Thank you, Mr. Chairman, for inviting

me to discuss our North Korean problem with you today. I have

tried to step back, tried to shut out some of the rhetoric, and focus

my remarks on whether there is a diplomatic approach that could

achieve a principal American foreign policy objective, the verifiable

elimination of North Korea’s nuclear weapons capabilities. I personally

doubt it, but I have tried to see whether there is such an

approach.

In light of time constraints, I am going to avoid speculations on

what has happened and proceed to my specific suggestion, which

is quite parallel to Dr. Kanter’s.

While the six power forum is still a potentially useful forum,

there has been a lack of negotiating content in the Six Party forum,

in great part because of our profound strategic differences in approach

to North Korea with two countries who have great stakes

in this issue: China, North Korea’s best friend, and South Korea,

our treaty ally.

China has not proven to be the deus ex machina who would

bring North Korea around by persuasion or economic pressures to

resolve the nuclear issue, as many predicted when the Six Party

Talks began. China has many common interests with the United

States on the Korean Peninsula, but it has also many other interests

at play in North Korea, and it has simply not been willing to

subordinate those to United States purposes.

The same has been true in spades of South Korea. This differing

view with China and South Korea on how to manage North Korea

has allowed Pyongyang to escape the consequences of bad behavior

and has made a negotiation with Pyongyang difficult, if not impossible.

More specifically, both countries do not want North Korea to

have nuclear weapons. That is clear. But they do not share the

American sense of its primacy as an issue.

Second, they do not want to join in bringing concerted pressures

to bear on the North, fearing it would create serious tensions and

potentially affect the peace, stability, and economy of the peninsula.

Third, while we freeze Pyongyang out except for some humanitarian

assistance, they provide sizable economic assistance, effectively

undermining any bargaining position.

Fourth, they believe that we have been insufficiently forthcoming

in our negotiating proposals to the North.

Finally, they want us to talk to the North in any forum, bilateral,

multilateral, and they of course do so themselves.

These differences have been mostly papered over by constant toing

and fro-ings and the usual diplomatic rhetoric. The missile

tests, however, have clearly had an impact on both countries and

throughout the region. China is embarrassed by North Korean behavior

and angry at its refusal to listen to their entreaties. It also

fears that North Korean action will have damaging regional implications,

notably causing Japan to reassess its defense requirements.

China, surprisingly, even supported a U.N. Security Council resolution

censuring North Korea, although Beijing has refused to

adopt punitive measures at this time.

In South Korea there is ferment. The government’s soft approach

to North Korea has been increasingly publicly questioned and

Seoul, also surprisingly, has suspended some assistance pending

North Korea’s return to the Six Party Talks.

North Korea is unhappy with its isolation and is sputtering

badly. It could well isolate itself further by cutting off projects with

South Korea in an effort to scare Seoul into becoming more accommodating.

These changing perspectives may open—I say may open—greater

opportunities for diplomacy that could bring closer together the

postures of the United States, China, and South Korea toward

North Korea, which is an indispensable requirement for any serious

negotiations with North Korea. The first part of this diplomatic

effort must be to try to bridge the gulf with Beijing and Seoul. We

might well want to wait to see if there is any further thought from

Pyongyang’s isolation and its unhappiness with China and South

Korea. But it is an appropriate time, although hardly the most politically

appropriate time in Washington, for the United States to

craft a new approach that might get real Chinese and South Korean

support to seriously test the proposition that there may be

some package of security assurances, political measures, and economic

bait that would cause North Korea to put aside its nuclear

ambitions and stop throwing missiles around.

That means going further than the statement of principles

agreed to last September by the six powers and putting forth a negotiating

position beyond expecting the North to accept a Libyan-like

approach to eliminating their nuclear weapons. North Korea is

profoundly absorbed with the United States. Obviously, the elements

of a negotiating package must be worked out within the U.S.

Government, which can be enormously difficult, given the reported

sharp differences within the administration.

We would expect China and South Korea to make clear to

Pyongyang that a fair deal has been presented. We would try to secure

commitments from both countries on what they are prepared

to do if North Korea spurns such a new approach. Whether their

commitments would be worth anything if North Korea balked is a

risk we would have to take.

