Thank you, Mr. Chairman, Senator

Lugar. It’s a pleasure to be here.

I wish I had more positive news to convey, but it is nonetheless,

I think, very important that we be in the process of consulting with

the Congress, particularly with this committee and other committees,

as we try to move forward.

I will not repeat what the two of you have said with regard to

the situation that we face and what has happened to bring us to

the point at which we now stand. I think you’ve each summarized

that very completely and very accurately.

I’ve submitted a written statement for the record. I would note

that the international community has in our judgment, reached an

important moment for the security of Northeast Asia.

If North Korea does not heed the unanimous call of the international

community and return to negotiations to achieve the irreversible

dismantlement of their nuclear and ballistic missile capacity,

the United States and our allies and partners in the region will

need to take the necessary steps to assure our security in the face

of this growing threat. In the interests of all concerned, we very

much hope that North Korea will choose the path of diplomacy

rather than confrontation.

We have seriously embarked upon a four-pronged strategy: regional

consultation, U.N. and bilateral sanctions, defensive measures,

and, if North Korea shows seriousness of purpose, diplomatic

engagement.

First, we are consulting with our allies and partners in Asia,

especially those who have been involved with us in recent years in

the six-party talks to ensure a denuclearized North Korea. President

Obama and Secretary Clinton have been in the forefront of

this effort, reaching out to leaders in Japan, South Korea, China

and Russia, to emphasize the importance of the international community,

conveying a desire for a strong, unified response to Pyongyang

that it will suffer consequences if it does not reverse course.

Last week I participated in a mission to Japan, the Republic of

Korea and China, led by Deputy Secretary of State James Steinberg,

where we reiterated this point.

I can say that our partners share our view that North Korea’s

nuclear and missile threat is a challenge to the international order

and a hindrance to lasting stability in Northeast Asia that must be

addressed.

We found that our Asian partners agree that North Korea’s provocative

behavior is changing the security situation in Northeast

Asia, and we agreed to take coordinated steps to get North Korea

to reverse its latest provocative steps.

China obviously has an important role to play in influencing the

path North Korea follows. On our recent trip, we found that China

shared a deep concern about North Korea’s recent actions, and a

strong commitment to achieve denuclearization.

Our challenge now is to work with China to turn that commitment

into effective implementation of the U.N. Security Council

resolutions.

Second, we are responding to North Korea’s actions with new

measures designed to raise the cost to North Korea of going down

this dangerous path. We are working with other Security Council

members on a range of measures to prevent North Korea from engaging

in the proliferation of dangerous technologies and to dry up

the funding for its nuclear- and missile-related entities and other

companies.

Third, we are, in conjunction with our allies, taking prudent

steps to implement defensive measures aimed at enhancing our

military capacity and our extended deterrence in the region.

On our recent mission, we began to outline a future plan of

responses and defensive measures that the United States and its

allies will take should North Korea refuse to adjust course and

should it continue to implement its announced plans for provocative

behavior, including future missile or nuclear tests.

We are committed to do what is necessary to protect the American

people and to honor our commitments to our treaty allies.

Fourth and far from least important, we remain willing to engage

North Korea to resolve our differences through diplomacy. A

central tenet of the Obama administration’s foreign policy approach

to date has been a willingness to engage in dialogue with those

with whom we have had differences, sometimes very serious differences.

From the beginning, this has been the approach we have pursued

with North Korea, but so far North Korea has not responded in

kind.

On our recent trip, we made clear that the United States

remains open to bilateral dialogue with North Korea in conjunction

with a multilateral effort to achieve the denuclearization of the

Korean Peninsula. As we have stated repeatedly, the United States

has no hostile intent toward the people of North Korea, nor are we

threatening to change the North Korean regime through force. We

remain committed to the September 2005 Joint Statement from the

six-party talks, the core goal of which is the verifiable denuclearization

of the Korean Peninsula through peaceful means.

We believe it benefits North Korea’s own best interests to return

to serious negotiations to pursue this goal. The United States position

remains unchanged. We will not accept North Korea as a

nuclear weapons state.

In short, Mr. Chairman, diplomatic outreach will remain possible

if North Korea shows an interest in abiding by its international

obligations and improving its relations with the outside world. If

not, the United States will do what it must do to provide for our

own security and that of our allies.

