Good morning. The hearing will come to order.

I appreciate everybody’s patience. I’m sorry to be a couple of minutes

late. I appreciate everybody coming, particularly our distinguished

witnesses, both of whom could not be more expert, or immersed

in and thoughtful about, the subject of North Korea and

that part of the world.

I would like to say just a couple quick words, if I can, about

events that have been moving at an extraordinary pace in the Middle

East during the time that we’ve been out of session, over the

course of the last week or so. Obviously, these demonstrations—

these efforts by people to express their will and to find freedom and

the capacity to break out of years and years of repression and

humiliation—have really changed the world already, no matter

what the outcome in each of the individual countries is.

While momentous special events, we’ve certainly been seeing our

own expressions of anger and frustration, whether it’s in Wisconsin

or in other parts of the country; very different, but, in some ways,

their own expression of a frustration with governance, or the

absence thereof.

The lesson, however, from the Middle East and the Arab world,

is one that I think many of us have anticipated for some period of

time, without knowledge of specifically when it might erupt. I had

the privilege of speaking at the Islamic Conference in Doha, a year

ago, and talked about this question of combined frustration and

anger and humiliation that was felt by many people in the streets

of Arab countries. Across North Africa and the Middle East, we’ve

now seen people rising up, in a remarkably peaceful way, in pursuit

of fundamental human rights and democracy, the freedom to

express themselves, and to have a role in choosing the policies that

will impact their lives.

We’ve seen the power of ordinary people to cast off the restraints

of autocracies. We’ve also seen how one individual, used to exercising

absolute power, has the ability to delude himself and separate

himself from the real interests of his people. And we have

seen, in the case of Muammar Gaddafi, a so-called leader who has

proven himself to be extraordinarily out of touch with reality and

so arrogant in his divorce from reality that he’s willing to turn

weapons on his own people, not to uphold some larger principle,

but simply to reinforce his own personal position and his own personal

interests and those of his family.

Colonel Gaddafi has proven himself to be a brutal human being.

The United States and its allies, I think, have an enormous responsibility—

I think every freedom-loving person on the planet has a

responsibility—to side with those who seek to express themselves

and to find a different form of government. We have a responsibility

to help the Libyan people end four decades of Gaddafi’s repressive

and, at best, quixotic, extraordinarily mercurial tenure as a so-called leader.

Events that are sweeping the Arab world have powerful implications

for America’s foreign policy. And one of the things I think we

need to make certain is—I’m glad the ships have been deployed,

I’m glad that the allies are speaking with one voice, but I don’t

think we should hesitate to make it clear that if a leader thinks

he’s simply going to turn mercenaries and powerful secret police on

his own people and slaughter them, we have an obligation, as we

have in other parts of the world, sometimes met and sometimes not

met—I talk of a Bosnia versus a Rwanda—we have an obligation

to make ourselves available to make a difference. Whether it’s a

no-fly zone or some other kind of effort—I think that can tip the

balance. And I think that is a critical message, as well as a measure

to take, by the United States.

Now, we’re here this morning to discuss another part of the

world, half a world away from the Middle East, on the Korean

Peninsula, where there are also the same kinds of repressive challenges,

but even more so because of the threat of nuclear weapons.

So, even as we grapple with the crisis of the moment—and there

seem to be more and more of them, more frequently—even as we

do that, we have an obligation to find the time to deal with other

pressing concerns. I don’t think there can be any such thing as a

back burner, where nuclear weapons and the challenges of a North

Korea are concerned.

We need to find a way to break North Korea’s cycle—and it is

a cycle—of provocation and nuclear expansion, in which they kind

of flex their muscles, then move back; they challenge us, we get

slightly engaged, something happens, and we go back through the

cycle again. That’s the way it’s been, even as they continue to

expand their weaponry and continue to threaten us in other ways

by proliferating that weaponry elsewhere in the world.

So, working in concert with South Korea and with Japan, it is

a major challenge of the civilized world to persuade North Korea

to abandon its reckless behavior and legitimately meet the needs of its people.

We’re going to hear first from Assistant Secretary of State for

East Asian and Pacific Affairs Kurt Campbell. He was leading a

delegation to Christchurch just last week, when the earthquake

struck. And I want to take this opportunity, as I know Senator

Lugar joins me, in expressing our deepest condolences to all of the

folks in New Zealand, and express our best wishes for a speedy recovery.

I know this is an enormous challenge. Secretary Campbell

was just telling us that it may take as much as 7 percent of their

GDP to respond to it. It’s an enormous challenge. And we stand

with our friends in New Zealand.