Departing even further from American political reality, I believe

that any new negotiating approach should be accompanied by some

dramatic measure to show our willingness to negotiate not only to

North Korea but to our two principal partners as well, such as an

offer to begin negotiations immediately to establish diplomatic relations.

Mr. Kanter has talked about the problem of resuming negotiations.

I agree with his presentation.

In summary, let me say we have no credible red lines for North

Korea beyond their not attacking South Korea and Japan. Nor as

far as I can tell do we have any concerted policy for dealing with

North Korea as a state, besides talking to them about nuclear

weapons and perhaps modifying some conduct. Every principal

party to this issue is tired of the North Korean regime. They all

would like it to go somehow or other. But only China and South

Korea want to do something about that regime. China has been

trying to turn it into a mini-market China. South Korea hopes by

large-scale assistance to make them dependent and transform that

regime over time. That may all be a triumph of hope over reality.

America’s policy toward the North seems to be hold its nose and

wait for them to implode, which is possible, or for China and South

Korea to see the light and join us in putting serious pressures on

North Korea. Maybe we will witness some internal cataclysm. I believe

that is the way the North Korean state will end. But waiting

for that to happen is not a policy, and that still leaves the nuclear

issue, and we all know there is no good option for the nuclear

issue. Force would be violently opposed by South Korea, which has

the most to lose.

Pressure and isolation requires unity with China and South

Korea. Maybe North Korean actions will stimulate our friends to

further action. But U.N. resolutions guarantee nothing.

That leaves diplomacy and whether we want to try to seriously

pursue it. We should not forget that North Korea is not an 800-

pound gorilla. Far from it, it is a failed state that is dependent very

much on foreign handouts, which will one day be on the trash can

of history. But before that happens, it can cause us great harm,

and the United States should not be afraid of dealing directly with

Pyongyang on this issue.

Moreover, if we were to decide to try tougher measures and even

force, it makes good sense to put ourselves in the best international

position to do it by having gone the extra mile diplomatically.

Thank you for inviting me to discuss our North Korean problem with you today.

I will focus my remarks on whether there is a diplomatic approach that could

achieve a principal American foreign policy objective: The verifiable elimination of

North Korea’s nuclear weapons capabilities.

First, some unverifiable observations:

I believe there is little possibility of reaching an agreement to eliminate North

Korea’s nuclear weapons capability that would satisfy both the United States

and North Korea, if only because of the difficulties of verifying North Korea’s

compliance. It is also hard to have much confidence in their honoring any agreement.

North Korea may have badly miscalculated the reactions of China and South

Korea to their missile tests on July 4 and 5, but I conclude at this point, given

the international political risks to them for such actions, that Pyongyang has

probably given up on the Bush administration as a negotiating partner and considers

it an unrelenting enemy. Senior leaders believe they must have a serious

nuclear delivery capability to give them greater deterrence and a more powerful

negotiating position. They will wait for another American administration 2

years down the pike. This does not preclude their returning to the Six Party

Talks.

Some North Korea watchers suspect they may carry out a nuclear weapon test

so that any new administration will face an unambiguous nuclear weapons capability.

The latter is highly conjectural. We are ignorant of the state of their

weapons and of the highest level political debates in Pyongyang. China, their

most important patron, would be strongly opposed to any nuclear weapons test;

although we do not know what China’s red line is on North Korea’s nuclear

weapons. We also may well be witnessing some deterioration in their public relations.

In some quarters the missile firings are seen as also a message to

China.

This reading of North Korea may be wrong. However, we cannot determine their

willingness to negotiate a deal to eliminate their nuclear weapons capabilities by intelligence

analysis or intuition or exhortation. It will have to be done—if at all—

by diplomatic exploration.

The American generated Six Party initiative to negotiate the elimination of North

Korea’s nuclear weapons has been useful in bringing together the major powers of

East Asia for the first time to talk collectively about a major security issue in the

area. It has generated some sense of purpose at least among the five. But after 3

years, the talks have produced one joint statement of principles; a useful document,

but only a first step.

