

Crisis on the Korean Peninsula: Implications for U.S. Policy in Northeast Asia

William J. Perry

Speech given at CISAC on January 4, 2003 and at
the Brookings Institution on January 24, 2003

I am a child of the Cold War. As such, my thinking for decades was conditioned by the great issue of that era: How to maintain freedom in the face of our perceptions of Soviet ambitions for world domination?

For the first few decades of the Cold War, the United States strategy for achieving this objective was containment backed up with a powerful nuclear deterrence. But as the nuclear arms race heated up, it became increasingly clear that this strategy risked precipitating a nuclear holocaust. Thus, by the late sixties, nuclear arms control had become the overriding security issue - certainly it dominated my thinking on security during that era.

But with the ending of the Cold War, the threat of nuclear holocaust receded and arms control, as we had practiced it during that era, was no longer the dominant security issue. The most serious threat to the United States became nuclear weapons in the hands of failed states or terrorists - used not in a standard military operation, but in extortive or apocalyptic ways. Therefore, in the present era, preventing the proliferation of nuclear weapons replaces arms control as the organizing principle for our security. Certainly it has dominated my thinking on security for the last decade.

When I was secretary of defense, I spent almost half of my time trying to deal with proliferation problems. Indeed, the security poster child of the Clinton administration was the Nunn-Lugar program, a program in which we worked cooperatively with Russia to secure nuclear weapons, materials, and technology. But not all nations were willing to cooperate to prevent proliferation, so we also needed coercive programs to keep hostile states such as Iraq and North Korea from developing their own nuclear capability.

We dealt with Iraq through United Nations' inspections, which, by applying moderate levels of military coercion, continued to be effective during the period I was in office. But in 1998, Iraq threw out the inspectors, and the United States and the United Nations did not respond forcefully. Since then our intelligence indicates that Iraq has worked to reinstate their capability in weapons of mass destruction, as well as the missiles to deliver them.

This problem continued to grow during the first year of the Bush administration. But in the wake of 9-11, the administration decided to confront this problem, threatening military action to disarm Iraq. This prompted the United Nations to impose a new strict inspection regime on Iraq. While the drama of inspections is playing out in Iraq, a new crisis has emerged involving a nuclear weapons program in North Korea. I said new, but in fact this crisis is not really new; it is in many ways a rerun of the Korean crisis of June, 1994. Today the crisis is about essentially the same issue: North Korea's actions, both overt and covert, to build nuclear weapons.

In my talk, I will address five specific questions relative to this ongoing crisis: What North Korean actions led to the 1994 crisis and to the present one? Why does the United States feel so strongly that a North Korean nuclear program would pose unacceptable security risks? What actions did the United States take after the 1994 crisis to deal with the

underlying issues? Why has the crisis arisen again? What can we do about it this time? I don't presume to have answers to all of these questions, especially the last one, but I will address each of them.

Korean history since World War II has been one of conflict and threats of conflict. Indeed, since the ending of the bloody Korean War, there has been no peace on the Korean Peninsula; only a dangerous armed truce. Just how dangerous this truce could be was demonstrated during the crisis with North Korea in June 1994. That crisis is forever engrained in my memory because I was personally involved in preparations for a military conflict that would have been disastrous for all sides.

The North Korean nuclear facility at Yongbyon was about to begin reprocessing nuclear fuel, which would have provided them with enough plutonium to make immediately about five nuclear bombs. Considering the seriousness of this challenge, I directed that an option be prepared for striking the facility at Yongbyon with precision-guided conventional warheads. Such a strike could have been successfully carried out, but had a high probability of provoking an invasion of South Korea. So I set this option aside so that we could explore all other options first.

The least provocative of these was an allied plan to urge the United Nations to impose sanctions on North Korea. But North Korea said that they would consider the imposition of sanctions as an "act of war", and proclaimed that they would turn Seoul into a "sea of flames". Therefore I conducted a review to determine whether our war contingency plan was adequate. This review indicated that, in the event of a no-warning attack by the North, the Allies would achieve a decisive victory, but that there would be very high casualties - to Korean forces, to American forces, and to Korean civilians.

