Thank you very much, Mr. Chairman, Sure.

Is that better? Oh, yes. Sorry. I would just, to sort of introduce this subject, supplement the

prepared statement that has been submitted and say that the

United States has been struggling with the issue of nuclear weapons

in North Korea for the past 25 years. There have been times

when we have made some progress, only, unfortunately, to see it

largely slip away. We have been able to deal with its provocations,

but North Korea poses an enduring challenge to U.S. interests in

the region and the interests of all other countries in the region.

They are a pole of instability in the heart of what is arguably the

most important economic region of the world today. They are also,

of course, a major threat to American and other norms regarding

proliferation of nuclear weapons. So, this is a challenge that must

be dealt with. We do not have the option, in my judgment, of simply

biding our time and ignoring them.

In response to the provocations which Kurt Campbell has

described, what we have pursued is essentially a two-track policy.

On the one hand, working very closely with our allies and our partners

in the six-party talks, we have, through the United Nations

and bilaterally, tightened our sanctions on North Korea. It is difficult

to measure the exact effect of those sanctions, but this is

something we work at every day. We are constantly coordinating

with all of the partners in the North—in the six-party process to

ensure that the sanctions achieve maximum effectiveness. And I

think there is no question that the sanctions have made life more

complicated and more difficult for the DPRK.

At the same time, however, we recognize that sanctions are not,

in and of themselves, a full policy toward this problem. So, we have

remained, and will remain, open to constructive dialogue. And we

view diplomacy, ultimately, as the best way of solving these difficulties

in this challenge.

We have been in constant coordination with our partners in the

region, particularly with South Korea and Japan, but also with

China and Russia. We are engaged in efforts to make sure that, on

the one hand, the sanctions remain effective, tightened, and, on the

other hand, to demonstrate that we are serious about the use of

diplomacy, but serious in the sense that we want assurance that

North Korea regards these prospective talks seriously. We are not

interested in talking just for the sake of talking. We want talks

which produce concrete results. We remain committed, as do our

other partners in the six-party process, at least South Korea,

Japan, China, and Russia, to full implementation of the agreed

statement—the joint statement of September 2005, which pledged

continued concentration on nonproliferation and other elements to

bring about stability on the Korean Peninsula.

On the subject of food aid, which has been raised earlier, we continue

to pursue a longstanding U.S. policy on food aid. We do separate

humanitarian assistance from political issues, but we provide

food aid when we see a perceived need and in a situation in which

we can monitor how the food aid is used, who are the recipients

of that food aid, and does it go to the people for whom we intend it.

On the subject of human rights and other humanitarian issues,

I am very pleased to be working very closely with my friend and

colleague, Bob King, who is part of our office. We talk frequently

and closely coordinate on all issues. Bob has just returned from an

extended trip to South Korea, where subjects, including North

Korean human rights performance, food aid, the general situation

on the Korean Peninsula, in North Korea, have been very prominent

on his agenda. So, I think that this relationship gives evidence

of the fact that, as we approach the problems of North Korea

and the challenges that it poses, we are very concerned about

human rights and we are very concerned about the condition of the

North Korean people.

So, I will stop there and, like my friend Kurt Campbell, make

myself available for your questions. Thank you.

I think that’s correct. I mean, one of the

things that we are looking for, however, is evidence that the agreements

that we have reached with them in the past are agreements

which they are now prepared to carry out.

Well, we want evidence that they treat

these things seriously and that they are not making agreements

just for the sake of getting talks started. We want to see concrete results.

We also—— No, I don’t believe it does.

Well, these are agreements they’ve already

made. It’s very difficult to go forward with confidence and

make new agreements if they are not able to adhere to the ones

that we’ve already put in place.

Well, I’m not very confident about regime

collapse as a route toward stability on the Korean Peninsula.

