Thank you very much, Mr. Chairman, Senators, for

this timely opportunity to meet with the committee again to discuss

the efforts the United States and like-minded countries to deal

with the threat of North Korea’s nuclear ambitions.

I have a much longer statement for the record, and I will, with

your permission, sir, present only an abbreviated version here orally.

I will focus my remarks on these four topics: a brief

overview of the DPRK’s longstanding determination to move ahead

with its nuclear weapons programs; second, the Bush administration’s

commitment to multilateral diplomacy; third, an explanation

of the proposal that the U.S. tabled at the third round of the six-party

talks last month and of the proposal tabled by the DPRK;

and last, the opportunity the DPRK has now to improve its relations

with the international community and to reap the full rewards

of trade, aid, and investment, and what North Korea’s

neighbors and the international community expect in return.

North Korea’s nuclear programs are a longstanding threat. As I

detail in the full statement, the DPRK leadership decades ago set

out on a path to acquire nuclear weapons. That effort led to mounting

tensions with the United States and the international community.

In 1993, after North Korea announced its intention to withdraw

from the Nuclear Non-Proliferation Treaty for the first time, the

United States and North Korea began high-level talks that culminated

in the Agreed Framework of 1994. That agreement obligated

the DPRK not to produce fissile material at its declared nuclear

facilities at Yongbyon and its preface stated that its purpose

was ‘‘an overall resolution of the nuclear issue on the Korean Peninsula.’’

The Agreed Framework did not, as we learned later, end the

North Korean nuclear arms programs. By the fall of 2002, our intelligence

community assessed that North Korea was pursuing a

covert program to produce enriched uranium and had been pursuing

it for a number of years, even as it negotiated with senior

American officials to improve relations.

I led a delegation to Pyongyang in October of 2002 to confront

the North Koreans with our assessment that they have a uranium

enrichment program. Instead of taking the opportunity we had afforded

them to begin walking back their covert uranium enrichment

program, the North Koreans escalated the situation, expelling

International Atomic Energy Agency inspectors, reactivating the 5-

megawatt reactor at the place called Yongbyon, and announcing its

withdrawal from the NPT. If the DPRK, as it has declared, has finished

reprocessing its 8,000-plus existing spent fuel rods, it could

have produced enough fissile material for several additional nuclear

weapons.

The United States has adhered to two basic principles to resolve

this threat. First, we seek the complete, verifiable, and irreversible

dismantlement of its nuclear programs, nothing less. We cannot accept

another partial solution that does not deal with the entirety

of the problem, allowing North Korea to threaten others continually

with the revival of its nuclear program. Second, because the

North’s nuclear programs threaten its neighbors and the integrity

of the global nuclear non-proliferation regime, the threat can best

be dealt with through multilateral diplomacy.

I can report some progress to you on both counts. I have reported

to you before on earlier trilateral and six-party discussions, all of

which set the stage for our third round of discussions last month

in Beijing. These were useful and constructive.

The working group met June 21 and 22 and the plenary for 4

days after that. Over the course of that time in Beijing, the United

States met directly with all of the parties, as we have at all of the

sessions of the six-party talks.

In addition to the United States’ proposal other parties put forward

constructive proposals, which I have outlined in the prepared

statement. We had not expected breakthroughs and I have none to

report to the committee.

Under the U.S. proposal, developed in close coordination with the

Republic of Korea and Japan, the DPRK would, as a first step,

commit to dismantle all of its nuclear programs. The parties would

then reach agreement on a detailed implementation plan requiring,

at a minimum, the supervised disabling, dismantlement, and elimination

of all nuclear-related facilities and materials; the removal of

all nuclear weapons and weapons components, centrifuge and other

nuclear parts, fissile material, and fuel rods; and a long-term monitoring program. This would include North Korea’s uranium enrichment

program, which the DPRK continues to deny.

We envisage a short initial preparatory period of perhaps 3

months’ duration to prepare for the dismantlement and removal of

the DPRK’s nuclear programs. DPRK actions would be monitored,

subject to international verification.

Under our proposal, as the DPRK carried out its commitments,

the other parties would take some corresponding steps. These

would be provisional or temporary in nature and would only yield

lasting benefits to the DPRK after the dismantlement of its nuclear

programs had been completed.

Now, the steps would include: Upon agreement of the overall approach,

including a DPRK agreement to dismantle all nuclear programs

in a permanent, thorough, and transparent manner, subject

to effective verification, non-U.S. parties would provide heavy fuel

oil to the DPRK. Upon acceptance of the DPRK declaration, the

parties would provide provisional multilateral security assurances,

which would become more enduring as the process proceeded.

Begin a study to determine the energy requirements of North

Korea and how to meet them by non-nuclear energy programs, and

begin a discussion of steps necessary to lift remaining economic

sanctions on the DPRK and on steps necessary to remove the

DPRK from the list of state sponsors of terrorism.