But the review also indicated that we could significantly reduce those expected casualties by reinforcing our troops in Korea before any hostilities began. Therefore I ordered that plans be drawn up to augment our deployment in Korea with tens of thousands of American troops, and our embassy in Seoul prepared plans for the evacuation of non-essential civilians from Korea. President Clinton was within hours of authorizing those actions when he received word that Kim Il Sung was ready to freeze the activity at Yongbyon and begin serious negotiations. So in the end the crisis was resolved not by war, but by a diplomatic agreement known as the Agreed Framework.

This agreement called for North Korea to freeze and in time dismantle the reactors and processors of concern, and for the Republic of Korea, Japan and the United States to provide replacement facilities that would provide the needed electricity without entailing the same risk of proliferation. Until the new reactors were ready, the United States agreed to provide fuel oil to compensate for the loss of electricity from the reactors.

As a result of the Agreed Framework, those nuclear reactors and the processing facility that concerned us so much remained frozen for more than eight years---from June 1994 until a few weeks ago. During that period, those facilities could have produced enough plutonium to make more than 50 nuclear bombs. But the dismantlement of those facilities awaited completion of the construction of the commercial reactor called for in the Agreed Framework, which, when the present crisis began, was still a few years away. Therefore, with the termination of the Agreed Framework earlier this month, North Korea was able to, and did, reactivate the reactor and processing facilities, and could be in full production of plutonium in a few months.

Between the 1994 crisis and the present one, there was another crisis in 1998. North Korea had underway the serial production and deployment of a medium-range ballistic missile capable of reaching Japan. Additionally, North Korea had under development two long-range missiles, which could reach targets in parts of the United States, as well as Japan. This missile development aroused major concern in both countries, which came to a head in 1998, when North Korea flew one of these missiles over Japan, crash landing in the Pacific. This test firing provoked a strong reaction both in the United States and Japan, and led to calls in the American Congress and the Japanese Diet for a termination of the funding which supported the Agreed Framework, which, predictably, would have led to a reopening of the frozen nuclear facilities.

During this turbulent and dangerous period, the United States Congress called for, and President Clinton agreed to establish, an outside Policy Review, which President Clinton asked me to head. I believed that success in our new policy formulation required a concerted effort by all three allies, so our team set about to structure the policy review with the full participation of the Republic of Korea and Japan.

The tripartite policy team considered several alternative strategies. One alternative was to attempt to undermine the North Korean regime. There was little evidence, however, of dissent within Pyongyang's iron Stalinist regime – certainly nothing like the dissident factions in Iraq, let alone Afghanistan – to build upon. While the North Korean people certainly needed a better government to meet their desperate needs; in fact, we did not know how to accomplish it. Moreover, there was a problem of mismatched timetables. Even if we could force a change in the Pyongyang regime, that process could take years. Our concern about weapons of mass destruction was urgent - we could not afford to wait for a slow solution. Finally, our allies would not agree to a strategy of trying to force a regime change. We therefore set aside that option.

Another option we considered was to base our strategy on the prospect of reform in North Korea. Perhaps Kim Jong Il would take the path of China's Deng, opening up his country economically and trying to be a member in good standing of the international community – including its nonproliferation norms. This outcome could be hoped for, but hope is not a strategy. Moreover, North Korea's reform process seemed almost indiscernibly slow, while its weapons of mass destruction programs moved quickly. The United States and its allies needed a strategy for the near term, and that meant, as the unclassified report of our review stated, "United States policy must deal with the North Korean government as it is, not as we might wish it to be."

Equally unacceptable was buying our objectives with economic assistance. According to our report, "the United States will not offer the DPRK tangible 'rewards' for appropriate security behavior; doing so would both transgress principles the United States values and open us up to further blackmail."

After considering and rejecting these alternatives, we recommended that the United States, South Korea, and Japan all proceed to talk to North Korea, but with a coordinated message and negotiating strategy. We believed there was nothing to fear in negotiating with North Korea as long as we all knew and agreed upon our position and our strategy.

We began first with the proposition that verifiable elimination of North Korea's nuclear weapon program was the paramount objective. We would state to the North our position that, while we did not like their conduct internally and externally, we did not plan to go to war to change it. We could keep on living in peace with them.

