Thank you, Mr. Chairman. With your permission,

I will submit my prepared testimony for the record and just make

a few opening remarks.

Mr. Chairman, I had the opportunity, following the invitation of

Senator Frist, to brief all Senators in S–407 on 16 January. I believe

there were 53 or so Members there. But for those who were

not able to attend, let me briefly, in an unclassified way, lay out

how we got here and what we have done since I met with you on

the 16th of January, and then I will stop and try to answer any

questions.

The DPRK, North Korea, has desired for decades to have a nuclear

capability. And in the mid-1980s, following up on a Russian

technical design, they actually built one themselves, a five-megawatt

graphite moderated reactor. Also, in 1985, the North Koreans

decided to join the Non-Proliferation Treaty [NPT]. But it took from

1985 to 1992 to complete the negotiations with the International

Atomic Energy Agency [IAEA] surrounding the safeguard process

and procedures in North Korea.

The IAEA, after getting safeguard processes negotiated successfully,

started their look and their investigations into Yongbyon and

noticed, rather rapidly, an anomaly. That is, there appeared to be

more reprocessed fuel than the North Koreans had noted in their

report to the IAEA. The IAEA then asked for the ability to have

further investigations, which drove, apparently, the North Korean

Government into a paroxysm of rage. As a result, they invited the

IAEA inspectors to leave, announced a withdrawal from the NPT,

started a 90-day clock, which is required in the NPT to remove oneself

from the Non-Proliferation Treaty, halted that clock with one

day remaining, began a series of intense—in fact, 16-month—negotiations,

intense negotiations, with the United States, which culminated

in the Agreed Framework of 1994.

During the time 1994 until the present administration, the previous

administration had further noticed some anomalies in procurement

patterns in North Korea, so much so that in 1999 our

concerns were raised with the Nuclear Suppliers Group in Vienna.

This administration, in June 2002, had a National Intelligence Estimate

[NIE], which had, as its primary focus, to make an assessment

how many weapons North Korea could possibly possess, and

they came out with an estimate of one to two weapons, possibly,

based on the amount, as they understood it, of unaccounted for fuel

in 1992 which the IAEA had identified. In a very small portion of

that NIE in June 2002, there was a few comments about a growing

belief that North Korea had engaged in at least an R&D project for

highly enriched uranium.

In July 2002, the administration received very good intelligence

which made us dramatically change our assessment from the

DPRK being involved in just an R&D program. And we found, for

instance, an order of magnitude difference in the estimate that we

had received of how many centrifuges they might be obtaining, vice

what we received in new intelligence, which showed that they were

receiving and acquiring many, many more than was originally

thought. And it led us to a rather intensive study, which resulted,

in September 2002, in a memo to consumers from the intelligence

community, which said that in our view, the North Koreans had

embarked on a production program, no longer an R&D program.

This rather dramatically changed the presentation that my colleague,

Assistant Secretary James Kelly, was going to make in

Pyongyang from a rather bold approach that tried to address all

the security concerns on the Korean Peninsula in exchange for a

rather robust new relationship with North Korea, to an absolutely

necessity for us to confront the North Koreans with this information

that we had about their program for highly enriched uranium,

which, of course, Jim Kelly did. And, much to our surprise, on the

second day of his talks, the first Vice-Foreign Minister came back

and not only acknowledged that there was this program, but he

said that ‘‘we have even more developed weapons,’’ which threw us

into a bit of a tizzy. We did not understand what those weapons

might be.

We have subsequently learned, from foreign envoys who have

gone to Pyongyang and talked to the North Koreans about that,

that what they are referring to is the soul and the special affection

of the Korean people for the army-first policy, united behind the direction

of Kim Jong Il. So it just means the will of the people is

united to reject any sort of aggression. That is how we got here.

Now, what have we done since January 16? As we continue to

say, and the President continues to say, that we believe there is

a way to solve this diplomatically. Well, the Australians, the Russians,

and the Republic of Korea have all sent various envoys to

Pyongyang and have engaged in different discussions. A twice-rescheduled

IAEA board of Governors is now scheduled for 12 February.

And Dr. ElBaradei, who is otherwise involved for these few

days, will be participating in that Board of Governors meeting.

Under Secretary John Bolton and Assistant Secretary James

Kelly have gone to Seoul to make sure we shored up that relationship.

It is not a secret that we were experiencing a rise, a spike,

in anti-Americanism.

