunshine policy’, refused to make South Korean assistance dependent on North Korea dismantling its enrichment programme, and the issue became enmeshed in the South Korean presidential elections. China, as usual, was the most elusive. American officials expressed confidence that Beijing could be enlisted to pressure North Korea behind the scenes, but the Chinese claimed they had limited influence with Pyongyang and showed little enthusiasm for getting drawn into the dispute.

The most delicate negotiations among the US, South Korea and Japan focused on the fate of the Korean Peninsula Energy Development Organisation (KEDO), the consortium formed under the Agreed Framework to provide North Korea with heavy fuel oil and the LWR project. With North Korea in violation of the Agreed Framework, Washington pressed for a ‘suspension’ of KEDO activities, starting with oil shipments, which were largely financed by American funds. Seoul and Tokyo, however, were concerned that Pyongyang would retaliate by resuming nuclear activities frozen under the Agreed Framework, and argued that KEDO should continue oil shipments until its current funds ran out in January 2003.

In a compromise, the KEDO Executive Board announced on 14 November that the November oil shipment would be delivered, but that further shipments would be suspended starting in December, explaining that ‘future shipments will depend on North Korea’s concrete and credible actions to dismantle completely its highly enriched uranium program.’ Reflecting different views among the allies, the KEDO statement was silent on the fate of the light water reactor project, largely funded by the ROK and Japan. To reassure Seoul and Tokyo, the White House issued a statement on 15 November, welcoming KEDO’s decision and reiterating that ‘the United States has no intention of invading North Korea’, instead offering the opportunity for North Korea to ‘benefit from participation in the international community’ if it ‘completely and visibly’ eliminates its nuclear weapons programme. At the time of the KEDO decision, Washington
expressed confidence that North Korea would not retaliate against the suspension of oil supplies because Pyongyang was too weak to run the risk that an escalation would result in strong political pressure from Beijing and Moscow and the possible loss of crucial external assistance.

Initially, North Korea’s response to the 14 November decision to suspend oil shipments seemed to bear out Washington’s confidence. In an official statement on 21 November, Pyongyang limited its reaction to verbal accusations that Washington was violating the Agreed Framework, mixed with renewed offers to negotiate a solution of the nuclear issue based on a ‘non-aggression’ pact with the US. On 12 December, however, just as it seemed that the danger of retaliation had passed, Pyongyang suddenly announced that it was restarting the 5-MW reactor and resuming construction of its 50- and 200-MW reactors, on the grounds that the oil was provided under the Agreed Framework ‘to make up for the loss of electricity in return for the freeze of nuclear power plants under operation and construction.’ With oil shipments cut off, Pyongyang claimed that it had no choice but to resume reactor operations to ‘generate electricity’, even though the 5-MW reactor was not actually hooked up to generate electricity. To enforce its decision, North Korea demanded that the IAEA remove seals and monitoring equipment on the 5-MW reactor, and it began to load fresh fuel into the 5-MW reactor.

Although Washington had not anticipated North Korea’s decision to ‘unfreeze’ its graphite-moderated reactors, the announcement was seen as a relatively cautious move, intended to increase pressure on Washington rather than precipitate a crisis. As a practical matter, restarting the 5-MW reactor did not present an immediate threat because nearly a year of operations would be necessary to produce a significant amount of plutonium, and the larger 50- and 200-MW reactors could not be completed for several years, at best. In its 12 December statement, Pyongyang also suggested it would consider a ‘refreeze’ of the reactors, ‘depending on the attitude of the US’.

While calling North Korea’s decision ‘unacceptable’, Washington took no action to punish North Korea, but reiterated its refusal to negotiate unless North Korea first dismantled its nuclear weapons programme. At the time, Washington – like Pyongyang – was waiting for the outcome of South Korea’s presidential elections, which pitted the Grand National Party candidate, Lee Hoi Chang, who was generally seen as sympathetic to Washington’s efforts to increase pressure on North Korea, against the Millennium Democratic Party candidate, Roh Moo Hyun, who espoused a continuation of Kim Dae Jung’s sunshine policy towards the North. Roh’s narrow victory on 19 December may have given Pyongyang a sense that it was in a stronger position to exploit differences between Washington and Seoul and play more of its nuclear cards.
Starting on 22 December 2002, North Korea moved to completely unfreeze its plutonium production facilities, beginning with the removal of surveillance cameras and seals on the 5-MW reactor, spent fuel storage pond and reprocessing facilities, and ending with the expulsion of IAEA inspectors on 27 December. The removal of equipment and inspectors denied the outside world any real-time capability to monitor nuclear activities at Yongbyon. Even more significantly, North Korea announced on 27 December that it would soon complete preparations to resume operations at the reprocessing facility. Although North Korea explained this step as a safety measure necessary to handle spent fuel from its newly unfrozen reactors, the real purpose was obviously to extract the estimated 30 kilogrammes of plutonium contained in the 8,000 spent fuel rods from the 5-MW reactor. On 31 December, North Korea also publicly threatened to withdraw from the NPT.