But that peace would not be possible if they pursued a nuclear weapon program. Pursuit of such weapons would not guarantee its security but guarantee confrontation. We argued that since North Korea had enough conventional firepower to make war a distinctly unattractive prospect to the allies, that they didn't need nuclear weapons for their security. That relative stability, if not disturbed, could provide the time and conditions for a relaxation of tension and, eventually, improved relations as North Korea transformed its relations with the rest of the world.

After many trips to Seoul, Tokyo, and Beijing to coordinate our approaches, in May of 1999 we went to Pyongyang to present our findings, which by then had been endorsed by the allied leaders.

We described two alternative paths the United States and North Korea could take together. On the upward path, North Korea would verifiably eliminate its nuclear weapon and missile programs, and the U.S. would take political steps to relieve its security concerns, most centrally affirming that we had no hostile intent toward North Korea. In lockstep and through their own negotiations, South Korea and Japan would expand their contacts and economic links. Alternatively, on the downward path, the three allies would resort to all means of pressure, including those that risked war, to achieve their objectives.

We concluded the policy review and stepped down from our government advisory roles in the summer of 2000.

In the subsequent two years, North Korea took some small steps on the upward path. It agreed to a moratorium on tests of long-range missiles. It continued the freeze at Yongbyon. It had a first-ever meeting with the American secretary of state. It embarked on talks with South Korea, culminating in a dramatic summit of the leaders of North and South. It began the process of healing the World War II-era state of war with Japan, returning some Japanese citizens it had kidnapped several decades earlier. And it allowed United States' inspectors to visit a mountain where U.S. intelligence suspected further nuclear-weapons work to be going on---this was the first step of even more intrusive inspections that would have been needed to achieve a verifiable agreement that they had fully eliminated their nuclear weapon program. Whether North Korea would have taken further steps on this path is history that will never be written.

All of this activity underwent a dramatic change when the Bush administration came to office. President Kim Dae Jung, anxious to reaffirm the tripartite engagement program, came to Washington to meet with President Bush just two months after his inauguration. The meeting was a disaster for President Kim. Although Secretary Powell had suggested that the administration would move forward with the engagement program set in place by President Clinton, President Bush rejected it, and said that he would undertake a sweeping review of our Korean policy.

A few months later, in his first State of the Union address, the president included North Korea as a part of the "Axis of Evil". By September of last year, the administration's review had been completed, and they had decided to approach North Korea with an offer of engagement similar in many ways to the one offered under our 1999 Policy Review.

Assistant Secretary Kelly was sent to Pyongyang with authorization to make that offer. But in the meantime, the United States had received intelligence that the North Koreans had for several years been embarked on a covert program to enrich uranium which, in a few more years, would give them an alternate source of fissile material for the production of nuclear weapons. Kelly confronted the North Koreans with the United States'

finding, which they at first denied but finally replied that they were entitled to nuclear weapons because of the threat posed to North Korea by the United States.

Since then, the Korean Energy Development Organization, under the urging of the United States, has cut off all fuel shipments to North Korea, effectively abrogating the Agreed Framework. North Korea in turn has ordered the United Nations' inspectors out of Yongbyon, and has begun actions to move the spent fuel that had been stored there, and restart the reactor. They have said that this action is necessary because of the threat that the United States would attack them with nuclear weapons, and that they would reverse those actions if the United States would guarantee their security. The United States has responded that it will not enter into discussions with North Korea until they have agreed to stop all nuclear weapon activity.

Let me summarize where we stand now. North Korea's unfreezing of its plutonium production program at Yongbyon, coming on top of its admission that it began a uranium enrichment program in violation of international agreements, clearly poses a grave challenge to American policy. While the uranium enrichment program is some years away from becoming a serious threat, the actions underway at Yongbyon pose an imminent danger. North Korea has begun moving the fuel rods that have been under international inspection since 1994. These rods can yield enough weapons grade plutonium for about five nuclear bombs this year. Additionally, the startup of the reactors at Yongbyon will give the North Koreans the capacity for serial production of nuclear bombs beginning next year.

What is a plausible strategy for moving forward? As in 1994, we have three basic alternatives: formulating an aggressive diplomatic strategy; accepting a robust nuclear weapon production program in North Korea; or conducting a full-scale war to stop this program.

The downsides of a full-scale war are about the same today as they were in 1994, and have received ample commentary, so I will not elaborate on our obvious desire to avoid this alternative.