Secretary Powell told the North Korean Foreign Minister, at the

ASEAN regional forum in Indonesia on July 2, that the U.S. proposal

aimed to go forward on the dismantlement of North Korean

nuclear programs and that there is an opportunity for concrete

progress.

The DPRK proposal restated its goal of a freeze for rewards, including

energy assistance, lifting of sanctions, and removal from

the list of countries sponsoring terrorism. We are continuing to

study the North’s proposal. As I noted, it is clear we are still far

from agreement.

Our initial assessment is that the DPRK proposal lacks detail

and is vague on a number of key elements. Still, there are some

positive elements and positions that have been staked out. The

DPRK claimed that the freeze would be the first step on the path

to nuclear dismantlement, not an end to itself, and on that point

we agree.

We and other parties have questions about the DPRK proposal,

including what the scope of the freeze and dismantlement would

be. We will continue to seek answers through the six-party process.

To that end, the parties agreed to hold the fourth round of talks

by the end of September and a working group meeting in the interim

as soon as possible to prepare for the fourth round.

Mr. Chairman, the six-party talks offer North Korea the opportunity

to improve its relations with the United States and Japan,

to end its self-induced political and economic isolation, and to harness

the benefits of normal international trade and aid, including

establishing relationships with the international financial institutions.

Although I remain optimistic on where the talks could lead, I

personally could not say at this point that the DPRK has, indeed,

made the strategic calculation to give up its nuclear weapons in re-

turn for real peace and prosperity through trade, aid, and economic

development.

I believe that diplomacy is the best way to overcome North Korea’s

nuclear threat and that the six-party process is the most appropriate

approach. Our aim is to fully and finally resolve the nuclear

program, not to implement half-measures or sweep the problem

under the rug for future policymakers to deal with. We are

pursuing this course patiently and are committed to its success.

That concludes my statement, Mr. Chairman. Mr. DeTrani, who

does not have a statement, and I look forward to responding to the

questions that you and the committee will offer.

Thank you, Mr. Chairman, for this timely opportunity to meet with the committee

again to discuss the efforts of the United States and like-minded countries to deal

with the threat of North Korea’s nuclear ambitions.

I will focus my remarks on these four topics:

A brief overview of the problem. of the DPRK’s long-standing determination to

move ahead with its nuclear weapons programs, and why previous efforts to

achieve a nuclear-free Korean Peninsula did not succeed;

The Bush Administration’s commitment to multilateral diplomacy to achieve

the full denuclearization of the Korean Peninsula, through the Six-Party Talks;

An explanation of the proposal the U.S. tabled at the third round of the Six-

Party Talks in Beijing last month, and of the proposal tabled by the DPRK; and

The opportunity the DPRK has now to improve its relations with the international

community and to reap the full rewards of trade, aid and investment—

and what North Korea’s neighbors and the international community expect in

return.

North Korea’s nuclear programs are a longstanding threat. The DPRK leadership

decades ago set out on a path that would allow it to acquire nuclear weapons. After

conducting research throughout the sixties and seventies at a reactor provided by

the Soviet Union, the DPRK began construction in 1979 of the 5-MWe reactor at

Yongbyon, from which it could extract and reprocess plutonium. That reactor became

operational in 1986.

In 1985, while construction was going on at Yongbyon, international pressure convinced

North Korea to sign the Nuclear Non-Proliferation Treaty. However, it was

not until 1992 that it finally signed a comprehensive safeguards agreement and

within months the IAEA found evidence of inconsistencies in North Korea’s declarations.

I should add that throughout the 1990s the IAEA continued to find the DPRK

in noncompliance of its safeguards agreement.

Also in 1992, the DPRK reached an agreement with the Republic of Korea for a

Korean Peninsula free of nuclear weapons, but the North never moved to implement

it.

By 1993, IAEA pressure for additional inspections led North Korea to announce

its intention to withdraw from the NPT. As tensions mounted, the United States

and North Korea began high-level talks that culminated in the Agreed Framework

of 1994. That agreement obligated the DPRK not to produce fissile material at its

declared nuclear facilities at Yongbyon and its preface stated that its purpose was

‘‘an overall resolution of the nuclear issue on the Korean Peninsula.’’

The Agreed Framework left resolution of pre-1993 discrepancies, especially quantities

of plutonium that the DPRK might have recovered, for the distant future,

linked to construction progress on the light water reactors provided under the

Agreed Framework. The Agreed Framework did not, as we learned later, end the

North Korean nuclear arms programs. By the fall of 2002, our intelligence community

assessed that North Korea was pursuing a covert program to produce enriched

uranium—in violation of the Agreed Framework, the North-South Joint Declaration

on the Denuclearization of the Korean Peninsula, the Nuclear Non-Proliferation

Treaty, and the DPRK’s Safeguards Agreement with the International Atomic Energy Agency. In fact, we determined that North Korea had been pursuing the program

for a number of years, even as it was negotiating with senior American officials

to improve relations.