We will work with the international community to take defensive

measures and to bring pressure to bear on North Korea to abandon

its nuclear and missile programs. The choices for the future are

North Korea’s.

Thank you again for inviting me to testify today. Before I

respond to any questions you might have, I would like to mention

an important humanitarian matter that is unrelated to the political

and security issues I have just addressed, the conviction and

sentencing this past Monday of two American journalists in

Pyongyang.

As Secretary Clinton has said, we appeal to North Korean

authorities on humanitarian grounds to release these two women

and return them to their families.

Due to Privacy Act considerations, I am not able to answer questions

about our detained citizens in this public hearing, but the

Department of State and the Secretary of State appreciates the interest

we have received from Members of Congress.

I can assure you we are pursuing every possible approach in

order to persuade the North Koreans to release them and send

these women home.

Thank you very much, Mr. Chairman. I look forward to the questions

of the committee.

Chairman Kerry, Ranking Member Lugar, and members of the committee, thank

you for inviting me to testify today about one of our most important foreign policy

challenges, that of North Korea’s nuclear and missile threats.

North Korea’s April 5 test of a Taepodong-2 missile and its May 25 nuclear test

were serious and unacceptable threats to international peace and security that violated

existing Security Council resolutions and raised questions about North Korea’s

intentions to honor its commitments to achieve complete and verifiable

denuclearization. After the April missile test, the U.N. Security Council condemned

the launch and tightened sanctions against North Korea’s missile and military programs.

In response, North Korea then threatened other dangerous and provocative

measures, including conducting another nuclear test, if the Security Council did not

‘‘apologize’’ to North Korea. On May 25, North Korea conducted what it announced

to the world as an underground nuclear test. In immediately condemning this behavior,

President Obama noted that North Korea’s actions pose a ‘‘direct and reckless

challenge’’ to the international community.

As a result of North Korea’s actions, the international community has reached an

important moment for the security of Northeast Asia. If North Korea does not heed

the unanimous call of the international community and return to negotiations to

achieve the irreversible dismantlement of their nuclear and ballistic missile capacity,

the United States and our allies in the region will need to take the necessary

steps to assure our security in the face of this growing threat. In the interest of all

concerned, we hope that North Korea will choose the path of diplomacy rather than

confrontation.

To meet the challenge of North Korea’s recent actions, the United States is acting

promptly and seriously through a four-pronged strategy: Close regional consultation

and cooperation, U.N. and national sanctions, appropriate defensive measures and,

if North Korea shows serious willingness, diplomatic engagement to negotiate a

path to denuclearization.

First, we are consulting with our allies and partners in Asia, especially those who

have worked in recent years through the six-party talks to ensure a denuclearized

North Korea. President Obama and Secretary Clinton have been in the forefront of

this effort, reaching out to leaders in Japan, South Korea, China, and Russia to emphasize

the importance of the international community conveying a strong, unified

response to Pyongyang that it will suffer consequences if it does not reverse course.

Last week, I participated in a mission to Japan, the Republic of Korea, and China,

led by Deputy Secretary of State James Steinberg, where we reiterated this point.

Our partners share our view that North Korea’s nuclear and missile threat is a

challenge to the international order and a hindrance to lasting stability in Northeast

Asia that must be addressed. We found that our Asian partners agree that

North Korea’s provocative behavior is changing the security situation in Northeast

Asia. We agreed to take coordinated steps to get North Korea to reverse its latest

provocative steps.

As North Korea’s neighbor, traditional ally, and primary aid and trade partner,

China has an important role to play in influencing the path North Korea follows.

On our recent trip, we found that China shared a deep concern about North Korea’s

recent actions, and a strong commitment to achieve denuclearization. Our challenge

now is to work with China to turn that commitment into effective implementation

of the UNSC resolutions.

Second, we are responding to North Korea’s provocative actions with new measures

designed to raise the cost to North Korea for going down this dangerous path.

We are working with other Security Council members on a range of measures to

prevent North Korea from engaging in the proliferation of dangerous technologies

and to dry up funding for its nuclear and missile-related entities and other

companies.

Third, we are, in conjunction with our allies, taking prudent steps to implement

defensive measures aimed at enhancing our military capacity and our extended deterrence

in the region. On our recent mission, we began to outline a future plan of

responses and defensive measures that the United States and its allies will take

should North Korea refuse to adjust course and should it continue its announced

plans for provocative behavior, including future missile or nuclear tests. We are

committed to do what is necessary to protect the American people and to honor our

commitment to our treaty allies.