One can argue that we’ve been waiting for that regime to collapse

for a long time, and it’s still there. No, I think we have to deal with

North Korea as we find it, not as we would like it to be perhaps

at some point in the future. Well, we always have, I think, in almost

every situation, arrows in our quiver that we could employ. The

question is: Do those contribute to bringing about a solution that

is acceptable to us? But, I think—I don’t mean to be——

Well—— I think—and this is the way I kind of

approach this issue of China and North Korea—that both of us

have a major stake in demonstrating that working together with

our other partners in the region, we can solve this problem or at

least manage this problem over the longer term, because I think,

in some sense, it is a litmus test to the ability of the United States

and China to work together on broader issues.

That’s a very good question, and it’s one

that our intelligence community has worked at very assiduously.

There is some belief that it is related to issues regarding succession

in North Korea. There is some belief that it is related to jockeying

among various factions in North Korea. I think it’s also very important

to look at the historical origins of these particular provocations as they arise.

I don’t have an overall explanation for why these things have

happened. I do think it is a useful reminder—an important reminder—

of the extraordinary tension that exists along that border,

along the DMZ, and of the importance of the United States and all

of our other partners in trying to work to reduce that tension and

manage the situation. Well, I think, clearly, for the North

Koreans, regime continuity is the essential objective of everything

that they do. We have indicated to them strongly, on a number of

occasions over the last few years, that we do not regard regime

change as the outcome of our policy. But, we do regard a change

in regime behavior as necessary to any fundamental improvement

in the overall relationship. We have, in the past, under various administrations

in this country, held out the prospect of negative security

assurances. We have repeatedly told them, particularly in

the last 2 years, that regime change is not the objective of our

policy. I told my interlocutors that when I visited North Korea in December 2009.

So, I think it may be that they don’t believe us or that they don’t

fully trust us. But, I don’t think they should be operating under the

fear that somehow we are dedicated and determined to undermine the regime.

Well—— Well, first of all, I would agree that implementation

has been uneven. But, to improve implementation

has been one of the fundamental goals of our multilateral diplomacy.

And we have a number of people, who travel the world, in

fact, talking to individual governments about the need to tighten

sanctions against North Korea and to fully implement the sanctions

resolutions of the U.N. Security Council.

Sure. No, we look at all those issues

very carefully. And I think I can commit the administration—if you

would like us to follow up in an executive session, and examine

some of these specific cases, I think we would be very happy to do

so. For reasons I know you will understand, some of these are a

little too sensitive to discuss in an open hearing. Sure.

Without question. And I would say, for

the record, that proliferation of nuclear materials and missile materials

coming out of North Korea is one of our major concerns and

is one of the major factors driving American policy in this regard.

Well, I’ve seen those reports. Let me

just say that our mission in South Korea is to deter any aggression

by North Korea. And we are very confident that we have more than

adequate tools at our disposal to accomplish that mission of deterrence.

We have no—I mean, this is not an

issue that is under active consideration.

Thank you, Mr. Chairman.

Senator RISCH. Thank you, Senator Kerry.

Gentlemen, thank you for your service. Certainly, you’ve got one

of the most difficult tasks of anybody in Foreign Service.

And, you know, I’ve read your opening statements and listened

carefully. And I’ve been to South Korea and compared the two governments.

Obviously, I’ve never been to North Korea. But, the one

thing that, in my mind, makes this such a knotty problem is, you

can’t really understand what makes these people tick. You know,

before you can resolve a problem, you’ve got to understand the

problem. And I’m at a loss as to an explanation as to what motivates

the North Korean regime. What is it that makes them feel

good? What is it that makes them feel bad? Why do they do the things that they do?

I mean, you know, if they were an individual human being,

they’d probably be committed because of their inconsistencies and

what the psychiatrists call ‘‘inappropriate behavior.’’ It’s just—it’s

nonunderstandable. Can you try to shed some light on that for me?

Well, I’m not sure that I can illuminate

that whole question, but what I would say is that what I find useful

in trying to understand North Korean behavior is to understand

that everything that the North Korean Government does, domestically

and internationally, is aimed at one goal, and that is perpetuation of the regime.