By the way, our negotiator for the Agreed Framework, Ambassador Robert

Gallucci, had left the North Koreans in no doubt that that any uranium enrichment

program would violate the Agreed Framework. Ambassador Gallucci testified before

Congress in December 1994 that the Agreed Framework required the DPRK to implement

the North-South Joint Denuclearization Declaration, which precludes any

reprocessing or enrichment capability. ‘‘If there were ever any move to enrich,’’ he

told this committee, ‘‘we would argue they were not in compliance with the Agreed

Framework.’’

I led a delegation to Pyongyang in October 2002 to confront the North Koreans

with our assessment that they have a uranium enrichment program. DPRK First

Vice Foreign Minister Kang Sok Ju told us that the hostile policy of the U.S. Administration

had left North Korea with no choice but to pursue such a program. When

I pointed out our assessment that North Korea had been pursuing such a program

for years, he had no response.

Instead of taking the opportunity we had afforded them to begin walking back

their covert uranium enrichment program, the North Koreans escalated the situation.

In December 2002, they expelled IAEA inspectors and began to reactivate the

5-megawatt reactor at Yongbyon. In January, the DPRK announced its withdrawal

from the NPT. And on several occasions in 2003, it declared it had finished reprocessing

its 8,000-plus existing spent fuel rods. If that is indeed the case, it could have

produced enough fissile material for several additional nuclear weapons. Since then,

the DPRK has stated it is strengthening what it calls its nuclear deterrent capability.

The United States has adhered to two basic principles to resolve this threat from

the DPRK. First, we seek the complete, verifiable and irreversible dismantlement

of the DPRK’s nuclear programs—nothing less. We cannot accept another partial solution

that does not deal with the entirety of the problem, allowing North Korea to

threaten others continually with a revival of its nuclear program. Second, because

the North’s nuclear programs threaten its neighbors and the integrity of the global

nuclear nonproliferation regime, the threat can best be dealt with through multilateral

diplomacy.

I can report some progress to you on both counts.

Late in 2002, Secretary Powell began talking with countries in East Asia about

a multilateral forum to make clear to the DPRK it must end its nuclear arms programs.

He succeeded in persuading the Chinese, who in March 2003 took with them

to Pyongyang the idea of five-party talks. The North Koreans resisted, but eventually

agreed when the Chinese suggested trilateral talks in Beijing be held with the

U.S., North Korea, and China.

After we consulted with our South Korean and Japanese allies, to ensure that

they supported the idea and assured them they would be in future talks, we participated

in the trilateral talks in Beijing April 23-25. By the way, it was at that forum

that the North Koreans pulled me aside to say that they have nuclear weapons, will

not dismantle them, and might transfer or demonstrate them. I strongly cautioned

them against any escalation.

After those trilateral talks, we kept our promise and insisted that the next round

of talks should include South Korea and Japan. We also supported Russia’s inclusion.

The Chinese did some more persuading, and the North Koreans agreed to participate

in Six-Party talks. The first round was held in Beijing August 27-29, 2003.

The other five parties all told North Korea very clearly in plenary session that

they will not accept North Korea’s possessing nuclear arms. In response, the North

Koreans threatened that they would demonstrate nuclear weapons. The North Korean

belligerence at the Six-Party talks had the effect of isolating them. It was a

useful first step in the difficult process of ensuring the complete, verifiable and irreversible

dismantlement of the North Korean nuclear arms program.

The second round of Six-Party talks was in February 2004. The parties agreed

to regularize the talks, and to establish a working group to set issues up for resolution

at the plenary meetings. At the second round of talks, the ROK offered fuel

aid to the DPRK, if there were a comprehensive and verifiable halt of its nuclear

programs as a first step toward complete nuclear dismantlement.

The third round of talks, held late last month in Beijing, were useful and constructive.

The working group met June 21-22, the plenary June 23-26. Over the

course of that time in Beijing, the U.S. met directly with all of the parties. We held

a two-and-a-half-hour discussion with the DPRK delegation. Some press accounts indicated that, during that meeting, the North Korean delegation threatened to test

a nuclear weapon. The North Koreans said that there were some, not identified, in

the DPRK who wanted to test a nuclear weapon and might presumably do so if

there was not progress in the talks. The comment did not contribute to the comity

of the meeting or to any atmosphere of trust.