Additionally, the new government is in the process of forming.

One of the reasons we have been, in some minds, a little slow to

move off the mark is because, in fact, we do not have a new government.

President Roh in Seoul, he is busy formulating it right now.

I went to Moscow to meet with the Deputy Foreign Minister

Losikov, who went to Pyongyang and spent 6 hours in talks with

Kim Jong Il. The DPRK condemned our President’s State of the

Union Message. The North/South talks began and were completed.

President-elect Roh has sent an envoy yesterday and today to meet

with the Vice President, Secretary of Defense, and, this morning,

right now, with the Secretary of State. And, finally, this afternoon,

the Secretary is going to meet with Foreign Minister Tang of

China. And this evening, early evening, he is scheduled to meet

with Foreign Minister Ivanov to discuss both his presentation tomorrow

and the question of the North Korean situation and the

Korean Peninsula. And, finally, on Monday, I am meeting in a trilateral

meeting with Japanese and Australians in a strategic meeting

to try to figure out how we should move ahead.

So that is kind of a precise of where we are, and I will stop and

try to answer your questions, Mr. Chairman, colleagues.

Thank you, sir.

First of all, of course we are going to have to have direct talks

with the North Koreans. There is no question about it. Before we

do that, we want to make sure, as I tried to indicate on the 16th

of January, that we have, one, a strong international platform from

which to have these talks, and, two, we do not want this to become

simply a problem between the United States and the DPRK.

As you suggest, Mr. Chairman, there are regional good friends of

ours, allies of ours, plus two major powers, who are intimately involved

in this, and we want to make sure this thing does not rub

off entirely on us to come up with a solution. We are part of it, and

we are going to have to speak to the North Koreans, and we shall,

at a point in time when it is considered efficacious to move forward.

In the closed briefing we had on the 16th, sir, Senator

Brownback made some very heartwarming and, I think, heartfelt

remarks about refugees in North Korea. And, further, there was a

rather riveting presentation on 60 Minutes on Sunday evening.

And, again, Senator Brownback was there.

Based on our discussions on the 16th, in room 407, I went back

to the State Department, and we have begun, with our International

Organizations Bureau, Population, Refugees and Migration

Bureau and East Asia Pacific Bureau, to work together on how

we can better manage refugee flows and handle them.

There are hundreds, who, I am told, have been resettled this

year in South Korea. We are working hard to—where we know

about it and find out about it—to stop the Chinese from sending

back people to God knows what in North Korea.

But you and I and some others here have been involved in other

refugee flows, not just Eastern European—in Vietnam, where I

have sponsored more than 40 of these folks. Unfortunately, I was

not able to sponsor more, because some died on the way out. And

we have to be careful what we start. And we have got to make sure

we are in a situation where we can follow through correctly if we

encourage greater refugee flows. It is not something, I think, to be

done just on a whim. And I am not suggesting at all you are. But

that is the downside that worries me and that we have to figure

out how to handle.

I can so assure you.

Excuse me.

You will find, I think, that those who make this

comment are always unnamed. Maybe I am wrong. Maybe there is

someone out there who is uninformed, but they are generally

unnamed. And I can so assure you.

I have not been informed that we are hearing

that analogy in the Muslim world, but I know what you are talking

about. Our view, which some question, is that we have given over

12 years of time to try to resolve the situation with Iraq, and we

have been after finding out about the North Koreans cheating on

their 1994 agreement. We have only had a few months of diplomacy,

Senator.

I do not recall, personally. I will not say that it

has not come in, but I have not been, you know, hit up. And I meet

with our visitors from the Arab worlds, and I do not recall seeing

a cable on that. I do recall seeing a certain editorial opinion here,

more broadly, in the United States about that, sir.

Yes, sir.

I think, in strict terms of proliferation, I would

say North Korea, as I think I indicated to you in our briefing last

week. It has been, to my knowledge, limited entirely to the missile

proliferation, and they have proliferated to Yemen, to Pakistan, to

Iran, Egypt, and other places, and we have been very vigorous in

trying to stop that where we can find it, and we have had some

real success in Egypt.

In terms of chemical weapons [CW] and biological weapons [BW]

proliferation, we do believe that the North Koreans have a program,

but we have not seen them proliferate that. There are technology

suspicions that they have proliferated technology about nu-

clear weapons. We have no knowledge and no information about

fissile material.