Fourth and finally, we remain willing to engage North Korea to resolve our differences

through diplomacy, including bilaterally, within the framework of the six-party

process. A central tenet of the Obama administration’s foreign policy approach

to date has been a willingness to engage in dialogue with those with which we have

had differences, sometimes very serious differences. From the beginning, this has

been the approach we have pursued with North Korea. But North Korea greeted the

open hand of the new administration with preparations to launch a ballistic missile.

When I was appointed by the President and Secretary Clinton, I proposed to the

North Koreans a visit to Pyongyang, in the spirit of engagement, rather than threat.

To this day, I have received no response.

On our trip, we made clear that the United States remains open to bilateral dialogue

with North Korea in conjunction with the multilateral effort to achieve the

denuclearization of the Korean Peninsula. As we have repeatedly stated, the United

States has no hostile intent toward the people of North Korea, nor are we threatening

to change the North Korean regime through force. We remain committed to

the September 2005 Joint Statement from the six-party talks, the core goal of which

is the verifiable denuclearization of the Korean Peninsula through peaceful means.

We believe it benefits North Korea’s own best interests to return to serious negotiations

to pursue this goal. The United States position remains unchanged: We will

not accept North Korea as a nuclear weapons state.

In conclusion, diplomatic outreach will remain possible if North Korea shows an

interest in abiding by its international obligations and improving its relations with

the outside world. If not, the United States will do what it must do to provide for

our security and that of our allies. We will work with the international community

to take defensive measures and to bring significant pressure to bear for North Korea

to abandon its nuclear and missile programs. The choices for the future are North

Korea’s.

Thank you again for inviting me to testify today. Before I take your questions,

I would like to mention an important humanitarian matter that is unrelated to the

political and security issues I have just addressed—the conviction and sentencing

Monday of two American journalists in Pyongyang. As Secretary Clinton has said,

we appeal to North Korean authorities on humanitarian grounds to release these

two women and return them to their families. Due to Privacy Act considerations,

I am not able to answer questions about our detained citizens in this public hearing,

but the Department of State appreciates the interest we have received from Members

of Congress. I can assure you we are pursuing every possible approach that

we can consider in order to persuade the North Koreans to release them and send

these young women home.

I will certainly be happy to try, Mr.

Chairman.

With regard to the discussions in New York, as you can appreciate,

this has been a primary focus of our efforts. The Security

Council is now considering a new resolution that, if adopted, would

impose unprecedented new measures to address the threat posed

by the DPRK’s missile and nuclear proliferation activities and to

compel that country to commit itself to political dialogue and denuclearization.

These measures will give the international community some new

tools to work with on the problem of North Korea. It would include,

if adopted, first a total ban on arms exports and a major expansion

of the ban on arms imports, new financial sanctions to limit the

ability of DPRK to fund its WMD and ballistic missile-related

activities, enhanced Inspection Act provisions for ships suspected of

carrying proscribed goods, such as weapons of mass destruction or

ballistic missile parts, designation of new entities and goods for

sanctions, and within the U.N. Security Council itself improved

mechanisms for monitoring the implementation of these sanctions,

which I think is very important.

That outlines a range of the actions that will take place and from

which, in order to obtain relief, the North Koreans will have to

begin to comply with their earlier commitments and obligations.

These measures will go forward. As I

stressed, our strong preference is to engage in serious effective diplomacy

with North Korea, and this is not something that the

United States is doing on a unilateral basis. We are acting very

much in concert with our two treaty allies, Japan and the Republic

of South Korea, and in concert with our partners in the six-party

process, namely China and Russia.

I think there has been no lack of communication

of our concern and what we are prepared to do. North

Korea has been listening. We have some degree of confidence. So

far we’ve had no effective response from North Korea, other than

their assertion about a month ago before their nuclear test that

they were going to test another nuclear device because the U.N.

Security Council had failed, as they had demanded, to apologize to

North Korea for its earlier actions.

But so far there has not been any demonstrated willingness to

engage with the international community, either through the U.N.

or directly through the six-party process.

Well, obviously we are prepared to

respond appropriately, and I’m really not at this time able to go

much beyond that.