In addition to the United States’ proposal, the ROK put forward a concrete, detailed

proposal to achieve a denuclearized Korean Peninsula. The ROK proposal was

consistent with the U.S. approach, but I will leave it to our South Korean ally to

describe its proposal in more detail if it chooses. North Korea, too, participated actively

in the plenary, offering a proposal for what it describes as the first step toward

full denuclearization—a freeze of its nuclear-weapons related programs in exchange

for compensation from the other parties. The Japanese also had constructive

ideas, strongly supporting proposals that would lead to the timely and comprehensive

denuclearization of the Peninsula subject to international verification, and expressing

a willingness to provide energy assistance to the DPRK when it is verified

that the DPRK is actually on the road to denuclearization. The PRC, as host, played

a role in bringing the parties to Beijing for the third round and vigorously sought

agreement on the basic principles that would underlie any agreement on

denuclearization. The Russian delegation, under the new leadership of Ambassador

Alekseyev, also sought to promote agreement among all the parties, and offered details

of their thinking. We had not expected breakthroughs and I have none to report

to you. That said, all of the parties, including, in my view, the DPRK, went

to Beijing prepared for substantive discussions.

While each party is pursuing its own interests in the talks, all have publicly embraced

the goal of a denuclearized Korean Peninsula. I thought it was significant

that Chairman Kim Jong Il discussed the talks when he met with Prime Minister

Koizumi last month, affirming North Korea’s commitment to them. That said, proposals

offered by the parties differ very considerably in substance, as I will detail

now.

The proposal the U.S. presented was developed in close coordination with the Republic

of Korea and Japan. Under the U.S. proposal, the DPRK would, as a first

step, commit to dismantle all of its nuclear programs. The parties would then reach

agreement on a detailed implementation plan requiring, at a minimum, the supervised

disabling, dismantlement and elimination of all nuclear-related facilities and

materials; the removal of all nuclear weapons and weapons components, centrifuge

and other nuclear parts, fissile material and fuel rods; and a long-term monitoring

program.

We envisage a short initial preparatory period, of perhaps three months’ duration,

to prepare for the dismantlement and removal of the DPRK’s nuclear programs.

During that initial period, the DPRK would:

Provide a complete listing of all its nuclear activities, and cease operations of

all of its nuclear activities;

Permit the securing of all fissile material and the monitoring of all fuel rods,

and;

Permit the publicly disclosed and observable disablement of all nuclear weapons/

weapons components and key centrifuge parts.

These actions by the DPRK would be monitored subject to international

verification.

At this juncture, I’ll emphasize that, for the DPRK’s declaration to be credible and

for the process to get underway, the North would need to include its uranium enrichment

program and existing weapons, as well as its plutonium program. As of

now, the DPRK is denying that it has a program to enrich uranium, and it speaks

of an existing ‘‘nuclear deterrent’’ but has refrained from stating publicly that it has

‘‘nuclear weapons.’’

Under our proposal, as the DPRK carried out its commitments, the other parties

would take some corresponding steps. These would be provisional or temporary in

nature and would only yield lasting benefits to the DPRK after the dismantlement

of its nuclear programs had been completed. The steps would include:

Upon agreement of the overall approach, including a DPRK agreement to dismantle

all nuclear programs in a permanent, thorough and transparent manner

subject to effective verification, non-U.S. parties would provide heavy fuel oil to

the DPRK.

Upon acceptance of the DPRK declaration, the parties would:

provide provisional multilateral security assurances, which would become

more enduring as the process proceeded. North Korea’s rhetoric on this issue

notwithstanding, I would like to point out that it is reasonable to conclude that

security assurances given through the multilateral Six-Party process would

have considerably more weight than would bilateral assurances;

begin a study to determine the energy requirements of the DPRK and how

to meet them by non-nuclear energy programs;

begin a discussion of steps necessary to lift remaining economic sanctions on

the DPRK, and on the steps necessary for removal of the DPRK from the List

of State Sponsors of Terrorism.

Secretary Powell told the DPRK Foreign Minister, at the ASEAN Regional Forum

in Indonesia on July 2, that the U.S. proposal aimed to move forward on the dismantlement

of the DPRK’s nuclear programs, and that there is an opportunity for

concrete progress.

The DPRK proposal restated its goal of a freeze for rewards, including energy assistance,

lifting of sanctions, and removal from the list of countries sponsoring terrorism.

We are continuing to study the North’s proposal. As I noted, it is clear we

are still far from agreement.

Our initial assessment is that the DPRK proposal lacks detail and is vague on

a number of key elements. The scope is narrow in terms of the facilities covered

and it ignores pre-2003 plutonium, nuclear weapons, and the uranium enrichment

program. North Korea would exclude the IAEA from verification, seeking to create

a new verification regime from the Six-Party talks participants. This unprecedented

approach would be hard to set up and carry out.