On the question of Saddam Hussein, we know where he was in

1993. If he had not been interrupted by the gulf war, I think most

feel that he would have had a weapon by 1993 or so, a nuclear

weapon. His BW and CW affection will be well documented tomorrow,

I believe, by Secretary Powell and I do not want to overstate

it, for the obvious reasons—some intersections with various and

sundry terrorist groups. And that is our real fear with Iraq. I might

add, plus the fact that he’s used them. He has invaded two of his

neighbors in the last decade-and-a-half. But—so he has had quite

an active life.

No, you have heard from us, sir, I think, that we

believe he wants these weapons to dominate, to intimidate, and to

attack.

Yes, it is. It is clearly reparable. And both the

outgoing President, Kim Dae-Jung, and the incoming President

have taken great pains—as well as recent editorial opinion—have

taken great pains to note the closeness of our relationship over the

years.

I acknowledge that there was anti-Americanism, and it is understandable.

And you know the reasons probably better than I.

Generational change is part of it. But I think there is one more

subtle one, and I—we are trying to get a handle on it, and it is

this: South Korea is a country that has the tenth largest economy

in the world. They successfully have had the Olympic Games. They

successfully had the World Cup last year. And they are tired of the

big boys playing basketball over their heads, whether it is China

or Russia or the United States. So I believe we have a lot of work

to do in adjusting our own, sort of, presentations and work with the

Republic of Korea, and I think we are getting it done.

I need plenty of help, Mr. Chairman. No question

about it.

Thank you, Senator.

Thank you, Senator.

I was uninformed about it. I have asked about it.

I do not think it was true. I think what happened is the Livermore

Laboratory took part in or was part of a joint energy intelligence

assessment, and that their contributions, I have been informed,

confine themselves to research and development, not a production

of highly enriched uranium [HEU]. I can be corrected, and we will

research it further, but I—of course I looked at that article and was

very unhappy that it appeared.

I do not put much stock in that part. And I—if

I may take advantage, sir, Senator Biden and Senator Levin and

Senator Daschle sent a letter to Dr. Rice, which, of course, she will

be answering. But, in it, I think that article is referred to, as well

as another unnamed administration official, who alleged that the

administration was keeping quiet about recent developments concerning

activity at Yongbyon.

I want to hasten to let the chairman know and let all of you

know that I called, immediately upon seeing that letter, to the Deputy

National Security Advisor, who said, ‘‘Of course that’s not the

case.’’ And in my own investigations, I know that the President’s

special representative to the DPRK, Jack Pritchard, the day before

that article came out, had already briefed the general counsel to

the Senate Budget Committee.

So I think there is nothing to it, and I want to put a spike in

it if I can.

I am uninformed that they were told anything

more than some suspicions about R&D, which followed on the 1999

anomalies in procurement, Senator.

We know it is both ways, and we know a good

bit about a North Korean/Pakistan relationship. I, myself, however,

have had conversations, personally, direct with President

Musharraf, who has assured us these are over and they were in the

past.

But, beyond that, with your permission, I think it is a classified

matter.

Yes, you absolutely should.

That is correct, Senator.

No, there is not. I certainly—it is not going to be,

I think, before we get a steady government in the Republic of

Korea, but there is no question—I spoke to the Secretary about it

this morning—we are absolutely going to have to talk with them,

bilaterally. We acknowledge that.

Yes, the timeframe is important. I am concerned,

and I do not think, given the poverty of North Korea, that it would

be too long after she had a good amount of fissile material to do

whatever she wanted to do with it, first, that she would be inclined

to engage with somebody, a non-state actor or a rogue state.

However, I believe there is another major difference between

Iraq and North Korea. We think we know what Kim Jong Il wants,

at least the experience of our predecessors in the previous adminis-

tration indicate that he wants some economic benefits and things

of that nature in exchange for these programs.

It is quite a different situation in Iraq, Senator, where we feel

that what he wants to do, as I have said, is intimidate, dominate,

and attack. And we are not quite sure that is the motivation of

Kim Jong-Il.

Oh, I think he wants to use it for economic benefit,

sell, barter, whatever.

Yes, that is a concern. It is an absolute concern.

I have got several concerns in the world, and that is one of them,

and we are working it as best we can. I would just say that we

have been at this for several months, vice the other situation where

we have been at it for 12 years.

Thank you.