Testifying alongside Assistant Secretary Campbell is Ambassador

Stephen Bosworth, the administration’s special representative for

North Korea policy. He’s a friend, a constituent of mine, and dean

of the Fletcher School of Tufts University.

And we’re delighted to see both of you here today.

Last year was the most dangerous in recent memory on the

Korean Peninsula, certainly the most dangerous since the end of

the Korean war, in 1953. I think we have to do everything within

our power to avoid further deterioration and put the Peninsula

back on the path to peace and stability. North Korea is making

that a hard objective. It’s expanded its nuclear and ballistic missile

programs in defiance of the U.N. Security Council. It has engaged

in reckless attacks on U.S. friend and treaty ally, South Korea.

And we must not forget that 46 South Korean seamen died when

North Korea sank the *Cheonan,* a year ago; and 4 people were

killed later, in the shelling of Yeonpyeong Island.

The U.S. response has been measured, but firm. We’ve strengthened

sanctions and intensified coordination with our key allies,

South Korea and Japan. We’ve also stepped up efforts to convince

China to help bring the North back to the negotiating table. So far,

international initiatives have not stabilized the situation, much

less brought about a change of course in North Korea.

As Asia expert Dr. Victor Cha so aptly put it, ‘‘North Korea is

the land of lousy options.’’ But, lousy options don’t allow us to opt

out. Instead, they increase our responsibility to choose policies that

will advance our vital national security interests and those of our allies.

And that brings us to today’s quandary, and that’s the purpose

of this hearing. It’s been more than 2 years since the last round

of the six-party talks on eliminating nuclear weapons on the

Korean Peninsula. It’s no coincidence that this long silence has

been marked by North Korea’s dangerous and destabilizing conduct.

So, we’ve all grown weary, if you will, of North Korea’s brinkmanship,

this habit of ratcheting up the tensions, followed by suggestions

of ways to negotiate back from the brink, followed by a few

concessions, and then a repetition of the process. I think we need

to break this cycle. And we look forward to discussing with our witnesses

today: Is that possible? Can one do that? And how do we do it?

The risks of maintaining the status quo, in my judgment, are

grave. North Korea is simply going to build more nuclear weapons

and missiles. It may well export nuclear technology and fissile material.

And the next violation of the armistice could easily escalate

into wider hostilities that threaten U.S. allies and interests. So,

given these very real risks, the best option is to consult closely with

South Korea and launch bilateral talks with North Korea when we

decide the time is appropriate.

Let me make this clear. Fruitful talks between the United States

and North Korea could lay the groundwork for the resumption of

six-party talks. Right now, we cannot afford to cede the initiative

to North Korea and China, because neither country’s interests

actually fully coincide with ours.

So, let me be clear. We have to get beyond the political talking

point that engaging North Korea is somehow ‘‘rewarding bad

behavior.’’ After all these years, that seems to be an extraordinary

canard. It is not rewarding bad behavior. We set the time. We set

the place. We can negotiate in good faith. We determine what we’re

negotiating for. And we never have to say yes to anything that we

don’t want to. But, if you don’t engage in that effort, you have no

chance of changing the current dynamic; you actually invite greater

instability and greater potential for confrontation.

I believe it’s possible to have talks that are based on our national

security interests and those of our allies. That’s what talking is

about. That’s what negotiating is about. Nobody forces us to say

yes. But, in the absence of that, we don’t have a chance of even

finding out what it’s all about. We don’t know what renewed diplomatic

engagement can accomplish. We do know this: Our silence

invites a dangerous situation to get even more dangerous.

So, finally, I just want to say a quick word about our compelling

humanitarian concerns in North Korea. I’m glad that Ambassador

Bob King, our special envoy for North Korean human rights issues,

could be in the hearing room this morning. Our country has long

and wisely separated humanitarian concerns from politics. Consistent

with that tradition, we should consider additional food aid

to the North. But, that aid needs to be based on a demonstrated

need and our ability to verify that food will actually reach the intended

recipients. In fact, a broader humanitarian engagement

might hold the most long-term promise of unlocking the other puzzles,

the nuclear puzzle, enhancing regional peace and security.

And one final comment. When President Hu was here, we discussed

this issue and urged him—in fact, asked him the question—

why it was not possible for China to take a stronger position to be

more engaged in this. And I got a striking answer back that I think

they are also finding their patience tried, and are prepared, in fact,

to be more engaged, and recognize their own interests, similar to

ours, are also at stake. And I think that will be one of the keys

to being able to move forward more effectively.