Still, there are some positive elements in positions the DPRK staked out. The

DPRK claimed that the freeze would be the first step on the path to nuclear dismantlement,

not an end to itself, and on that point we agree.

The DPRK also confirmed that whatever would be included in the freeze would

also be included in the commitment to dismantlement further down the line.

Specifically, the DPRK said it would freeze all facilities related to nuclear weapons

and the products that resulted from their operation, refrain from producing

more nuclear weapons, transferring them, and testing them. The DPRK delegation

clearly identified the 5-MWe reactor as a nuclear weapons facility. While they said

they wanted to maintain a civil nuclear program, they also acknowledged that most

of their nuclear programs are weapons-related.

We and other parties have questions about the DPRK proposal, including what

the scope of the freeze and dismantlement would be. Again, inclusion of the DPRK’s

uranium enrichment program is critical. We will continue to seek answers through

the Six-Party process, though we have made clear all along that we are not talking

for the sake of talking and that we expect tangible progress to be made. To that

end, the parties agreed to hold the fourth round of talks by the end of September

and a working group meeting in the interim as soon as possible to prepare for the

fourth round.

Mr. Chairman, the Six-Party talks offer North Korea the opportunity to improve

its relations with the United States and Japan, to end its self-induced political and

economic isolation, and to harness the benefits of normal international trade and

aid, including establishing relationships with the international financial institutions.

We have outlined what is necessary to transform our relations with the DPRK,

just as we have with another nation long isolated in the international community,

Libya.

President Bush in his February 11 remarks to the National Defense University

called on other governments engaged in covert nuclear arms programs to follow the

affirmative example of Libya. The Libyan case demonstrates, as President Bush has

said, that leaders who abandon the pursuit of weapons of mass destruction and

their delivery means will find an open path to better relations with the United

States and other free nations. When leaders make the wise and responsible choice,

they serve the interests of their own people and they add to the security of all nations.

We have discussed Libya’s example with our North Korean counterparts, and we

hope they understand its significance.

Of course, to achieve full integration into the region and a wholly transformed relationship

with the United States, North Korea must take other steps in addition

to making the strategic decision to give up its nuclear ambitions. It also needs to

change its behavior on human rights, address the issues underlying its appearance

on the U.S. list of states sponsoring terrorism, eliminate its illegal weapons of mass

destruction programs, put an end to the proliferation of missiles and missile-related

technology, and adopt a less provocative conventional force disposition.

Against the backdrop of the Six-Party talks, the DPRK is undertaking measures

in response to its disastrous economy. It is too soon to evaluate the nature or impact

of these steps, but we hope they will serve as a foundation upon which to build improved

economic relations with other countries in the future. By addressing the

world’s concerns about its nuclear programs and other issues, the DPRK would have

both new resources and opportunities to pursue policies for peaceful growth in the

region that is already perhaps the world’s most vibrant, East Asia.

The international community ultimately will gauge the results of the Six-Party

talks to assess the seriousness of the DPRK’s professed willingness to give up its

nuclear weapons programs. Although I remain optimistic on where the talks could

lead, I personally could not say at this point that the DPRK has indeed made the

strategic calculation to give up its nuclear weapons in return for real peace and

prosperity through trade, aid and economic development. My hope is that the serious

and extensive discussions with the United States, the Republic of Korea, Japan,

China and Russia will convince the DPRK that a truly denuclearized Korean Peninsula

is its only viable option.

I believe that diplomacy is the best way to overcome North Korea’s nuclear threat

and that the Six-Party process is the most appropriate approach. Our aim is to fully

and finally resolve the nuclear problem, not to implement half measures or sweep

the problem under the rug for future policy makers to deal with. We are pursuing

this course patiently and are committed to its success.

That concludes my statement, Mr. Chairman, and Mr. DeTrani and I look forward

to responding to your questions.

Mr. Chairman, I think that is very much on the possible

horizons. It is one of the strengths of the six-party talks that,

as all of the parties take their individual positions, there is a unanimous

agreement on the goal of denuclearization on the Korean Peninsula.

In particular, the other colleagues, the four other countries

involved, made clear to North Korea what these opportunities can

be in the future. And other countries do too. In particular, the EU,

the British, Australia, a host of other countries have joined us in

seeking to persuade North Korea that its real security is best

served by turning from nuclear weapons. But as I said, it is not

clear that that choice has yet been made.

I think these are not so much in terms of public or

specific proposals, but simply on the very low level of development

assistance that has come. Over the last 10 years, there has been

a considerable opening of North Korean contacts with European

and other countries. That really did not exist at all 10 years ago,

and also with South Korea and Japan. It is very clear, for example,

with Prime Minister Koizumi’s recent visit to North Korea, that he

had serious concerns about abduction issues. But he made clear

that the resolution of the nuclear issue was absolutely crucial to

normalization of the relationship of Japan and the development of

economic cooperation, which is a kind of code word for very substantial

direct aid.