Well, I have, in previous testimony, and I am

more than happy to talk about it. But there is one thing that I

think we have to get right on the record crystal-clear, and that is

the development of the HEU facility preceded the ‘‘axis of evil’’

comments by our President. They preceded by a couple of years. So

let us be clear on that. He was cheating on his agreement with our

predecessors before the President ever said anything about ‘‘axis of evil.’’

Just passed right by that one, and we had other comments.

That is exactly correct, Senator. Thank you, sir.

That is a great question. I am not sure I have a

competent answer. I am going to try. First of all, there are some

good things that happened. I think it is quite clear that, from 1994

to now, Yongbyon, itself, did not produce more plutonium which

could be turned into nuclear weapons. And so there are dozens of

nuclear weapons that North Korea does not have because of the

Framework Agreement. And we have to acknowledge that, I believe.

I think, equally, as we have looked back—intelligence hindsight,

just like our hindsight, is clear—we find that the North Koreans

were, at least from February 2000, intent on going to a full-up production

program of HEU. And that, as intelligence keeps looking

back, they get more and more granularity.

I am not sure what we could have done. Look what happened to

the South Koreans, who had, I think, the most well-disposed leader

of South Korea possible in Kim Dae-Jung, who leaned way forward

to try to accommodate Pyongyang and was basically rebuffed. He

did get one summit meeting.

So I think that my view is—and I would defer to my colleagues

on the following panel and Ash Carter, particularly, who had something

really to do with the Framework Agreement—I think that

Kim Jong Il was intent on having it both ways. He wanted the economic

benefits from the 1994 agreement, but he also was intent in

his own pace in developing these weapons. That is the inescapable

conclusion I come to.

Well, in some cases, it is one in which we simply

jawbone and point out the inadvisability of a path that is being followed.

And I would say, in that regard, South Africa springs to the

fore, Brazil too. Taiwan, at one time, was going to be engaged in

a program of nuclear weapons development, and they eschewed it

because of a lot of conversations that the late Gaston Sieger and

others had with the leadership of Taiwan for their own self-interest.

In other cases, such as ones that the Members of the Congress

are very well aware of, we have been able to retard the development

of these through sanctions and through various legislation.

Pakistan comes to mind in this regard.

So I think it is very much sui generis, and I know how

unsatisfying that is as an answer, but I think it is the case, sir.

We are always looking at Libya. I am unaware

right now, that Syria poses a concern in this regard, but we keep

our eye on her, but Libya is one.

Without trying to wiggle off the hook, I would request

to handle that in classified or closed session, sir.

Thank you, Mr. Chafee.

Yes, sir. First of all, thank you for the comments

on that bipartisan report, which I chaired, and even a member of

your staff participated in. And you will note that——

I thought he would.

That the basic recommendations in that bipartisan report were

the basis for the so-called ‘‘bold approach’’ that President Bush authorized

Assistant Secretary James Kelly to convey to Pyongyang.

And you will note that the so-called Armitage report is not very far

from the excellent job that Bill Perry and Ash Carter—and they

will speak about it more astutely than I in a few minutes—engaged

in, where you gave North Korea a choice of two branches—one,

good things follow; and the other, bad things follow. He didn’t necessarily

say that we were going to war, but that you would face a

much more negative military equation than you face at the present time.

The big change in going from two to eight weapons would be on

the danger of proliferation for the United States.

Of the fissile material, sir.

Right now, the 8,000 fuel rods, if they were reprocessed—

if they are taken out of the ponds, if they move to the

reprocessing facility—you can harvest, as I understand it, 25 to 30

kilos of plutonium, which would be enough for four to six weapons,

which would then add up to your eight. So I think—in several months.

Let me explain my reasoning on this, Senator.

First of all, the Republic of Korea is already under as much threat

as they can stand, when they have 40 percent of their population

and 60 percent of the GDP under the guns and the rockets of the

forward-deployed army of North Korea. So I do not think another

nuclear weapon or two in that regard dramatically changes their equation.

Where it’s changed, in the first instance, is with Japan, and this

is where our equities are very high, and particularly if the North

Koreans continued to develop their missiles. So it’s the marriage of

Taepo Dong capabilities, No Dong capabilities, extended, where the

threat to our allies comes in, and then laterally. Right now, we

know that their Taepo Dong fired to 3,800 miles or so, based on

the 1998 test. And if that reached our shores, then, of course, the

threat goes up to us dramatically.

But we really are pushing back on the notion of ‘‘crisis,’’ not because

it has anything to do with Iraq, but because why tell the

other guy he’s gotten your attention so much?

