Thank you very much, Mr. Chairman.

First of all, it is a pleasure to be here with the committee. I look

forward to having the opportunity, perhaps, to respond to some of

your questions.

I just, for the purpose of the record, I would note that, in addition

to my service in Korea as Ambassador, I was also the first executive

director of the Korean Peninsula Energy Development Organization,

the body that was charged, for better or for worse, with

building light-water reactors in North Korea, and I served in that

position from 1995 to 1997, during which time I had extensive contacts

with North Korean negotiators and learned how difficult they

can be, which tempers any remarks I might make here this morning.

This is an extraordinarily difficult problem. It has bedeviled successive

American administrations. And I think it would be unfair

for anyone to sit here before this committee and say, ‘‘Well, there

is a simple solution to this,’’ an easily identifiable formula through

which can deal with this extraordinary complex of very tough and

dangerous issues.

I am going to make just a few brief points about North Korea,

what might be its motivation, and then comment briefly on South

Korea and the U.S./South Korean relationship.

First of all, I think the best way to think about North Korea and

what it is doing is to bear very much in mind that every act it

takes has a connection to its desire to survive as a regime. It has

no friends. It, in its view, has no meaningful connection with countries

around it, nothing that it is not willing to sacrifice, and it has

no shame, nor any guilt. Its only objective is regime survival.

Now, that means, on the one hand, that it is extraordinarily desirous

of economic assistance to take account of the fact that its

economy is not just collapsing; its economy has collapsed. Industrial

production is 20 to 30 percent of what it was 10 years ago.

Energy output has fallen by a similar measure. We know they cannot

feed their population. This is a country whose economy has collapsed.

However, at the same time, I think we should not underestimate

the extent to which a desire for a peculiar form of international respect

also motivates North Korea. And there is, difficult as it may

be for us to understand or, certainly, to explain, a sense in North

Korea that they want to be respected. They want to be taken seriously

by the outside world. And I suspect that, to some extent, the

nuclear program is designed to ensure that they are taken seriously

in one measure or another.

I do not know what North Korea’s goal is with regard to its nuclear

program. I have been of the view for some time, even when

the Agreed Framework was still in place, before we knew, certainly,

about the enriched uranium program—many of us had suspected

that North Korea had retained some vestige of a nuclearrelated

program, if only as part of a hedging strategy. And when

the HEU program was first unveiled, that was my assumption,

that it was—we had found their hedge.

They have subsequently, of course, taken this step-by-step process

of breaking out of the Agreed Framework, and they are now reactivating

their plutonium program, which, as Dr. Carter has

pointed out, is a much more threatening activity, because it is

much more imminent.

But I do not know whether they really want to become a nuclear

power. Do they see that now as the key to their regime’s survival?

Or is it possible that they still consider this nuclear program, the

Yongbyon program, as they did in 1994, something that they are

willing to bargain away? The only way we will know that is to talk

to them and test it.

In dealing with North Korea, as has been said here, it is absolutely

essential that we do so in lockstep with the Republic of

Korea. We must have a common strategy, and we must have an

agreed allocation of responsibility in terms of how we deal with

North Korea in the negotiating, both through a mix of carrots and

sticks. Many of the carrots can only come from South Korea. And,

at the same time, many of the sticks must come from South Korea

in the form of withdrawn carrots, if you will.

South Korea now has established a position of some economic leverage

over the North. And unless South Korea is willing to put

that out on the table, our effectiveness in dealing with the North

Korean regime is going to be very limited, indeed.

Now, what is the problem with South Korea? I think, basically,

the problem with South Korea is, first, generational. Yes, it is true,

as Ambassador Gregg has said and others have said today, that

those South Koreans under the age of 50 have no acute memory

of—firsthand memory of the Korean war, and their sense of gratitude

to the United States has perhaps eroded a bit.

Moreover, I think there is no question that a large number of

South Koreans perceive that this administration has been employing

what they term politely a hard-line policy toward North Korean.

And that bothers them, because they see that as being diametrically

opposed to the efforts of their own government, the ones

still serving and the one they have just elected, to pursue a policy

of reconciliation toward North Korea.

So they have come to view—some, and some have told me this

explicitly—come to view the United States no longer as just part

of the solution, but as, indeed, part of the problem. And I think

that is a matter that requires urgent consultation to resolve.

There is also, I think, an asymmetry in terms of South Korea’s

assessment of the threat and the risks of dealing with that threat,

as compared with our assessment of the relationship between the

threat and the risks of dealing with it.

For us, the threat of North Korea as a nuclear power is a global

concern. It has to do with other states. It has to do with non-state

actors. It is, in some ways, the only perceptible threat to American

national security—not just from North Korea, but weapons of mass

destruction in the hands of people who would threaten their use—

is really the only, last threat to American national security. So we

are willing to pay a very high price to ensure that that threat does

not grow. Indeed, the discussion of coercive diplomacy that some

have engaged in is simply a euphemism for saying, ‘‘Yeah, we’re

willing to use military force if absolutely necessary.’’

For South Korea, the threat it not a global threat, and many

South Koreans do not perceive that their security would be severely

worsened by North Korea’s development of nuclear weapons.