Putting North Korea on ice
By the end of December, Pyongyang had essentially killed the Agreed Framework. Washington, however, remained determined not to let North Korean brinksmanship distract it from dealing with Iraq, or to be blackmailed into negotiations. To avoid the risk of a confrontation, the US shied away from imposing any nuclear red lines that it might be compelled to enforce if North Korea called Washington’s bluff and continued its march towards reprocessing. Nonetheless, the US could not completely ignore North Korea’s blatant violation of its NPT safeguards obligations and its threat to resume plutonium production. In response, the US and its allies agreed on a cautiously worded resolution passed by the IAEA Board of Governors on 6 January, which essentially called on North Korea to allow the return of inspectors and restoration of monitoring equipment and hinted that the IAEA would report North Korean non-compliance to the United Nations Security Council. The resolution was advertised as a ‘last chance’ for North Korea to restore the freeze.

At the same time, Washington was under increasing pressure from Seoul and Tokyo to offer some diplomatic opening to defuse the mounting confrontation. Washington responded with a hint of flexibility in a trilateral US-ROK-Japan statement issued on 7 January. In the statement, Washington slightly eased its previous refusal to meet with North Korea until Pyongyang abandoned its nuclear weapons programme. ‘[The] United States is willing to talk to North Korea about how it will meet its obligations to the international community’. This meant, as US officials explained on background, that Washington would be ready to talk about how North Korea would dismantle its nuclear weapons programme in accordance with its various international commitments. Washington also stressed that
it would ‘not provide quid pro quos to North Korea to live up to its existing obligations’ – leaving open the possibility that incentives might be available for North Korean actions that go beyond its existing obligations.

Washington’s subtle mixture of cautiously applied pressure, combined with a hint of diplomatic flexibility, had little effect on Pyongyang. Not surprisingly, North Korea rejected the US offer to discuss how to surrender its nuclear programme. Instead, in response to the IAEA Board of Governors resolution, Pyongyang formally withdrew from the NPT on 10 January, to free itself, North Korea explained, from any safeguards obligations. In an effort to minimise international condemnation, Pyongyang reassured that: ‘Though we pull out of the Treaty, we have no intention of producing nuclear weapons and our nuclear activities at this stage will be confined only to peaceful purposes such as production of electricity.’

Few believed North Korea’s assurances. Instead, it was increasingly clear that North Korea thought it could exploit Washington’s focus on Iraq by playing nuclear brinksmanship in an effort to force Washington to negotiate or, if that failed, to expand its nuclear arsenal. With Washington’s current policy apparently ineffective, some Members of Congress and pundits urged the administration to begin negotiations with North Korea, while others advocated a tougher line, seeking international sanctions or ultimatums backed by the threat of force. Critics charged that the administration’s focus on Iraq (still years away from developing nuclear weapons) was distracting energy away from dealing with the more immediate nuclear threat from North Korea. Debate continued within the administration itself on different options, but without producing any significant shift in policy.

Instead, Washington continued its previous policy of mixed measures: cautiously tweaking up pressure while trying not to provoke North Korea or alarm its allies, combined with hints of diplomatic flexibility, without actually agreeing to negotiate. On the pressure front, Washington persuaded South Korea and Japan, along with China and Russia, to convene an IAEA Board of Governors meeting on 12 February, at which the Board was expected to formally find North Korea in violation of its NPT safeguards obligations and report the matter to the UN Security Council. But there was little expectation that New York would act quickly or forcefully against North Korea, and US officials stressed that it was not seeking at this stage Security Council sanctions, which North Korea warned it would consider an act of war.

On the negotiating front, President Bush said explicitly on 14 January that the US would consider providing North Korea with a package of...
economic and political benefits, including energy assistance and security assurances, if North Korea abandoned its nuclear weapons programme. At the same time, Washington continued to insist that it would not yield to ‘blackmail’ and demanded that North Korea dismantle its nuclear programme first before negotiations on possible benefits could begin, which Pyongyang continued to reject out of hand. A flurry of diplomatic efforts by third parties, including Russia, China, Australia and South Korea, failed to find a face-saving way out of the stalemate. American officials hinted that they might be willing to engage in talks with North Korea in a multilateral context – with, for example, China, North and South Korea, Russia and Japan – but Pyongyang insisted it would only accept direct bilateral negotiations with the US.