As I said in my prepared remarks, the United States will do

what is necessary to defend U.S. national security and the security

of our allies in the region.

The Chinese have been engaged in various

kinds of diplomacy over the last several months with the

North Koreans. I’m not at this point prepared to comment on what

they might have done recently or might be doing in the future, only

to say that I think we and the Chinese agree that we each have

respectively a very important role to play in trying to defuse the

situation through diplomatic interaction.

Yes.

I think it is very fair to say that we

found on our trip to the region and in bilateral consultations here

and elsewhere with the Chinese that they are deeply concerned

about the prospect of North Korea continuing forward with its

nuclear program and with its ballistic missile program.

Russia, too, has shared that deep concern

and has been actively collaborating and working together with

us in the U.N. Security Council.

I’m not a veteran of U.N. activities, but

I could say that I’m impressed by the degree of focus that the P5

has brought to this particular problem, including, of course, the

other two members who are actively engaged in this, namely Japan

and the Republic of Korea.

We have made it very clear that we are

prepared to go back to the table any time the North Koreans are.

We are not the ones who have announced their withdrawal from

the six-party talks. That has been the North Koreans.

The President and the Secretary have

made it clear that we are prepared to engage bilaterally within a

multilateral context and multilaterally, and I think we are prepared

to be quite ambitious in both areas.

I think in fact all topics would be open.

The nuclear issue remains the core from our point of view and from

that of our partners in the six-party process, but my own strong

belief is that to deal in the long term with the problems that North

Korea poses requires that we broaden our focus beyond the nuclear

question alone.

North Korea is a very weak state, despite its boisterous activities

in the area of nuclear technology and missiles, and in order to

achieve the kind of stability in Northeast Asia that is important for

not only the countries of that region but, indeed, the countries of

the world, including specifically the United States, I think we have

to address how we can help North Korea achieve greater economic

success. As long as it remains as weak as it is, there is a risk that

it will generate instability throughout the region.

We’re also prepared, as we have indicated in the past, to talk

with the North Koreans about the normalization of our own relationship

with them and we’re prepared to talk with them, together,

of course, with our partners in the region, about our new arrangements

that might be put in place to replace the Armistice of 1953.

All of these things are effectively interlinked, but again the core

of our concern and the sine qua non of making progress is serious

engagement by the North Koreans on the issue of denuclearization.

I have, at my pain, learned not to

project my views of why North Korea does things very actively. I

think sometimes it’s very difficult for people on the outside, including

myself, to understand their motivations.

I would only say, Mr. Chairman, that I think the various motivations

that you put forth all make sense to me.

That is a subject that we continue to

examine. It is a subject which is covered in part at least in the

U.N. Security Council resolution which is now pending adoption in

New York, and it is one about which we are exchanging views with

our partners and allies in the region.

Beyond that, I’m really not able to go very far at this point, Senator.

Obviously, we’re looking at all mechanisms which would

enable us to help to persuade North Korea to come back to a negotiating

framework.

I can’t really go into much detail on

this, not because I’m reluctant to comment but because I was not

involved in these efforts at that time.

But I think we are looking at the possibility of additional measures

which will be very carefully targeted and which would, as you

suggest, address the issues posed by specific North Korean deposits

and holdings outside of the country.

Now obviously this becomes very complicated because North

Korea would have relationships with banks and financial institutions

of other countries, and we have to be sure that we are coordinating

this with those governments, but, particularly under the

pending U.N. Security Council resolution, this is an area of activity

that we are going to look at very seriously.

On the whole, my view is that they

would be inclined to cooperate very strongly with the U.N. Security

Council resolution, and as I mentioned, the new resolution would,

if adopted, create new enforcement opportunities within the Security

Council itself.

I’m not sure I understand exactly what

you’re referring to, Senator. If it’s with regard to the industrial

zone at Kaesong, then there have been a number of conversations

between the North and the South underway for some time. We follow

those with interest and I think we would be happy to get back

to you as to where we think those are going.

My impression is that is correct, and I,

too, find it of some interest, and I think it hopefully will demonstrate

a willingness on the part of North Korea to look at its own

self-interests and make decisions based on that.

As you suggest, Senator, the North

Korean economy is in a desperate condition. It has been steadily

going downhill since probably the early 1990s and its industrial

output, for example, is now only a fraction of what it might have

been, what it was in the late 1980s.