Yet they accurately perceive that an effort to deal with that threat

that went beyond diplomacy would impose a very heavy burden on

them. So they accept or incur what, from their point of view, is an

unacceptable level of risk in trying to combat a threat, which they

see also as a threat, but they do not see it in the same way that

we do. And we see the risk as involving essentially the Korean Peninsula

and northeast Asia.

So I think that it is essential that the administration, that this

government, reinforce its efforts to try to come to grips with and

tackle the differences between ourselves and the Republic of Korea.

I am convinced that the new administration in South Korea very

much wants a stable, good relationship with the United States. I

think they are eager to begin a process of close consultation with

the objective of doing in 2003 what we did in 1998 in the exercise

that Bill Perry led, and that is come to a common assessment of

the facts, come to an agreement on what a desirable strategy would

be for dealing with those facts, and then allocate responsibilities

between the two of us and with other countries in the region.

But in order for that to happen, the United States, I believe, has

to move very quickly to engage directly with North Korea. Yes, it

is very desirable to have a multilateral framework within which

those bilateral contacts take place, but there is no substitute in the

current constellation of forces in northeast Asia, nor, indeed, in the

one that is likely to be present in the future, for direct, active leadership

by the United States.

Thank you, Mr. Chairman.

Very briefly. I think that, in terms of

South Korea, we need basically two things. One, we need a process

which does not appear to the South Korean public that the United

States is dictating to its new government.

This is a newly assertive South Korea, and the electorate will insist,

as they demonstrated during the election itself, that its government

stand up to the United States. Now, it is sad to say that

we are at that point, but they have a deep suspicion that the

United States is going to try to dictate a policy to their new government

which responds to American goals and objectives and interests

and does not respond to theirs. So we need a process which

avoids that. And I think, personally, until we have gone a lot further

in discussing these issues with the new government in South

Korea, it might be just as well not to try to be precipitate about

a meeting between the two chiefs of state.

The other thing is that we need a U.S. policy. What is it we are

trying to convince South Korea to do? I mean, as someone who follows

this all very carefully, if I had to go back over the last 2 years

and say, ‘‘This is what we’ve been attempting to do,’’ it would be

very difficult for me. So I think that we have to have a policy that

we can ask the South Koreans to coordinate with us on.

Well, Senator, for myself, I would only

say that having served in various administrations of both parties,

I am somewhat reluctant to comment on what may be going on in-

side, because I think they are very much like a marriage, and unless

you are on the inside, you really do not know. And even when

you are on the inside, you may not know everything that is going on.

My sense is that, at one point, perhaps, the arguments you make

or the observation you make may have been actually quite correct.

But I think when this goes beyond just a missile problem and becomes

a problem of, as Ash Carter says, ‘‘loose nukes’’ in northeast

Asia that that should, sort of, take care of the argument about

whether or not we use this as justification for national missile defense.

It seems to me that there is a deeper sort of question here, and

that is the—how does this country, as powerful as we are, how do

we deal with bad things in the world and bad people? And I think

there is—as objectively as I can state this, there is a tendency, on

some issues, to approach them from a perspective of what one

might describe as moral absolutism rather than from the perspective

of how you can manage the problem. And that brings you to

things like regime change as an ultimate goal.

I have no willingness or desire to see the regime of Kim Jong Il

continue any longer in North Korea, but I am concerned about how

you bring that about, and I think that is the question that has to

be constantly reexamined.

Well, I sometimes think, Senator, that

we spend too much time talking about what we will do ‘‘if.’’ And

I think we—in the case of North Korea, for example, I think in our

consultation with South Korea, we should publicly stress what we

are prepared to do on what I would describe as ‘‘the high road,’’

how we are prepared to try to put this thing back together.

We should probably talk quietly and privately with South Korea

about what we do if that does not work.

But to the extent that we start talking

about it publicly, we undercut the effectiveness of what we are trying

to do on the high road.

So, you know, I think sometimes we

allow the rest of the world to participate, at least orally, in too

much of our internal discussions over our role and purpose in the

world, and it makes them very nervous.

We are a very powerful country, and, since September 11, we are

also a rather frightened country. And that combination really does

upset people, because they are not very certain about what we are

going to do under certain circumstances.

So I think, in dealing with South Korea first and then North

Korea, I think we ought to stress publicly what we are prepared

to do, in a positive sense. To say explicitly that we are not prepared

to contemplate regime change, I would rather—having said already

what we have said in the past, I would like to get something for

that statement.

I agree with what some of my friends

here have said, that waiting for a collapse is not a policy. Now, at

the same time, I would also observe that this is a system that is

under tremendous stress, and I would be surprised, but not

shocked, to wake up any morning and find there had been a very

cataclysmic change in North Korea. I think that is always possible,

but it is not a policy.

My best analogy is perhaps the case of

Argentina during the Falklands war, when Secretary Haig was engaged

in shuttle diplomacy between London and Buenos Aires. And

he observed that when he went to Buenos Aires, he had to consult

with dozens of generals, even though it was a military dictatorship.

When he went to London, he had to consult with only one person,

and it was a democracy.

So I would suspect that Kim Jong Il has to, as Don Gregg said,

take account of the views of others. He cannot ride roughshod over

what the military sees as its interest or a senior cadre in the party

see as their interest. But I do not think he is, from all evidence—

and, again, I stress we are doing all of this on the basis of three

or four data points on a big screen—from all evidence, I see no conclusion

that he is under any threat of being replaced or displaced.