In the meantime, North Korea continues to press ahead with efforts to reactivate its plutonium production facilities. On 5 February, Pyongyang announced that it was ‘now putting the operation of its nuclear facilities for the production of electricity on a normal footing after their restart’, apparently referring to the start-up of the 5-MW reactor. According to press reports, satellite imagery has detected expanded truck activity at the Yongbyon spent fuel storage facility, presumably moving some of the 8,000 spent fuel rods to the reprocessing facility or to another storage facility less vulnerable to military attack. Most experts believe that reprocessing operations could begin in the next month or two, allowing North Korea to extract, the 30 kilogrammes approximately, of plutonium in the spent fuel by the summer, barring any significant technical complications. Once the plutonium has been separated, it is extremely difficult to monitor and track. Presumably, the plutonium will be moved from Yongbyon to a secret location or locations, for fabrication into components for up to six nuclear weapons.

Red lines and pre-emption
With North Korea apparently poised to begin separating plutonium in the near future, Washington still has the option of declaring reprocessing ‘unacceptable’ and, if necessary, destroying the reprocessing plant and related facilities if North Korea crosses the red line. Certainly, the Yongbyon nuclear complex is highly vulnerable to air attack, and destruction of the reprocessing facility, along with the 5-MW reactor, would delay Pyongyang’s ability to produce and separate plutonium in significant quantities for several years. Even if US forces struck after the plant goes hot, radioactive contamination would likely remain local, seriously complicating North Korean efforts to salvage anything from the wreckage. Aware of this vulnerability and deeply suspicious that the US may launch a pre-emptive strike, Pyongyang has already declared that it would retaliate with ‘total
war’. In early February, in response to reports that the US was putting 24 long-range bombers on alert for possible deployment in the Korea theatre, Pyongyang also warned that it might launch a pre-emptive strike of its own if the US builds up threatening forces.

In reality, Washington is unlikely to draw a red line against reprocessing or attack North Korean nuclear facilities. Should North Korea ignore the ultimatum, Washington would face the choice of backing down, with an embarrassing loss of credibility, or run the risk of attacking North Korean nuclear facilities, with potentially devastating consequences. Though it would be suicidal, North Korea might retaliate by attacking US military forces along the DMZ or even launching a barrage on Seoul, which is within range of North Korean artillery and rocket forces. In the worst case, a full-scale conflict on the peninsula could result in massive casualties and damage to South Korea and Japan, especially if (as suspected) North Korea already has one or two nuclear weapons that could be delivered by No-dong missiles. Moreover, with the bulk of US forces committed against Iraq for the time being, Washington is understandably reluctant to risk actions that could trigger a general conflict on the Korean peninsula.

Aside from these military considerations, Seoul and Tokyo strongly oppose military actions against North Korea, since they will bear the brunt of North Korea’s possible retaliation. To reassure its allies, Washington has repeatedly pledged that it has ‘no intention of invading North Korea’ and that it seeks a ‘peaceful resolution’ of the situation. Neither Seoul nor Tokyo is willing to support an ultimatum against reprocessing, backed by the threat of force. In theory, the US could launch an attack on North Korean nuclear facilities without obtaining agreement from Seoul and Tokyo, by using naval aircraft and cruise missiles or long-range bombers, but this would be fundamentally inconsistent with Washington’s general policy of close coordination with its East Asian allies, and the reaction in Seoul and Tokyo could splinter the alliance.

Given the political and military obstacles to drawing a red line against reprocessing, US officials have reportedly debated whether to declare a red line against North Korea production of nuclear weapons. This would be meaningless. Once North Korea has separated plutonium, the US cannot reliably determine whether North Korea is fabricating nuclear weapons components from raw plutonium. Even if the US could detect nuclear weapons fabrication and destroy these facilities, the risk of North Korean retaliation leading to a broader conflict would remain high.

Isolate or negotiate?
Assuming that a military solution is not available, Washington will continue to face the same dilemma that has divided the Bush administration from the
beginning. Should the US seek to isolate and pressurise the North Korean regime, hoping to push it toward eventual collapse, or should the US seek a negotiated agreement to limit North Korea’s nuclear, missile and conventional capabilities, at the risk of providing economic and political benefits that help to prolong the regime’s existence?