No, they are, indeed, suggesting that. And our

suggestion is not quite that we handle these talks multilaterally,

but we have a multilateral umbrella of any sort.

I suspect Mr. Kelly has blunted his lance with

the North Koreans for awhile.

We might need someone else.

The Secretary told me about your phone conversation

with him over the weekend, sir. He took it very seriously.

We discussed it on Sunday.

I know he laid out for you our views.

I will try. I mentioned this in S–407. I got a lot

of nods from the Senators who were there assembled. I said that

our estimation was there was a zero chance, under the present circumstances,

of being able to get a treaty of nonaggression through

the U.S. Senate. And the North Koreans had started out stating

they just wanted to document it in some fashion, a nonaggression

pledge, and the Secretary responded that we would be able to accommodate

that. But now they’re saying they want a treaty that

is ratified by the U.S. Congress, and, of course, by the Senate is

what they mean. And it is our estimation today that there’s zero

chance of that being possible.

Senator, a slight tweak, if I may, on your opening

comments. In the 1994 Agreed Framework, you are correct that in

the opening paragraph, in fact, in the opening sentence, we commit

ourselves and the DPRK commits themselves, to negotiate an overall

resolution of the nuclear issue on the Korean Peninsula. It does

not mention missiles. However, we did not commit to fund the

light-water reactors. We committed to form a consortium. And

South Korea pays approximately 70 percent, Japan pays about 22

percent, and there is an 8 percent funding gap in the light-water

reactors.

We did commit to fund heavy fuel oil, sir, which was estimated

to be what would replace the energy development at that Yongbyon

reactor.

Well, I am just trying to lay out the facts Senator.

I do not want to confuse the issue.

I mean, whether we fund the light-water reactors—

I think there is some confusion on Capitol Hill about that—

and we don’t.

And we haven’t.

Senator, on the question of missiles, the whole essence of the socalled

bold approach that Mr. Kelly was going to present not only

tried to encompass the remaining nuclear issues and the missile

area, but the conventional area and human rights on the peninsula.

That was the essence of our approach for the bold approach,

to try to wrap them all up. Because, as I indicated earlier, if you’re

threatened from a nuclear weapon or you’re threatened from approximately

11,000 tubes of artillery forward-deployed, you’re

threatened in the same way. You’re going to die if the bubble goes

up. So we wanted to encapsulate all our concerns with North

Korea, and that’s what Jim Kelly was sent to do. And, on the way

to Pyongyang, it was derailed by the revelations about the HEU.

I can assure you that we’re not going to try to let that slip again.

I’m not making a criticism of the previous administration. They

went after the nuclear issue, and, as I’ve indicated, they made a

difference for a number of years in the weapons that could be available

to Pyongyang.

On the proliferation of which I’m aware of, North Korea is primarily

missile. There has been nuclear technology, but it’s primarily

missile. We stop it where we can, and they are not party

to the MTCR. We sanction individual companies, which we’ve done

in North Korea, and to recipients, and we continue, where possible,

to break the linkages between certain countries and North Korea,

whether it’s just on Scud missiles or on any other development.

And we can—and I’m happy to provide, in a classified provision, to

the members, a list of, country by country, where we’ve done this.

Thank you, Mr. Allen.

Good morning, sir.

That’s a prudent military planning procedure,

and as far as I know, nothing has moved forward. It’s an alert to

be available to move forward.

A contingency that North Korea would, in some

fashion, try to take advantage of our focus on Iraq, Senator.

My understanding of this is that Admiral Fargo

has requested this and has not further specified whether it would

be conventional. We think it probably would. But we have no further

information. It’s just prudent military planning.

If he moved against South Korea.

Yes, or other interests, like Japan. That’s right.

I think, given the fact that they were so rebuffed

recently, that there is some real soul searching going in Seoul

about just how to handle the North Korean situation we have. The

envoy of the President-elect Roh, who met with the Secretary a few

minutes ago, and he met with—he’s meeting with—the Vice President

and the Secretary of Defense. And I can’t give you his reaction,

but I know the editorial opinion in Seoul.

Which has been that South Korea was rebuffed,

and it’s an embarrassment to the Republic of Korean Government,

and that North Korea is not playing fair at all after all the efforts

that the previous government and administration had put forward

to try to resolve the North/South issues.

Yes. Generally, they have said they want us to

talk to the North Koreans directly. We have agreed with them, and

it is a question of when we’re going to do it and how.