The administration, in recognizing how disastrous a war could be, and recognizing that North Korea might already have one or two bombs, has suggested that they were not overly concerned with the prospect of the production program restarting. I think that this misjudges the negative consequences of such a program. Indeed, I believe that any strategy for dealing with this difficult problem must be based on the understanding that allowing North Korea to undertake the production of fissile material and nuclear bombs would be a major setback for American security, for regional security, and for international security.

There are four reasons why this is such a serious security issue. One, at such time as North Korea possessed a significant nuclear arsenal, its leaders might be misled into thinking that the United States would be unwilling to defend its interests and allies in the region, weakening deterrence and making war more likely. Two, North Korea's nuclear program might begin a domino effect of proliferation in East Asia, causing South Korea, Japan, and Taiwan to question their own non-nuclear status. Three, given North Korea's record as a proliferator of ballistic missiles, and given their desperate economic condition, we must assume that some of the products of this nuclear program would be for sale to the highest bidders, not excluding terrorist groups. Finally, we must be concerned that "loose nukes" might be the result of some ultimate process of breakup or collapse of the North Korean regime. For all these reasons, the North Korean nuclear program poses an unacceptable security risk.

The United States strategy should be designed to ensure that the present activities at Yongbyon do not reach the production stage. Clearly, to achieve this objective without war will take an aggressive and creative diplomatic strategy.

The administration finds discussions with North Korea distasteful, and said that they are not prepared to talk until North Korea first stops all of their nuclear programs. I am sympathetic to the distaste they feel, but do not believe that this is an acceptable basis for a U.S. strategy, considering how unattractive are the two alternatives to diplomatic strategy. Besides our distaste for dealing with North Korea, we have to overcome a seeming reluctance to treat South Korea and Japan as full partners. Indeed, I believe that our strategy must be based on the understanding that no U.S. strategy toward North Korea can succeed unless it has the full understanding and support of our allies in the region, South Korea and Japan.

We have an urgent need to reinvigorate an effective tripartite approach to dealing with the North Korean problem. It has been suggested that Russia and China can play a constructive role in resolving this crisis, and I fully agree. Indeed, when I was in China in November, I made the point very strongly to Jiang Zemin that this was not just a United States crisis: a nuclear weapon production program in North Korea could produce results profoundly adverse to China's interests, including the possibility of a nuclear arms race starting in the Pacific. For that reason, and not as a favor to the United States, he should get China actively involved. But how? I believe that China cannot serve as a surrogate negotiator for the United States.

The major issue is an American security assurance to North Korea, and surely no one can negotiate that but the United States. But China can play a role as a facilitator or host of a meeting. Even more important would be their role in putting serious pressure on North Korea to stay with the NPT and abide by the United Nations' role in enforcing its provisions through the IAEA.

Finally, I would note, that whatever we do, time is of the essence in heading off North Korea's nuclear ambitions. In a few months, North Korea will be able to create from the fuel rods a dangerous *fait accompli* – enough weapons grade plutonium for about five bombs. Once the plutonium is reprocessed it could be moved anywhere, making it much more difficult subsequently to find and eliminate.

In sum, I believe that we should not have cut off the engagement with North Korea two years ago. That probably contributed to the present problem with North Korea; in any event, it has made it more difficult to deal with this problem. I believe that we should state immediately that the reprocessing of plutonium at Yongbyon would be a "red line", thus defining our diplomacy as coercive diplomacy. I believe that China, Russia, South Korea, and Japan all have an important role to play in the ongoing discussions with North Korea - certainly we and they have a commonality of interests in this crisis. But the resolution of this crisis is too important to American security to turn the diplomatic treatment of it over to those nations---the United States should be engaged directly and aggressively! Finally, I believe that time is of the essence in getting back on a serious diplomatic track---every week we delay makes the problem more difficult to resolve.

There has been some disagreement on semantics: is this a crisis or not? Let me be clear, I believe that it is a crisis; indeed, I believe that it is a serious crisis. But I also believe that it can be managed. Two key ingredients of a possible solution are: the credibility of our

determination to remove the nuclear threat even if it risks war; and the courage and confidence to pursue creative diplomatic alternatives to war.

John F. Kennedy said it best:

“We should never negotiate from fear; but we should never fear to negotiate.”