I will leave to others to judge whether our overall relationship

has strengthened, although I think it is in pretty good

shape. But China is always pursuing its own interests, and they

rarely coincide exactly with those of ours. I think they share our

determination that nuclear weapons have no role on the Korean

Peninsula, but their pace and enthusiasm for pursuing the solution

is not exactly the same as ours.

The six-party talks are definitely a step forward. It

is absolutely unprecedented to have any kind of a multilateral security

dialog in Northeast Asia. In fact, the whole process is in its

infancy, even though it is some 10, or I guess 11 years old now,

that the ASEAN regional forum has proceeded. This in turn is giving

a little more strength to the ASEAN regional forum as well. So

we have got people talking to each other. We have very active participation

within the six-party talks of each of these parties, and

each one of the parties has a very direct and national interest in

a satisfactory outcome to this. So there are, I think, some possibilities

for broadening it in the future, but for now the focus is on the

nuclear weapons issue on the Korean Peninsula.

I would say that is about right, Mr. Chairman. There

continue to be lots of hungry people. There have been economic

changes. I would not go so far as to call them reforms in North

Korea. These are creating new groups and new sets of winners and

losers. It is not at all clear what that outcome is going to be, but

there certainly are many people in need and a completely rusted out

industrial structure.

It is occurring because of the variety of contacts that

have developed over the years. Yes, Prime Minister Koizumi hopes

to begin the process of normalizing the relationship with Japan and

North Korea.

He has not begun it. He has made it clear that without

resolution of the nuclear weapons issue, that it will not occur.

Or the position by the United States, Senator.

It is not our position.

It has been erroneously reported. It has never been

our position that North Korea has to do everything before we do

anything.

What has changed I think is that North Korea has

come to accept that the six-party process is what is going to resolve

the issue and that it is one that they cannot really escape. I think

they recognize that dealing with the United States is not sufficient,

that there are going to have to be arrangements with the other

countries.

I might add, Senator Biden, that the Japanese in particular and

the South Koreans in particular have been completely steadfast as

we would want our allies to be during the six-party talks. The commitment

to complete denuclearization of the Korean Peninsula is

very solid with all of these things.

Now, the bilateral discussion——

Yes, sir, and it has not changed or weakened at all.

What we have got is a much deeper and broader set of contacts

with North Korea that very much serve to convince them, or we expect

will serve to convince them, that their interests are in bringing

this nuclear weapons issue, not to mention the other important

issues, to a full resolution.

The deal is that the six-party talks are focused on

the nuclear weapons issue. The full dimensions of a possible future

relationship—and I very much agree with Dr. Rice’s statement

about the things that are potentially possible—recognize that there

are other serious issues that are going to have to be resolved. The

nuclear weapons issue is the most immediate and, I would argue,

the most serious individual issue. Ballistic missiles, conventional

forces, human rights issues are of concern.

No, sir.

What we have done, Senator Biden, is to fill in the

details of the framework that has really always been out there.

There is a question about rewards for illegal and treaty-violating

activity, and we certainly do not propose to offer such rewards. But

we do——

It means that we are not in negotiations multilaterally

or bilaterally to offer sufficient money. When the former President

of South Korea visited North Korea in June of the year 2000,

it now turns out that payments well in excess of $100 million were

made immediately before that and facilitated that process. The

United States has no intent of joining with any such thing now or

in the future.

No. There can be other tangible parts of rewards. But

incentives or benefits that recognize the change, particularly the

multilateral context of this, makes that particularly useful. The

United States may not offer tangible benefits, but our allies may

see fit within their relationships to provide——

Security assurance is not a tangible benefit. A security

assurance is a condition that would convince anyone that disarming

is in their interest.

It is not at all clear that this is the case, and in fact

North Koreans have said that it is not. But who knows what they

dream. What we have repeatedly told them—and I very much believe

it—is that no American administration is going to accede to

a nuclear-armed North Korea.

I would put human rights as part of the larger part

of our future relationship with North Korea in the same category

with other problems which would include ballistic missiles, conventional

forces, other weapons of mass destruction. Human rights are

a very important issue, but the principal and almost entire focus

of the six-party talks has been on the nuclear weapons issue. So

whether it be Japanese abductions or human rights issues, the list

of terrorist states, these are items that we are going to have to address

in great detail later on.

I do not know, Senator Hagel, and I do not think

anybody around here knows. It is obviously a lot more stable than

many people thought 10 years ago, but it is a strange kind of stability

in which the economy seems to get worse and worse, more

and more hungry people, deaths continue, Koreans in considerable

numbers seek to leave the place. But there is a unique authoritarian

police state that exists there and it has so far managed to

survive.