There has been a lack of negotiating content in the Six Party forum, in great part

because of our profound strategic difference in approach to North Korea with two

countries who have great stakes in this issue—China, North Korea’s ‘‘best friend,’’

and South Korea, our treaty ally. China has not proven to be the deus ex machina

who would bring North Korea around by persuasion or economic pressures to resolve

the nuclear issue as many predicted when the Six Party Talks began. China

has many common interests with the United States on the Korean peninsula, but

it also has many other interests at play in North Korea and has not been willing

to subordinate those to United States’ purposes. The same has been true in spades

of South Korea.

The differing view with China and South Korea on how to manage North Korea

has allowed Pyongyang to escape the consequences of bad behavior and has made

a negotiation with Pyongyang difficult, if not impossible. More specifically:

They do not want North Korea to have nuclear weapons but do not share the

American sense of its primacy as an issue.

They do not want to join in bringing concerted pressures to bear on the North,

fearing it would create serious tensions and potentially affect the peace, stability,

and economy of the peninsula.

While we freeze Pyongyang out except for some humanitarian assistance, they

provide sizable economic assistance, effectively undermining our bargaining position.

They believe we have been insufficiently forthcoming in our negotiating proposals

to the North.

They want us to talk to the North in any forum, bilateral or multilateral, and

do so themselves.

These differences have been mostly papered over by constant to-ings and fro-ings

and the usual diplomatic rhetoric.

The missile tests, however, have clearly had an impact on both countries and

throughout the region. China is embarrassed by North Korean behavior and angry

at its refusal to listen to their entreaties. It also fears that North Korean action will

have damaging regional implications for East Asia, notably causing Japan to reassess

its defense requirements. China, surprisingly, even supported a U.N. Security

Council resolution censuring North Korea, although Beijing has refused to adopt punitive

measures at this time. In South Korea the government’s ‘‘soft’’ approach to

North Korea has been increasingly publicly questioned, and Seoul, also surprisingly,

has suspended some assistance pending North Korea’s return to the Six Party

Talks. North Korea is unhappy with its isolation and sputtering badly. It could well

isolate itself further by cutting off projects with South Korea in an effort to scare

Seoul into becoming more accommodating.

These changing perspectives could open greater opportunities for a diplomacy that

might bring closer together the postures of the United States, China, and South

Korea toward North Korea, an indispensable requirement for any serious negotiations

with North Korea.

The first part of any new American diplomatic effort must be to try to bridge the

gulf with Beijing and Seoul. We might wait to see if there is any further fall-out

from Pyongyang’s isolation and its unhappiness with China and South Korea. But

it is an appropriate time—although hardly the most politically opportune one in

Washington—for the United States to craft a new approach that might get real Chinese

and South Korean support to seriously test the proposition that there may be

some package of security assurances, political measures, and economic bait that

would cause North Korea to put aside its nuclear ambitions and stop throwing missiles

around. That means going further than the statement of principles agreed to

last September by the six powers and putting forth a negotiating position beyond

expecting the North to accept a Libyan-like approach to eliminating their nuclear

weapons. Obviously the elements of a negotiating package must be worked out within

the U.S. Government, which can be enormously difficult given the reported sharp

differences within the administration.

We would expect China and South Korea to make clear to Pyongyang that a fair

deal has been presented. We would try to secure commitments from both countries

on what they are prepared to do if North Korea spurns such a new approach.

Whether their commitments would be worth anything if North Korea balked is a

risk we would have to take.

Departing even further American political reality, I believe that any new negotiating

approach should be accompanied by some dramatic measure to show our willingness

to negotiate not only to North Korea but to our partners as well—such as

a visit by Secretary Rice to Pyongyang or an offer to immediately begin negotiations

to establish diplomatic relations.

There is also the problem of resuming negotiations. North Korea has insisted on

bilateral negotiations. The United States insists that bilateral meetings can only

continue to take place within the multilateral forum. That is a rather remarkable

posture, and makes the Six Party Talks the only multilateral negotiation, that I am

aware of, in which the United States insists that it alone will hold bilateral talks

with one of the parties only when the multilateral meeting is on. The North Koreans

would probably have accepted that, but now insist that before they go back to the

Six Party Talks, the United States rescind the financial sanctions it has recently

imposed to stem a variety of North Korean illicit activities. There must be an early

resolution of this issue or some face-saving way found for Pyongyang to return to

negotiations.