Its agricultural output is also very, very poor and has been inadequate

to meet the needs of its own citizenry, and North Korea has

depended heavily on international contributions of food stuffs to

feed its own people.

Now, as I know you are aware, North Korea about 2 months ago

asked our humanitarian agencies and organizations who were

there to deliver the food that the United States had agreed to make

available, were asked to leave by the North Korean authorities. So

that quantity of food is no longer being provided.

We remain concerned on humanitarian grounds about the condition

of the North Korean population, which is not good. Now, the

country is covered by such secrecy that one doesn’t know exactly

what the condition of all the population might be, but it is clear

that diet is inadequate in terms of caloric intake, and if they have

a harvest that, for example, is not as good as it should be or as

they hope it would be, then the conditions deteriorate even further.

So we and our partners and other countries in the U.N. Security

Council are very conscious of the need not to further punish the

people of North Korea. That is very much one of the things that

guides us as we try to shape a policy that will both respond to

what the North Korean Government is doing and give us some possibility

for improvement.

Thank you very much, Senator.

As Secretary Clinton has said, we take very seriously the calls

by Members of Congress to redesignate North Korea as a state

sponsor of terrorism. As a legal matter, in order to be designated

as a state sponsor of terrorism, the Secretary of State is only

authorized to make a designation based on a determination that

the government of a given country has repeatedly provided support

for acts of international terrorism.

Now I can say unequivocally we will follow the provisions of that

law completely.

I would note that a redesignation of North Korea as a state sponsor

of terrorism would not result in any new material penalty to

the North Koreans, since many of the activities that we’re talking

about are covered under other sanctions applied to North Korea

under other provisions of U.S. law, including proliferation of weapons

of mass destruction and the means for delivering them.

I appreciate your thoughts, and we will

reflect on that and get back to you.

I think, as I said earlier, the question is based on a legal determination

as to whether a given country has repeatedly provided

support for acts of international terrorism.

Now, we don’t like in any way what many of the things that

North Korea has done, and we will continue to object to and sanction

those as appropriate under United States law.

First of all, our best hope of making

progress on these issues is as you suggest, to work jointly with the

major countries of the region and our principal allies in the region,

and this is not a unilateral American effort. Through the frequent

consultations with the other parties to the six-party talks and

through the U.N. Security Council, we have made multilateral

action the centerpiece of what we are trying to do with the North

Koreans.

As for how one makes progress over time, I would counsel only

patience and perseverance, and I think we have to remain steady.

We have to continue to indicate that some of the things that North

Korea is doing are dangerous and unacceptable to us, and we have

to be prepared to respond, as we are now responding, through the

U.N. Security Council resolution, through bilateral sanctions, and

through consultations with our partners in the region.

We must also continue to indicate that for us, engagement and

dialogue and diplomacy remain the only real way to solve this

problem. Now that does not mean that you acquiesce in everything

that North Korea wants—far from it—but if we remain patient and

persevere in our policy, the chances of eventual progress are good.

First, I would note that there’s been, as

far as we are aware, no formal designation of anyone as Kim Jongil’s

heir. So to some extent, this is a reflection of speculation in the

press which may or may not prove to be founded.

In the meantime, what I would say in response to your very good

questions is to quote someone who was quoted earlier by the chair-

man and that is Secretary Bill Perry when he was Secretary of

Defense, who advised that ‘‘we should deal with North Korea as it

is, not as we would wish it to be.’’

So regardless of who is in power in North Korea, who is the

President, who is the leader, I think we have to deal with North

Korea on the basis of what it does and not what we think would

be a likely alternative.

One of the things that would be provided

by this new resolution, assuming it is adopted, is that the

DPRK Sanctions Committee will have an enhanced mandate to

focus on compliance, investigations and outreach, and also a panel

of experts would be established, as under other sanction regimes,

to support the committee’s effort to monitor and improve implementation,

and I think it is obvious that for the United States Government,

a position of urging all U.N. members to comply fully

with this new resolution will be a very important part of our

response to what North Korea is doing.

Sanctions resolutions are useful and important, largely to the extent

to which they are implemented, and I very much believe that

we will push to ensure that other countries implement these resolutions

as fully as we do.

First, it’s very fair to say that we found

China very concerned, acutely concerned about what North Korea

has done and is doing, both in the nuclear field and in the area of

missile technology.