Thus far, Washington’s efforts to isolate and pressure North Korea have been unsuccessful and counterproductive. Rather than mobilise an international consensus against Pyongyang, Washington’s current approach has strained ties with Seoul and Tokyo. Rather than capitulating, North Korea has retaliated by upping the ante, and the response by the US and its allies has appeared uncertain and ineffectual. Nonetheless, the advocates of pressure argue that the US will be able to mount a more effective pressure campaign when the Iraq war is over, and the US can bring its full political resources to bear on convincing the Security Council and key states such as Russia, China, South Korea and Japan to increase pressure on North Korea. Moreover, once Saddam Hussein is toppled, the US will be free to build up forces in the Pacific, necessary to strengthen deterrence and reassure allies as North Korea threatens to lash out against political pressure and economic sanctions.

In Washington’s internal debates, the advocates of pressure also have the advantage of moral clarity. Once again, North Korea has been caught cheating on its nuclear commitments, and the US should not yield to North Korean ‘blackmail’ by negotiating any incentives or benefits until Pyongyang complies with its existing obligations. Otherwise, the US will encourage other potential proliferators to violate the NPT in the hope of obtaining a bilateral deal with the US. Instead, strong action by the Security Council to isolate and sanction North Korea will reinforce the principles of the non-proliferation regime by demonstrating the international community’s determination to punish countries that violate their NPT commitments. Over time, in this view, Pyongyang will eventually be forced to capitulate and abandon its nuclear weapons, or, starved of external assistance, the regime will collapse from within.

The Washington opponents of a pressure strategy raise issues of practicality and risk. Certainly, the survival of the North Korean regime is dependent on external assistance, but key donors have proved extremely reluctant to cut off aid because they fear the consequences of a North Korean collapse or a violent North Korean reaction to pressure even more than they fear the emergence of a nuclear-armed North Korea. China, in particular, cannot be relied on. As much as Beijing prefers a ‘nuclear-free’ Korean peninsula, it is even more concerned by the risks of North Korean collapse or a military confrontation that would increase US military presence in the region, and, in Beijing’s view, increase the danger of
Taiwanese independence. Similarly, South Korea and Japan are reluctant to use their leverage to pressure North Korea. Neither is anxious to precipitate a North Korean collapse or provoke Pyongyang to escalate tensions and increase the risk of military conflict. For these reasons, Washington may find that it can only enlist support for the threat of sanctions as a last resort, once alternatives, such as efforts to negotiate a settlement, have been exhausted.

For Washington, too, a strategy of isolation and pressure risks creating a further crisis if North Korea does not back down, or if the regime survives long enough to cause trouble. Up to now, pressure has produced North Korean brinksmanship, and Pyongyang retains options for further escalation. In response to additional pressure, for example, North Korea can openly declare that it is building nuclear weapons, conduct nuclear tests, resume long-range missile tests, and, in the worst case, try to sell nuclear materials and technology on the black market to raise cash, just as it currently sells missiles. Even with Saddam out of the way, Washington will need to be cautious about pursuing policies that could increase the danger of conflict on the Korean peninsula, especially if North Korea enhances its nuclear arsenal over the coming months. Over time, an unrestricted North Korean nuclear weapons and missile programme could increase regional pressures for proliferation in South Korea and Japan, which would fundamentally transform the security architecture of East Asia and undermine the international non-proliferation regime.

Citing the risks and difficulties of managing a pressure strategy, some officials in Washington have argued for negotiations with Pyongyang to seek a new and more comprehensive arrangement to replace the Agreed Framework. As a condition for such talks, the US could reasonably insist that North Korea allow the resumption of monitoring to verify that it has refrozen its plutonium production facilities, at least while negotiations are underway. Whether Pyongyang accepts such a condition would test the sincerity of its claim to seek a negotiated settlement. If North Korea agreed to halt reprocessing in exchange for bilateral negotiations with the US, it would stabilise the most immediate threat and allow the US to remain focused on Iraq. If Pyongyang rejected the condition (or tried to impose unacceptable counter-conditions), Washington would be in a stronger position to blame North Korea for blocking a settlement.

Washington’s current position on negotiations is the worst of all worlds. By supporting the concept of an agreement, in which the US would provide political and economic benefits to North Korea if it abandons its nuclear...
Gary Samore

weapons programme, Washington has already weakened the principle that North Korea should not be rewarded for complying with its existing nuclear commitments. At the same time, by refusing to begin negotiation until North Korea dismantles its nuclear weapons programme, Washington has made it impossible to achieve such an agreement. Predictably, North Korea is not willing to give up its bargaining chips before the bargaining begins. As a practical matter, details of a new agreement, including key issues of verification and the sequence and timing of reciprocal steps, can only be worked out in direct negotiations with North Korea.