No—— I think when you combine that singular

goal with the existence of what is probably one of the most comprehensive

police states in the history of the organized world, you

can get some insight into how that place operates. But, it remains,

as Churchill said about the Soviet Union in the 1940s, ‘‘an enigma

wrapped in a mystery,’’ or maybe it was the other way around. We

don’t know that much about how North Korea works, internally.

We don’t know that much about how decisions are made. And, in

the end, we don’t know that much about who makes them.

Well—— They want to preserve the

regime, but they also want the world’s attention, because they need

things from the outside world. And so, they do this—these provocations,

both to demonstrate that they remain a force to be reckoned

with—they do not want to be ignored—and they do them

because they think, as the cycle advances, that our response will

provide them benefits. Well, let me——

Let me try to respond to it, then maybe

Kurt Campbell will have something to add.

I think they view a nuclear weapons program as the ultimate deterrent.

This is a country that has, for 60 years or more, lived in,

sort of, day-to-day fear of being invaded or being attacked from the

outside. Rightly or wrongly—they may exaggerate that, but, rightly

or wrongly, that’s what they believe. So, for them, a stockpile of

nuclear weapons constitutes the ultimate deterrent. And they consider

it essential to their regime’s survival. I think that’s correct.

I don’t think anyone in the administration—

I certainly do not underestimate the difficulty of negotiating

on the path that we are on, toward a comprehensive and irreversible,

verifiable end to North Korea’s nuclear weapons program. I

have some belief that, in the longer term, as we pursue this program,

if we can pursue this policy effectively, that a mix of incentives

and disincentives can be found which will make North Korea

more willing to contemplate giving up the program. In the meantime,

along the way, there are important things that I think we can

try to achieve relating to the question of proliferation, relating to

their production of fissile material, both from their plutonium program

and from their uranium enrichment program.

So, I think simply to say now, ‘‘Well, we’ll never convince them

to give up these weapons,’’ is probably an error, because, as we

pursue the ultimate goal—and I think, given our global nonproliferation

policy, we must pursue that ultimate goal—but, as we

pursue it, I think other things become achievable and, in the end,

we may actually get ‘‘yes’’ for an answer. But, if we don’t try, we’re

certainly not going to get ‘‘yes’’ for an answer. Yes. Right.

Well, as I indicated earlier, Senator, one

of the conditions that we have imposed—I think, successfully, for

the most part—on our provision of food aid, has been a very careful

process of monitoring. Now, I wouldn’t want to exaggerate that. We

don’t have an outside monitor following every bag of grain that is

put into the country. But, we agree with the North Koreans, in advance,

on the recipients of the USAID, which includes, of course,

children, older people, et cetera. And then, through frequent inspection,

we have been able to verify—quite effectively, we think—

that the aid has gone to the recipients for whom it was intended.

Well, first of all, this did not come as a

complete surprise to us. We have long—as you know, Mr. Chairman—

long suspected that North Korea was pursuing a program of

uranium enrichment. They then, of course, as we all know, showed

this facility to a group of visiting Americans, including one of our

more prominent nuclear scientists. We know that the centrifuges

are there. We cannot verify that they are operating. And we cannot

verify that they’ve had any production of enriched uranium.

But, I would say, without question, two things. One, this means

that, assuming we do get back to the table with them, that is very

much going to be the No. 1 issue on our list of concerns and things

that we have to talk about. The other is that a viable uranium enrichment

program does present a complication to our efforts to

negotiate a denuclearization agreement with the North Koreans, no

question about it. Verification becomes an even more difficult

question. And obviously, these are subjects that we’re going to have

to get at with them. On the matter of uranium enrichment?

Or just in general? Well, I don’t think they constrain our reaction

and our ability to act. We have said, to both the South Koreans

and, more importantly, to the North Koreans, that, from our

point of view, an improvement in South/North relations, particularly

after the blatant provocations of the last year, is a necessary

step before we can resume a more multilaterally oriented negotiating

process or dialogue. And we saw, early last month, a tentative

step forward in that regard, on the part of the North and

South Korean militaries. We are optimistic—or hopeful, at least—

that that step will be followed by others. We’ve made it very clear

to North Korea and to China that South Korea is the aggrieved

party in this instance, and, as our ally, we’re standing with them.