Our first panel is going to be followed by three experts from the

private sector: Bob Carlin, a veteran career-watcher with the Center

for International Security and Cooperation at Stanford University;

Marcus Noland, an economist with the Petersen Institute for

International Economics; and Gordon Flake, Northeast Asia expert

and executive director of the Mansfield Foundation.

So, again, thank you, both panels, for being here. Senator Lugar.

Thank you very much, Senator Lugar.

And, without objection, your report will be placed in the record.

Secretary Campbell, we’ve got two panels, so we

want to try to keep matters moving, but thank you again for being

here, both of you. We’ll go with Secretary Campbell first, and then

Ambassador Bosworth.

Thank you, Secretary. Mr. Ambassador.

Can you pull the mic a little closer, please?

Thanks. Yes.

Thank you very much, Ambassador, and thanks

for your continued service in this regard.

Let me try to probe this thing a little bit, get underneath, if we

can, what you’ve been talking about, in terms of the efforts to

strengthen our initiatives.

Mr. Secretary, some people suggest—you know they’re the—sort

of these polar opposites: isolate them, don’t talk to them, basically

let the regime collapse by bringing all this external pressure on

them, and then hopefully, there’s something new to get engaged

with; versus, you know, getting engaged now, going along with this

cycle of concessions, which you can’t distinguish before the talks

whether it is going to occur or not. I mean, you just said, Mr.

Ambassador, we don’t want to talk to them for the sake of talking,

but, I mean, they can come to us and say, ‘‘Hey, we’re really ready.

Yes, we’ll sit down. Let’s go talk. We’ll go through this. We’re absolutely

prepared to get good results.’’ They’re not going to serve up

the results until you have talked, correct? So, you’re going to have

to go through some kind of measure of testing whether or not it’s real.

Do you want that evidence in terms of their adhering

to the agreement, or saying they will?

Does that——

Does that put a hurdle in the way of getting to the other talks?

What if they think that’s part of the bargain?

And if they’re not, do you give a deadline? Is

there a greater capacity to bring pressure on them to go the regime-collapse route?

Let me go further than that, if I can, for a moment,

both of you. Isn’t it fair to say that regime collapse is distinctly

against China’s interests?

But, this doesn’t break us through yet. I mean,

my frustration, a little bit, is that they keep paying lipservice to

the notion that North Korea’s activities are threatening, and they

don’t want them to be an expansive nuclear power, and they don’t

want them to proliferate, but then they keep throwing this very

traditional Chinese concern about stability—I think, partly because

of their own internal politics and partly because of what the impact

would be on them, of refugees and collapse and other things.

So, there’s a tension here. We just don’t get beyond that. And the

question is whether or not you think China is prepared to get

beyond it. It seems to me China—if China wanted to flex a little

muscle here—could have a profound impact on what North Korea’s

attitude is about its future.

Ambassador BOSWORTH. Well, clearly, China has enormous interest

in North Korea, in general. I am convinced that we share one

large common interest between the United States and China, and

that is that neither of us want to see North Korea as a nuclearweapon

state on an ongoing basis.

North Korea is also, as you point out, Mr. Chairman, very concerned

about stability in North Korea; stability in Northeast Asia,

in general. And it is, I think, obvious that there are, at times, understandable

tensions between their objective of denuclearization

and their objective of reducing or avoiding serious tension on the peninsula.

We work with China on this issue on an ongoing basis. I’ve

made, since I’ve been in this position, about seven trips to Beijing.

The Chinese have come here. It is a subject of primary tension

when our two Presidents meet, as they did in January of this year.

This is an issue which is at the very center of the United States- China relationship.

So, we continue to work this problem. I have no magic bullet that

is going to align our interest and China’s interest entirely, with regard

to North Korea. But, like so many other problems in the

world, we have to keep working at it, chipping away, trying to advance

the ball, if you will, because I am also of the view that it’s

very difficult to see an acceptable result to the challenges posed by

North Korea without China’s active participation.

Do you—— Sorry, did you want to add to that?

Would you say that we have additional arrows in our quiver?

Well, if—I mean——

No, but if you don’t, then they’re not usable.

Maybe, I should—— Say ‘‘usable’’——

To what do you attribute the increase of this volatility,

active events between the North and the South, over the

course of the last year or so?

Last question, Secretary, if you don’t mind. With

respect to the North, this tension, do you believe that if we put the

regime change/stability, whatever you want to call it—longevity—

in other words, if the end product were that if they behave in XYZ

ways, then we’re not setting out to change the regime, that there’s

an open thing, and if China were to agree to that—is that the big,

final enchilada for them? Is that the big deal that—— Senator Lugar.