For at least a month, perhaps more, we have indicated

to the South Koreans that we will talk to them, once we’re

sure of our international base. And we are still, as I answered earlier,

sir, trying to not have this become simply a bilateral issue.

There are several nations in the world that have real interest

there, including two great powers, China and Russia.

Secretary Powell will be meeting with Foreign

Minister Tang of China this afternoon in New York. I think it’s a

fair description of their, sort of, schizophrenic approach to North

Korea. They are very unhappy with the possibility of nuclear developments

on the peninsula. They are also, they tell us, quite aware

of the North Korean paranoia, and they treat things very gingerly.

It’s very instructive to look at the Korean war period, and particularly

Chinese assistance to the North Koreans, where Chinese

veterans or Chinese military, the People’s Army, in my view, saved

the situation for North Korea, and then the Chinese were treated

just horribly immediately thereafter by the North Koreans, and it’s

something that China has never come to grips with, and they are

quite schizophrenic about.

Yes, sir. It’s about half, I think, of their foreignaid

budget goes to North Korea.

I think that’s a fair assumption, and I tried to

refer to in my answer to your question about military alert orders,

sir.

Not at this point, I would not. It was—potentially,

it could be a very serious threat, particularly the threat of

proliferation.

The reason I do not see it in the same regard, Senator Sarbanes,

is because there has been a rough stability on the peninsula of

Korea, for 50 years, as unpleasant as that has been and as much

sacrifice as that has meant in South Korean coffers and our own,

that’s quite a dramatically different situation from Iraq, sir.

Yes, we realized we were dealing with a problem,

a big problem.

A big problem.

No, I wouldn’t, Senator, and I spoke earlier about

that. And the reason I wouldn’t label it a ‘‘crisis,’’ I think we have

got some time to work this. We have been working it for several

months, not 12 years, like in Iraq. It could develop into a crisis, but

it’s not there now.

Thank you, Senator.

In 1981, sir, the United States and Japan decided

on a roles-and-missions approach to our bilateral alliance, and in

that roles-and-missions approach, it was the United States who

took responsibility for the nuclear umbrella over Japan.

And my view is that as long as the United States continues to

provide the nuclear umbrella, Japan will not arm in a nuclear fashion.

If, however, Japan begins to question our affection or our alliance,

then it would lead to the rather destabilizing situation to

which you refer.

I believe that the arms race in North Korea pales next to the

possibility of proliferation, which is our major fear, from North

Korea, that she would pass on fissile material and other nuclear

technology to either transnational actors or to rogue states.

Yes, Senator, it refers back, I think, to the, sort

of, spike in anti-Americanism that exists. I know that Secretary

Rumsfeld and his colleagues are reviewing our troop presence, not

so much with an idea to moving them out of South Korea, but perhaps

to reconfiguring them and perhaps moving them out of the

capital a bit to, sort of, lower the profile. But that’s a work in

progress that will take place with the Korean Government and

with the Government of Japan’s witting accomplice and knowledge.

If I may, I want to take the opportunity to point out that we

often talk about the 37,000 U.S. forces that are in Seoul. We talk,

much less, about the 30,000 businessmen, Americans who are

mainly in Seoul, but not entirely, or the average of 44,000 American

tourists. And so, year by year, American visitors to Seoul,

month to month, go from 20,000 to a high of 66,000. So we are really

talking about citizens of the United States in Seoul of about

120,000 to 140,000 people. So we have got a huge investment.

And that brings into play what our former colleague, General

Tilelli, calls the ‘‘tyranny of proximity,’’ proximity to the DMZ in

the forward-deployed forces.

I think there is a little bit of difference. I am not

sure I am qualified—I am not a Europeanist, but I know that the

more recent reason for the spike in North Korea—or South Korea,

excuse me, sir—has to do with the generational change, the fact

that we had that terrible event where two young schoolgirls were

run over by U.S. military equipment—and to the South Korean

mind, there was not sufficient punishment meted out in that regard;

no one ‘‘took responsibility,’’ to use the Asian phrase—and it

also, I think, reflects a frustration that the South is having in dealing

with the North.

And, finally, what I referred to earlier, a country of almost 50

million people who’s got the tenth largest economy in the world is

a little frustrated in having others play, in my words, ‘‘basketball

over their heads,’’ making decisions that really affect them and

that they’re not fully and totally a part of, and I indicated we’ve

got to do a better job in that regard.