We have no credible red lines for North Korea beyond not attacking South Korea

and Japan. Nor, as far as I can tell, do we have any concerted policy for dealing

with North Korea as a state besides talking to them about nuclear weapons. Every

principal party to the issue is tired of the North Korean regime, but China and

Korea want to do something about it. China has been trying to turn it into a mini

market-oriented China. South Korea hopes that by large-scale assistance to make

them dependent and transform the regime over time. Maybe all that is a triumph

of hope over reality. America’s policy toward the North seems to be to hold its nose

and wait for them to implode or for China or South Korea to see the light and join

us in putting serious pressures on North Korea. Hopefully there will be some surprise

internal cataclysm—not to be dismissed that washes the regime away. Waiting

for that to happen is not a great basis for policy.

That still leaves the nuclear issue. And we all know there is no good option. Force

would be violently opposed by South Korea which has the most at stake. Pressure

and isolation requires unity with our friends. Maybe North Korean actions will stimulate

our friends to further action, but U.N. resolutions guarantee nothing. That

leaves diplomacy and whether we want to try to seriously pursue it. We should not

forget that North Korea is not an 800-pound guerrilla. Far from it. It is a failed

state dependent very much on foreign handouts, which will one day be on the trash

heap of history. But before that happens it can cause great harm and the United

States should not be afraid of dealing directly with Pyongyang on the nuclear issue.

Moreover, if we were to decide to try tougher measures and even force, it makes

good sense to put ourselves in the best international position to do it and have gone

the extra mile diplomatically.

Well, I think, going back to your previous

question and relating it to what you just asked, I think what

we do over the next 3 or 4 months will be critical to determining

the type of reaction we get from China and South Korea. I think

it is important in the first instance to show that there is a potential

for serious negotiations. After the principles were issued, the

United States, presumably because of problems in Washington,

issued its own unilateral statement, in effect saying: You have to

clean up your nuclear act and all associated activities before in effect

anything else comes into play.

I do not think North Korea can accept that sort of policy. So

there have been always two issues in this negotiation which have

not really been discussed. The first is who goes first, who goes second,

what do they do, what are the acts. That is still way up in

the air. I have no idea what the U.S. Government position is on

that.

The second is verification, and verification can be used in all

sorts of ways, whether to try to get an agreement or try to sink

an agreement, and I do not know where the U.S. Government is

on that.

I believe to try to bring the position of the United States, South

Korea, and China together, we will have to over time develop a position

that offers something concrete to the North Koreans, whether

they accept it or not. I do not know whether we can develop that

position.

We have been going on saying we have got these great principles,

they have agreed to denuclearize, but nothing more has happened.

So the question is why has nothing more happened. We have got

to ask ourselves that.

In that regard, let me make an observation about the United

States. We seem to act as if what we say today is what is important

and what we said for the last 4 years does not count. We

wonder why do you fellows remember this? First of all, the administration

broke with the Clinton policy. It broke with the policy of

engagement. That was the policy of the Clinton administration,

rightly or wrongly. It called North Korea a rogue state. It declared

it was an evil country. Part of the axis of evil, it said we should

get rid of it: regime change. We invaded another country which was

part of that axis of evil.

So now we expect North Korea to say: Oh, wonderful, you are a

friendly country. I think we have to recognize that—I am not making

a case for North Korea; obviously it is a terrible state—I am

making a case for how do we get to an agreement, and I believe

our rhetoric in the past has been very detrimental, first with our

allies and second in getting North Korea to a serious negotiation.

Whether they will do so or not I do not know.

Sorry for the lecture.

Dr. Kanter has very, very well expanded

what needs to be done. I would just like to make an observation,

which may be unfounded. It is sort of like an intelligence

analysis of our Government, not the North Korean Government.

Getting them to put down a detailed negotiating package is an existential

moment in this government, and I do not know whether

they will be able to do it. I simply do not know whether they will

be able to do it.

But I would urge you, if you feel so inclined, to do what you can

to force the government to explain to this committee their thinking

in detail, because without that sort of package we are just spewing

forth rhetoric. We have to move beyond the rhetoric, and I do not

see that happening. I believe to the extent that this body is willing

to see whether there can be any progress along these lines, I think

it is important to make the American Government put down what

is in a negotiating package which is more than: You commit suicide

and then we will talk.