And we want to see some change and improvement in North

Korean attitude on key points of interest to South Korea.

Let me first talk about the front-channel

efforts. One of the things that’s been most important over the

course of the last year has been the extent to which this new

Japanese Government is prepared to work constructively with

South Korea. I think, as you know, we have some long memories

in Asia. There have been some historical differences and challenges

between Japan and South Korea. What we have seen has been a

forward-looking and progressive effort by Japan to support South

Korea in the face of these provocations.

Last December, Secretary Clinton hosted, for the first time, a

ministerial-level trilateral, with her colleagues from Japan and

South Korea, in which all three countries worked very closely

together to demonstrate cooperation with respect to North Korea.

I think Japan is prepared to be extraordinarily supportive within

the context of the six-party framework. And they have been very

transparent in all their activities in Northeast Asia, with both

South Korea and the United States.

That is correct. No; I don’t believe so. You know, we’ve

made it clear, I’m prepared to go to—— It’s an even larger ratio with regard to

my trips to South Korea, because I think, at this stage in our

efforts to deal with this set of problems, we find that it’s, above all,

first, important to coordinate our efforts with our partners in the six-party process.

No, I think we are very open to getting

back to the table, provided, as I indicated earlier, that’s done under

the right set of circumstances and in the right framework.

Well, we’re all, collectively, trying to figure

that out. And I—— Well, we are not without ways of communicating

with them. And we do communicate with them. But, I

think, ultimately, we may have to have further conversations with

them, bilaterally, in order to figure out how to move forward multilaterally.

My general thoughts on that, Senator,

would be that it’s, I think, indicative of the nature of that regime

that they’re prepared to do this. My second observation would be

that, in my experience, the last group of people in North Korea who

will not have food are the military. So, if we provide food, and if

we can monitor it carefully and we know that it’s going to children,

institutional needs, I think it’s the right thing to do.

Senator RUBIO. I think that the argument that some have

made—and not that I’m making it today, but the argument that

some have made is that, the fact that we—that, to the extent that

food does get to people in North Korea—and it’s a very calloused

approach, I understand—but someone have made the argument

that, to the extent that food and goods does gets to people, what

it does is, it takes pressure off the regime to have to take that

money away from its nuclear program and instead divert it to its

people, where it should be in the first place. North Korea’s national strategy continues

to be, as it has been for several years, something called a

military-first strategy. And they allocate resources accordingly.

Senator RUBIO. It sounds like the testimony, basically, is that

they’re willing to let their people starve. In essence, they don’t respond

to that kind of pressure; it’s not part of their decision making matrix.

My last question. And again, because this is kind of an issue of

first impression to me. Unification and—as a realistic goal in the

long term or midterm, you know, what—is there a national identity

that crosses from North to South? And I—No. 2, my first impression

on this—and you may be able to elaborate more on it—is that

a unification of North and South Korea, from a pragmatic standpoint,

looks like it would be even more difficult than an East and

West Germany unification was, for example, just given the dramatic

differences between the two economies. But, what is the status

of that? How realistic is that? How much is that discussed?

How much is that desired? Well, I think most South Koreans would

agree that the cost of reunifying the Korean Peninsula is going to

be enormous. That does not mean, however, that they do not hold

this, still, as a strongly desired national objective. But, the sense

of Koreanness between South and North remains very deep, even

though, over the last several decades, the two countries have gone

in such different directions that it is very difficult to, sort of, automatically

see the way in which that will happen.

I think, quite clearly, it’s not going to happen on the basis of the

North Korean political economic model. It is—and the South

Korean political economic model would be a more feasible route.

But, that presumes all sorts of things happening, over which we

have very little way to forecast right now.

My impression is that, from Beijing, the

current organization on the Korean Peninsula looks about as good

as they would—they could imagine.

Yes. Not all aspects of it just the way

it is, but Korean reunification is not one of the major objectives of

the Chinese Government. I would put it that way, yes.