Iraq is a very different situation. North Korea does

not have the panoply of U.N. resolutions violated that Iraq had. It

is in many ways as difficult or more difficult an intelligence target.

It has, once again, a particular location in that South Korea, its 47

million people and some 13 million to 15 million people that live

in the Seoul area are literally within artillery range of the demilitarized

zone. So the stakes of possible combat and the potential for

loss of life is in my view even greater than it was in Iraq.

It would just be speculation to say what they have

done other than some rhetorical points that keep turning up in the

propaganda one way or another. In particular, the North Koreans

try to say that all their nuclear weapons aspirations have somehow

sprung up over the last 2 or 3 years, and that simply is not the

case.

There could be and probably should be a role for the

United Nations Security Council with respect to North Korea, although

as long as the multilateral process is proceeding along, it

is likely that China in particular will not be very interested in having

the Security Council pursue it. It is obvious that there is great

sensitivity in Pyongyang to United Nations involvement in that. So

at the moment, the Security Council is seized of the matter, which

means it has been sitting on it for a couple of years.

I am going to ask Joe DeTrani to join me on this answer.

The answer is, of course, yes, a verification regime can be developed.

This is very much the task that the working group has before

it. But key to this, once again, is this choice by the North Koreans

to meaningfully turn away from nuclear weapons. A solution that

has inspectors racing around that country trying to dig holes is not

going to be the solution that we need. And in the end dismantlement

and removal of the nuclear weapons program is going to be

essential to its resolution.

Time is certainly a valid factor in this. Obviously, it

would be better to reach an agreement sooner. We do not know the

details, but it is quite possible that North Korea is proceeding

along developing additional fissionable material and possibly additional

nuclear weapons. The idea is that we have to have an agreement

that in fact really ends this program, and that is the challenge

of peaceful solutions through diplomatic means.

I do not have any such confidence. I would note that

after a remark of April 2003 by a North Korean interlocutor that

it might be possible for them to transfer nuclear material or weapons,

that they have gone quite the other direction and, in fact, in

response to specific questions, have repeatedly stated that they

would not transfer nuclear weapons or fissionable material to any

other destination outside of their country. But that assurance, like

all the assurances from North Korea, has, unfortunately, not an

unlimited value.

Senator Feingold, I do not see the bilateral efforts

that Japan and North Korea have and that South Korea and North

Korea have as undercutting our efforts in any respect. I see them

as enhancing our efforts. This is something that did not exist at all

10 years ago, and I think it very much puts us in a broader dimension

of how to do it.

Yes, sir, there have been some attempts, particularly in I think

the first round of the six-party talks, but they have not worked.

The fact is if there was any change in atmosphere in the talks, it

was because the self-isolation that was so obvious in the first two

rounds of the six-party talks was something that North Korea was

trying to avoid, but they really could not entirely avoid it.

They refuse to discuss them. Because our focus in

these particular talks is on the nuclear weapons issue, we have not

pressed the issue beyond that.

That is a big issue in the full bilateral relationship,

but when it comes to the six-party talks, the Chinese are not posing

that as a tactical issue in any respect.

I would also add, sir, that we consult very closely with China and

Russia, but we have a 50-year alliance with the Republic of Korea

and with Japan. We have a longstanding practice of consulting

with them on scores, if not hundreds, of issues. That is really why

the proposal was more carefully developed with them.

We are listening to them, Senator Chafee.

Oh. Well, sir, we have something called the Taiwan

Relations Act since 1979 that requires the U.S. Government to provide,

after its own assessment, necessary defensive arms to Taiwan.

Our relationship with China is based on the three joint communiqués

and on the Taiwan Relations Act which is the U.S. law.

North Korea has a huge energy insufficiency and

problem, and it is operating in every respect. It is operating, for example,

Senator, with a grid that was put up by the Japanese in the

early part of the last century.

The light water reactor project that is now in full suspension but

that was a part of the Agreed Framework, among its many anomalies

is there was no way to connect the reactors, if they had ever

been completed, with the rest of North Korea. So there are many

non-nuclear aspects, ranging all the way from wind power to Russian

or other natural gas to South Korean support for other kinds

of non-nuclear power generation. There is a very broad panoply,

and it has not been adequately studied and I think it would be

helpful if that occurred.

No, sir.

We should not give in to a pricing contest, and moreover,

this is a global concern and this has got to be resolved in a

multilateral way, and a unilateral U.S. bid is simply going to result

in other bids and then an inability to check the results.

Economic assistance from many different sources is

absolutely in prospect. That is what Dr. Rice was referring to, I believe,

when she said that they would be surprised at all the things

that would occur. From the discussions I have had with people all

around the world, the world loves a reformed sinner, and there

would be many who would be receptive to helping North Korea’s

development if it turns away from nuclear weapons and perhaps

some of its other activities as well.