Advocates of negotiations argue that Washington need not provide any incentives to North Korea to comply with its existing obligations. In theory, a new agreement could go beyond North Korea’s existing commitments, including more intrusive inspections and verification arrangements, and additional disarmament measures, such as early steps by North Korea to dismantle its nuclear facilities and accept the removal of plutonium and spent fuel from its control. Beyond nuclear issues, a new agreement could also include limits on North Korean missile development and exports, its chemical and biological weapons programme, and its conventional forces.

The downside of the negotiation strategy, obviously, is uncertain prospects for success. Although North Korea claims that it only seeks security assurances from the US to resolve the nuclear issue, its real demands are likely to be much more extensive and expensive. Moreover, North Korea will certainly resist any agreement requiring sacrifice of its nuclear hedge and other military capabilities early in a process leading to full normalisation of political and economic relations with Washington. Pyongyang’s goal will be to get as much as possible in return for giving up as little as possible. Intrusive verification arrangements will also be extremely difficult to negotiate, and, as experience shows, any agreement is vulnerable to North Korean cheating.

For these reasons, negotiations are likely to be very difficult and protracted, with breakdowns and brinksmanship along the way. To maximise the chances of a successful outcome, Washington will need to brandish – as much as possible – credible threats of isolation and pressure if North Korea fails to accept reasonable terms within a reasonable period. For this, Washington will need commitments from South Korea and Japan as well as China and Russia that they are prepared to impose political and economic sanctions in the event that negotiations fail due to North Korean intransigence and delaying tactics. Only by offering to negotiate first is the US likely to get such commitments, and only by demonstrating that negotiations have failed is the US likely to convince the key Asian states to take strong action.
High stakes
An unrestricted North Korean nuclear and missile programme could have profound implications for security in East Asia and international non-proliferation efforts. In the worst case, a fully nuclear-armed Pyongyang might be tempted to challenge the status quo on the Korean peninsula, increasing the risk of conflict. Over time, a growing North Korean nuclear threat, especially if accompanied by any perceived weakening of US security guarantees, could cause Seoul and Tokyo to reassess their non-nuclear status under the NPT, which would fundamentally alter the architecture of East Asia security and shake the international non-proliferation regime. If Pyongyang sells nuclear material and technology to nuclear aspirants in the Middle East (as it currently sells missiles), it would dramatically increase security threats in the Middle East.

None of these worst-case scenarios is inevitable. The United States, along with its allies, ROK and Japan, and Russia and China may still be able to contain the North Korean nuclear genie, but the options are limited. For the immediate future, Washington is unlikely to take effective military or diplomatic action to prevent North Korea from extracting the additional plutonium that it has on hand. Given its penchant for brinksmanship, Pyongyang is likely to challenge any American ‘red line’ against reprocessing, and Washington is in no position, either militarily or politically, to enforce an ultimatum that could risk conflict on the peninsula. At the same time, Washington seems determined to resist being ‘blackmailed’ by Pyongyang into direct negotiations, even though North Korea might agree to halt its reprocessing campaign as a condition for pursuing talks with the United States.

Up to now, Washington’s internal divisions over North Korea policy have made it difficult to craft an effective diplomatic approach, combining carrots and sticks. Instead, the debate has become one of carrot versus stick, although neither alone is likely to be adequate. The credible threat of political isolation and economic sanctions against North Korea is necessary to move negotiations forward to an acceptable resolution, but it will be difficult for the US to enlist its wary allies South Korea and Japan, as well as China and Russia, to threaten sanctions unless Washington is prepared to try negotiations first.

For now, at least, Washington’s basic approach seems to be to ignore and downplay the North Korean threat as much as possible, while focusing its energies on Iraq. Once Iraq is out of the way, Washington will face an even greater challenge in overcoming internal divisions and designing an
effective strategy to deal with North Korea, where military and political options are more limited and the adversary is more powerful.

Notes

2 CIA, unclassified fact sheet for Congress on North Korea’s nuclear weapons programme, 19 November 2002.
7 US White House, Statement by the President, 15 November 2002.
8 DPRK Foreign Ministry Statement, 21 November 2002. See www.kcna.co.jp
9 DPRK Foreign Ministry Statement, 12 December 2002. See www.kcna.co.jp
10 DPRK Foreign Ministry Statement, 27 December 2002. See www.kcna.co.jp
12 DPRK Foreign Ministry Statement, 10 January 2003.