They recognize, perhaps more than anyone else, that these moves

by North Korea can have a very deleterious effect on security

arrangements throughout Northeast Asia and specifically on the

Korean Peninsula, and they realize that this is not in their interests.

Now I can’t speak for the Government of China obviously, only

to say that our impression when we came away from these very

intensive consultations in Beijing was that China sees the current

situation and the evolution of that situation in very much the same

way that we do.

With regard to what China is or is not prepared to do and what

its potential for action might be, I’m very reluctant to comment in

a public forum about that. I think that’s largely up to China, and

I would say we’ll have to judge China on the basis of what it does

over the next several months.

But China is also a country which has grave concerns about

instability in the region, and I think we’ll continue to work with

them very closely and to try to ensure that we continue, as we have

to date, to operate very much on a common front and, indeed, with

our other partners in the region.

I really am reluctant to get into that

because it has to do with what China is doing as a sovereign country

in its own interests, but I would say that we are satisfied that

China is moving in all of its connections within the region, specifically

in its connections with North Korea, to give focus and reality

to this effort. This is a subject on which there are bilateral communications,

but beyond saying that in a general sense, I really don’t

want to become too specific.

Again, I can only comment on the basis

of what we learn when we talk to the Chinese, and in that sense,

I think I am convinced that they are acutely concerned about what

North Korea is doing and see no advantage to them or anyone else

from what North Korea is doing.

We are very committed to continuing

our close consultation with the Chinese as we move forward, and

I think we each are of the belief that that kind of consultation and

coordinated action is essential if we’re going to bring about the

kind of solution to this problem that we think is desirable and

needed.

Well, we already have a very strong

defense posture in the Western Pacific.

Well, again, I don’t mean to be evasive,

but I’m not going to get into the business of my colleagues in the

Defense Department, and, of course, the President’s business ultimately

to decide how we might do that, if it’s so desired.

I think, Senator, that one of our

strengths as a nation is our willingness to engage in humanitarian

activities, aside from political considerations.

So I would applaud the efforts of any American entity to try to

bring about some improvement in the very desperate condition of

the North Korean people. That’s the basis on which the U.S. Government

has provided food aid over the last several years. It’s the

basis on which a number of private nongovernmental organizations

have operated within North Korea, and we have never, and I don’t

believe we’ll ever in the future, tried to use these activities as

leverage for political ends.

We deal with North Korea on an official government-to-government

basis, but I personally, and I think I can speak for everyone

in the administration and, indeed, in the United States bureaucracy.

This willingness to engage in humanitarian activities is one

of the hallmarks of our country and one that gives me a great

pride.

I have no specific information. It’s

mostly anecdotal. I have reason to believe through my conversations

with some of the United States organizations that have been

doing this over the years that, by and large, the North Korean people

understand from where this assistance is coming and in some

cases I think in recent years the food that we’ve provided even

comes with an American flag on the bag which is still there when

it’s distributed to the people of North Korea.

So I think that the North Korean people probably understand

better than we may expect the humanitarian impulses of the

United States and its people.

I can assure you, Senator, that human

rights concerns remain very much on the agenda of our prospective

relationship with North Korea, and in the case of the detained journalists,

we are exploring all possible ways to bring about their

release on humanitarian grounds.

Beyond that, as I indicated in my prepared remarks, I really am

not able to comment further, given Privacy Act considerations and

other things.

Without question.

And we are moving under legislation

that was, I believe, passed last year, to designate a new special

envoy for North Korean Human Rights and I would expect and

hope that that could be done in the next several weeks.

We will do everything possible to monitor

that situation and if we believe that there is evidence or that

there is an indication of proliferating activities, we will respond in

a very strong fashion.

I would note that this is a very difficult thing to do, obviously,

and it is one of the major reasons, not the only reason, but one of

the reasons why, for the Obama administration, the ultimate goal

remains verifiable denuclearization because if the Korean Peninsula

is denuclearized, then there is really no risk of proliferation.

But we’re not prepared and never will be prepared to settle for

a policy which only concentrates on proliferation and ignores the

root cause which is the nuclearization of North Korea.

I agree with that.

What happened with regard to 1718,

and this is no excuse, but what happened was that soon after that

was passed, we found ourselves back in multilateral negotiations

with the DPRK.