Thank you, sir.

If I may, Mr. Chairman, my understanding is a

little bit different. Mr. Powell is going to New York to meet with

Foreign Minister Tang and Foreign Minister Ivanov today, and my

understanding is the President and Dr. Rice are going to hold that

briefing for the leadership, sir.

That is correct. That is my understanding, sir.

For several reasons you may, in fact, and I suspect

you will disagree with. One has to do with how long we’ve

been working diplomatically to try to resolve the North Korean situation,

months rather than years, as in Iraq. Second, that although

it’s been unpleasant, there’s been a rough regional stability with

North Korea that has not existed with Iraq, who has invaded her

neighbors twice. Third, we do believe we have an understanding of

what Kim Jong Il is after, and that is some sort of economic relief

and assistance, vice Saddam Hussein, and we believe that is not

at all his motivation; it’s domination, intimidation, and the ability to attack.

On the question of proliferation, you’re right. I don’t think that

Saddam Hussein has been a major proliferator. Our fear has been,

as we’ve tried to explain, the nexus of his weapons, his bloody-mindedness,

and terrorists, some of which, as I indicated last week,

Senator, the Secretary will lay out tomorrow.

But that is not the major presentation of Secretary Powell tomorrow.

His major presentation, as I stated, is to try to fill in the

blanks in why Dr. Blix said what he said, and denial, deception,

and things of that nature.

The review of Korea policy was completed in June

2001, Senator, and, almost immediately, the Secretary of State indicated

that we’re ready to sit down and talk with the North Koreans.

It took them, by my recollection, until April 2002 to come forward

and say they wanted to meet. Secretary Powell then met at

Brunei with the DPRK Foreign Minister and—to set the groundwork

for Mr. Kelly’s subsequent visit.

It was about a month or so in front of Mr. Kelly’s visit to

Pyongyang that we got what we felt was incontrovertible evidence

of a production program of highly enriched uranium, which very

much changed his presentation.

There are, in an unclassified session, primarily

three missiles, Scud missiles, which are well known, and we believe

there are approximately 500 in their inventory; No Dong missiles,

which have, we believe, about a 1300-kilometer range, so you can

draw that arc, and that’s the longest-range ballistic missile that

North Korea has deployed; and then there’s the Taepo Dong, which

is a multiple-staged ballistic missile that may actually be capable—

may be capable—of reaching some portions of the United States.

First of all, our major concern in this regard is

Japan, where we have such a heavily invested relationship across

the full range of cultural, political, economic, and military aspects.

But it is—the missiles have been—the whole problem of missile

proliferation has been one of the major intersections of U.S. policy

for successive administrations, and we’ve spent a considerable

amount of time trying to subvert, interrupt, stop, and jawbone people

out of these type relationships with North Korea, with varying

amounts of success, sometimes quite successfully.

Clearly, Japan is more concerned about the latter,

changing the profile. I think the Russian and the Chinese attitudes

are slightly different. The last thing they want is this paranoid,

difficult neighbor which borders them to be involved in a contretemps

with the United States, or, at worst, some sort of military

conflict which might ultimately end up with U.S. forces 25 or 30

kilometers from their border. Now, I’m not suggesting that at all,

and let me reiterate that diplomacy is the preferred option, but it’s

that specter in the back of the mind, I think, of Chinese and Rus-

sian political leadership types that really bothers them. They’re not

as concerned about proliferation.

If I may, Senator, that’s, sort of, two different

questions. On the first half, generally, because of fears of difficulty

with the United States, China and Russia have attempted to be

helpful. Dual-use technology, however, comes from a variety of

sources and is not limited at all, because of the dual-use nature,

to Russia and China. There are many, many countries who have

been involved—Germany, for instance.

We have, indeed, when we catch folks involved in

this. And it’s primarily a matter of intelligence giving us information

on who’s doing this, and then we try, through diplomatic

means, to stop the transaction.

Yes. No, I mean——

Well, our dual-use concerns, I’m saying there are

many, many countries who have been involved in the provision of

dual-use equipment. And, of course, by its very nature, it can be

used for a very benign situation or it can be used for a less benign.

And in some of the cases, we’ve found, they’re—the end users are

listed as a benign end user, but, indeed, they’re subverted and converted

to military use.

Yes, I do not believe so, Senator.