Thank you, Senator Lugar. Senator Risch.

To what degree do South Korean interests and/

or politics constrain what we might or might not want to do at this point?

No, on the matter of—— In general, engagement/talks. Bilateral.

What could either of you share with us about

Japan’s back-channel efforts with this—in this regard, over the

course of the last year?

Ambassador, I mentioned, a little while ago,

you’d made seven trips to Beijing. But, it’s my understanding

you’ve only made one to Pyongyang. Have we——

Have we kind of isolated ourselves, here?

What’s the seven-to-one ratio? Why wouldn’t you pop over——

Somebody—I mean, is there a resistance, here,

to saying, ‘‘Let’s get back to the table’’?

Who’s going to figure that out?

Do you have to talk to them to figure it out?

Senator Lugar, do you have any additional——

Senator Rubio, do you have any questions for——

Thank you. Thank you, folks.

Mr. Secretary and Mr. Ambassador, thanks a lot for being here.

We’re going to leave the record open for a week. We had some

colleagues who wanted to be here, who couldn’t be here. So, if you

don’t mind, we’ll try not to burden you, but we do want to make

sure the record is complete.

If I could ask for the second panel to come up while this panel

is departing: L. Gordon Flake, executive director of Mansfield

Foundation; Marcus Noland, Peterson Institute for International

Economics; and Robert Carlin, Center for International Security

and Cooperation, Stanford.

And if—I’d ask, Mr. Carlin, if you would lead off; Director

Noland, if you’d go second; and, Mr. Flake, if you’d wrap up. Thank you.

Can we keep order, please, in the hearing. I want to keep moving forward. Mr. Carlin.

How do you get that exposure?

Yes. I mean, it sounds good, but how do you—

how are you going to do that—create the exposure of the North

Korean people to these other things?

Why would they do that?

Well, what leverage do we have to get them to

do that? I mean, I’m not sure where that beginning begins.

It seems to me—I mean, listening to both Mr.

Carlin and Mr. Flake, I get a sense that we’re really misinterpreting

what our interests are, vis-a-vis them and how they view

us. And, if we are—if indeed everything they’re doing is regimesurvival-

based and stability-based—and it seems, listening to Mr.

Carlin, that they’re not particularly concerned about talking to us

or being engaged with us; they’re kind of happy moving along and

doing what they’re doing—where does our leverage come from?

Am I——

Misinterpreting what you said, incidentally?

A little bit. OK. Well, correct me. I mean, I got

a sense that you were saying that we’re sort of presuming they

want to talk to us, and that we’re kind of going along this track

of assumptions we’re making that are incorrect.

Yes, Mr. Flake.

So, you were going to say—yes, Dr. Noland.

So, would you all be in agreement that it’s important

to get to this initial discussion, at least on a bilateral basis,

to explore what’s possible in six-party talks? Or are the six-party

talks more of a tool and less critical to determining where to go?

Well, actually, Mr. Carlin, I happen to agree

with you. I think if they happen to work and there’s something

that—functions effectively, terrific. But, I think they’ve tied our

hands, to some degree. And I think they’ve become sort of an

outlier argument for not necessarily doing what we ought to be

doing that’s in our interest.

I think that’s smart. I think you don’t want to

throw it away, but that doesn’t mean you need to tie yourself, as

a methodology for getting forward, to that particular structure,

which I think is cumbersome, and which I think, if you go back to

its first days, was really put together more as a mechanism, not

really for having the talks, but for handling certain politics. And

I think we’ve been tied down by that.

Mr. Carlin, I have additional questions I wanted to ask you. I’d

like to follow up. But, unfortunately, I have a meeting coming up

in a moment, and I’ve used up my time. And Senator Lugar also

has a thing. So, if we could—we’re going to leave the record open,

as I said, and I’d like to get back to you, if I can, to follow up on

this a little bit, even since we’re a little time-pressed here today,

if that’s OK with you.

But, I really appreciate it. I thought all of your comments were

very perceptive. Your statements underscore, to some degree, problems

with our—the driving perceptions of how we’ve been thinking

about this. And I think we’ve got to really step back and not deal

with mythology or with a stereotype of what the give-and-take is

here. And I think your warnings are very appropriate and helpful in that regard.

So, I thank you for coming in today. This will not be our last conversation

about this. And I appreciate your willingness to share

your thoughts and expertise with the committee today. It’s very helpful.

Senator Lugar, if you could——

Close things out. Yes.

No, no, no, that’s absolutely your hearing. Thank you.