Now, I think as we go forward, in fact as has already been the

case over the last few months, the subject of implementation of

U.N. Security Council resolutions, both the existing one, 1718, and

now, of course, prospectively the new one, it’s very much a subject

of active consideration in our relationship, not only with the Chinese

but with all other countries of the region.

So I think you can expect that as we move forward, we’re going

to continue to be very concerned about implementation, and I

would expect that other countries will be, as well.

Well, I think I’m never hesitant to recommend

what Congress should do, but I do think——

I do think that Congress has a role in

this and that as the Congress expresses its views, those can hopefully

reinforce the positions that we’re taking in bilateral government-

to-government relationships with our partners.

Optimally, I would like to see the North

Koreans signal strongly that they’re prepared to return to——

A negotiating mode. The

other members of the six-party process, including very importantly

the United States, are all prepared to go back to the six-party

process.

I think it has proven to be an effective mechanism. Now, it’s not

perfect and anyone who has been engaged in multilateral diplomatic

efforts will tell you that as you expand beyond two, the process

becomes ever more complicated by a quantum factor.

But, nonetheless, the six-party process provides a platform within

which each of us can examine what the others are doing, where

we can resolve issues, where we can coordinate efforts with regard

to a common purpose and with regard to North Korea, and so I am

hopeful that at some point, preferably not in the too-distant future,

North Korea will come back to the table, and I think I can say that

all other members of the six-party process share the desire of the

United States to see that happen as soon as possible.

Well, I think that there’s no question

that the North Koreans are aware of our attitude on this subject,

and beyond saying that I believe that they know there would be

consequences for any such activity, I really don’t want to go much

further in my statements.

Well, first of all, it’s not—it is not welcomed

news, obviously, but the practical effects of it at this point

are not vast.

We would like to see them come back into the armistice framework.

There are some mechanisms provided by the armistice that

will be very helpful, and I have no reason to at this point believe

the North Koreans are going to reject those mechanisms.

As I indicated earlier in response to a question, looking out beyond

where we are now and in a broader focus, I think the Obama

administration believes that it is time to begin talking seriously

with the affected countries about a permanent replacement for the

armistice of 1953. That was a long time ago and it is in some ways

concerning and lamentable that a state of war still technically and

formally exists on the Korean Peninsula.

First of all, Senator, it’s important to

note that those are percentage increases off very low base levels.

I haven’t personally analyzed the data sufficiently to be able to tell

you exactly what it means.

I think one thing that it probably reflects, particularly on the import

side, is a very high price for oil over most of 2008, and I think

that probably has inflated the figures.

I would say that in all likelihood, as we go forward, and particularly

as the new U.N. Security Council resolution comes into force,

as we continue our efforts to coordinate with China in particular

but also with other countries in the region, that I would be surprised

to see those rates of increase continue in 2009 and beyond.

But it is true, nonetheless, that North Korea has an economy

which in many ways is only barely above the level of subsistence.

So that makes it difficult to change its behavior through the use

of economic sanctions, although not impossible, and certainly carefully

targeted sanctions are a very important part of, if you will,

our toolkit in dealing with North Korea.

But we should not be under any illusions that these in and of

themselves are going to bring about a sharp reversal of the current

situation.

I think that at the moment there is no

evidence that they are prepared to do that now. I am, however, as

I indicated earlier, of the belief that they eventually will come back

to the table.

Then the challenge is in part for us to ensure that we engage

with them in a realistic fashion and that we begin considering

negotiating measures which will in fact be much more irreversible

than some of the measures that have been negotiated with them

in the past.

Now I don’t underestimate the difficulty of doing that. It is going

to be very difficult, indeed, but we need a greater sense of

irreversibility and a greater sense that the things that they agree

to now, they’re not going to fall away from in the future.

As some of us have indicated, we have no desire or willingness

to pay twice for things that North Korea is willing to do.

Enforcement is largely through the

negotiating process itself and what we are willing to provide in

return, and we’ll have to see. There is no magic process by which

you do this. It’s all very hard work and I think in this case, it all

requires very close coordination with the other affected countries of

the region.

The United States really can’t do this on its own. We can be a

leader in the process but we very much need the active collaboration

of the other countries involved, our allies South Korea and

Japan and our partners China and Russia.

I have no reason to speculate one way

or the other on that. As I said earlier, quoting former Secretary of

Defense William Perry, I think we have to deal with North Korea

No.