I did not say it is lacking. I think I meant that it

is different from our own. China wants North Korea to end its nuclear

weapons program, but it also wants a stable situation on the

Korean Peninsula. So it tends in the direction of positive incentives,

and it is not yet clear whether positive incentives will work.

The United States would respond with its allies, as

has been the case for all these years. Our alliances with Japan and

North Korea have to do with the possibility of hostilities. A nuclear

test would certainly be a remarkable development in northeast

Asian security, and I do not think I could or should speculate on

exactly what the United States would do. But I know there would

be a very strong reaction from all of the countries involved in the

six-party talks, for sure, including China were such a thing to

occur.

A long-range ballistic missile test is something that the North

Koreans have even again recently pledged to the Japanese that

they would not do. So this also would be a very significant development

if it were to occur.

We do not allow North Korea to develop nuclear

weapons, Senator Nelson.

And the day is never going to come, I very much

hope, and it will certainly never come in this administration that

we will accept or accede to North Korea as a nuclear weapon state.

I know that Japan and the Republic of Korea have the very same

view.

As I mentioned earlier, Senator, it would be appropriate

for it to go to the Security Council now. The International

Atomic Energy Agency made a report to the Security Council at the

time in 2003 when the DPRK withdrew from the NPT. There is not

a consensus in the Security Council, however, to bring it at this

time, but that could occur at any moment when other countries

than just the U.S.—it is not within our power to bring items to the

Security Council only because we wish it.

I think that you can simply ask him to explain to you

and to other Senators in his own way what China’s views are on

this. Dr. Rice was in China last week, I think spoke with President

Hu about this very issue. I think you and the other Senators will

find China’s views very interesting, especially after they finish the

Taiwan lecture that they will give you.

You will hear it again, sir, I am afraid.

There is no way to put a good face on the DPRK and

there is nothing you said, Senator Brownback, that I have any evidence

to deny. To the best of my knowledge, everything you said

there, or at least the vast majority of it, is absolutely unchallenged

and widely known.

Can we negotiate with them? We do not intend to negotiate with

North Korea ourselves. We believe that the multilateral process,

that the international community is very much involved in this,

and that is why we want the six-party talks or other international

fora to take that lead.

With that said, is it possible for us to be a party to any negotiations?

The answer, sir, is that it is. I had the honor to work for

the late President Reagan and he put it best: ‘‘Trust but verify.’’

If there is the verification, if there is a dismantlement, even then

we may not be 100 percent sure, but I certainly would feel much

more comfortable if the kind of quantities, that I believe are there,

of nuclear materials were removed from North Korea.

Senator, we are not seeking funds and we have no

plans to provide funds. The one possible exception might be the

Nunn-Lugar money precisely for dismantlement of nuclear weapons.

But we are not seeking funding. We are not looking to bribe

North Korea to end its nuclear weapons state. We see this as a

very important objective, but then we have made clear that the

normalization of our relations would have to follow these other important

issues. Human rights is co-equal in importance, perhaps

even more important than conventional forces, chemical weapons,

ballistic missiles, matters of that sort.

I do not know whether that is the assessment or not.

We have not talked about red lines in any direct fora. Obviously,

North Korea knows that the threat of transfer of fissionable material

or nuclear weapons would be an extremely serious matter, or

at least I expect that they know it and we have made that clear.

But exactly what the response would be has got to remain with all

options on the table.

I believe they do, Mr. Chairman, yes, sir.

That is the nature of the proposal that we offered in

the last session. It may be possible that some things would be

added to that, but essentially, sir, you have described it accurately.

We have not made that a condition for solving the

nuclear weapons issue, but we made it clear that it is an issue that

would have to be dealt with in terms of a normalization of our relationship

at some time in the future. And when and how that sort

of talk could begin—after all, that was the presentation that I was

taking to North Korea in the early part of 2002.

Yes, sir. And this is really the start of the nuclear

dismantlement process that our proposal addresses in some detail.

There is much more detail that is going to have to be filled in for

this to succeed.

Human rights issues are out there, and the work you

have done, Senator, the reports that you cite are a part of this.

This is not completely ignored in other parts of the world, although

I do not think it receives the attention that it really needs to. So

the movement of refugees into China and on to South Korea and

other countries is something that goes on. There is this in the background.

Whether or not we should make the nuclear issue co-dependent

and co-equal with the human rights issue is really a question of

tactics as to what would come first. In our consultations with the

allies and partners, they feel that it is best to try to get movement

on the nuclear weapons issue first if only because of the additional

progress that is being made in developing ever-greater amounts of

fissionable material.

Thank you, Mr. Chairman and the committee. We

really appreciate the support and the intense interest that you and

so many other Senators have had at every step of this way. Thank

you.