No, I didn’t say anything about the White House,

sir. I said that it was not delivered to me. And my understanding,

after investigating over the last couple of days, was that the Livermore

effort was part of a more general gathering of intelligence for

the Energy Department, and it was primarily, if not exclusively,

limited to the R&D program, which we and the previous administration

had some concerns about.

Let me hasten to add that I’m not going to hang my hat on that,

because I only know what I know, and that’s what I’ve found out

thus far. And if there’s a change in that, I’ll certainly get back to

the committee.

Senator, the information about the production

program of HEU was available in a memo to consumers. It was

briefed, according to what the CIA tells me, to the Intelligence

Committee. I know Jim Kelly—I had some conversations with some

of the members of this committee immediately after Jim’s trip to

Pyongyang, and Jim—and I have met a whole host of contacts he

had with members of the staff of this committee, and others,

where—we made it very clear our view of the status of the HEU

production program and what we had heard in Pyongyang. It was

prior to your consideration of House Joint Resolution 114.

No, I don’t believe all the Senate, but it’s quite

a full list of staff and members who were briefed either by me, Mr.

Kelly, or others, sir.

We do believe that they—the North Koreans have

both a robust biological program as well as a chemical program. We

do not have good information about the weaponization of those programs.

We have a real gap in our knowledge.

North Korea is a signatory to the Biological Weapons Convention

and not to the Chemical Weapons Convention, and I’ve just exhausted

the sum total of my knowledge of that subject, sir.

Sir, with all due respect, I think the only difference

we have between the Iraq situation and the North Korea

situation has to do with the nexus of terrorists and terrorism,

where it’s much more pronounced in the Iraq situation than it is in North Korea.

It is true, quite true, that North Korea is on the terrorist list.

And the reason that they’re on the terrorist list is because they

have not provided or given up the Red Army faction who has been

hiding in Pyongyang—we have, and the international community

has a lot of questions about that in the unique and very tragic situation

of the abductees from Japan.

But in terms of the rest of it, I think there’s perfect analogy—

indeed, to include the United Nations—because if we have the

IAEA Board meeting on the 12th of February, as it is scheduled,

that Board will then report to the Security Council their findings.

So it’s following a very similar track to the question of Iraq, thus far.

Yes, sir. Thank you, sir.

I think it is a very provocative and very worthwhile

question. If I can, however, I want to set the stage a bit.

First of all, you are absolutely right, we have never seen what’s

theoretically impossible; that is, production of Marxist monarchy

which we have here, as Kim Il Sung morphed into Kim Jong Il. So

we’re dealing with a creature we haven’t had any experience with.

There is—and you would know from your Intelligence Committee

participation, sir—there’s a very interesting personality profile of

Kim Jong Il, and I call it to you and your colleagues’ attention.

Having said that, there is nothing wrong with considering the

bold approach again. But this is not something—first of all, to set

the stage again, when he, Kim Jong Il, was in the middle of his

economic reform package, which he thought, apparently, was going

to reap some benefits for his nation, he was also developing the

HEU at the same time a previous administration, in perfect good

faith, was trying to move forward with him.

So he is—I don’t gainsay that he is desperate right now, but part

of the desperation has been he has failed, he has been found out.

We know what he was up to. He was trying to have it both ways.

Now, having said—I’d like to set the stage there, at least for my

side—the question of whether to pursue a bold approach or not

again is certainly on the table. It is not something, however, that

an administration could do without setting a lot of groundwork in

motion, not the least of which is up here. Because at the end of the

day, there are real different views up here about the proper way

to move forward, at least as my telephone logs would show. We get

a lot of advice, all of it well-meaning, all of it sincere, but it’s not

in one direction or another.

You’ve offered a provocative question, which I think is a good

one, and it’s not one that the administration is going to push and

dismiss out of hand at all, seeing last year we were fully ready to

have Jim Kelly move forward on just that type of approach.

Thank you, Senator.

It’s both our duty and an honor to be here, Senator,

and I thank you.

May I add—well, I want to correct the record, but

I’d like to try to be a tiny bit more articulate on this. I agree with

you that an informal poll of Capitol Hill should not inhibit the development

of good, sound policy, but I want to hasten to make it

clear that whatever course of action the administration finally sets

upon, it is incumbent upon us to be very much in lockstep with the

majority, and that takes—with Members of the Congress—and that

takes our willingness and ability to consult rigorously and throughout

with you and your colleagues and on the House side, sir.

Thank you much, Senator.

Thank you for you inspiration, sir.