Thank you, Mr. Chairman, Senator Lugar, members

of the committee.

You have my written statement which I’d like entered into the

record. It can be summed up in three very short points and leave

lots of room for questions.

First, we do not know many things we need to know about the

North’s nuclear program or about the way the regime works. We

do not know what many people assert which is that the North

won’t give up its nuclear weapons.

The fact is the more we say they won’t, it only encourages our

allies to fear that we are not trying to get the North to give them

up through serious negotiations. So I would say that the only way

we can find out what we need to know is sustained diplomatic give

and take and we do not know whether the North is ready for that,

but we’ve got to find out.

Second, with respect to change inside North Korea, collapse is

certainly a hope but hope is not a strategy. It seems to me the only

strategy that can bring about much-needed change inside North

Korea, however gradual and grudging, is sustained engagement

and people-to-people exchanges, like the New York Philharmonic

that the Korea Society arranged, where the North Korean people

were exposed to something that undercut years of North Korean

propaganda of hostility to the United States.

There was the Philharmonic playing and there were tears in the

eyes of some of those North Koreans in the audience and everybody

in North Korea was exposed to it on their own television sets. It’s

an interesting way, however gradual, nothing grand, to bring about

change.

Finally, it seems to me the heart of our problem is that despite

all the talk about sanctions and military possibilities and all

options remain on the table, the sad fact is that we lack leverage

to force the North Koreans to do what we want them to.

The only way I know to get leverage is through engagement that

gets them dependent on us over time and then if they don’t live up

to their obligations, those things can be stopped or withdrawn. I

know of no other way to get leverage. It is a terrible fact that we’re

at the mercy to some extent of a regime that is hateful but we have

to learn how to deal with it and a diplomatic strategy seems to me

the only one that has a realistic chance of getting anywhere.

Thank you.

Mr. Chairman, members of the committee, thank you for inviting me to appear

before you today. I have been involved in the North Korean nuclear and missile

issue for the past 15 years, including conducting Track II meetings with senior

North Korean officials, as well as with senior officials of the other six parties.

I would like to address three issues today: (1) What we know and don’t know

about North Korea’s intentions and the future of the current regime in Pyongyang;

(2) our desire for change in North Korea and how to bring it about; and (3) our lack

of leverage over North Korea and how to increase it. To address these issues, we

need a new strategy.

When we look at North Korea, we are rightly repelled by goose-stepping troops

and gulags, a regime motivated by paranoia and insecurity to dig tunnels and menace

its neighbors, a command economy that makes little for the world to buy except

missiles or other arms, a leadership that mistreats its people, a state that committed

horrific acts in the past like its 1950 aggression and the 1983 Rangoon bombing

that barely missed South Korea’s President and killed 17 members of his entourage.

It is one of our core beliefs that bad states cause trouble in the world. North

Korea, with its one-man rule, cult of personality, internal regimentation, and dogmatic

devotion to juche ideology is a decidedly bad state. That’s what we know

about North Korea.

A wise analyst once wrote, ‘‘Finding the truth about the North’s nuclear program

is an example of how what we ‘know’ sometimes leads us away from what we need

to learn.’’

What do we need to learn?

There are widespread doubts about the accuracy of North Korea’s nuclear declaration.

We do not know with any precision how much plutonium North Korea has produced.

Nor do we know the extent of its uranium enrichment effort. Nor are we sure

whether North Korea has deliverable nuclear weapons or not. It says it does but

its 2006 test did not demonstrate that. We do not yet know if its recent test did,

either.

What has North Korea been up to in nuclear and missile diplomacy with the

United States? Again, we do not know. The prevailing assumption in Washington

is that Pyongyang has always been determined to arm. Such an aim seems understandable

enough for a militarily weak and insecure state, but it fails to explain two

significant anomalies in its nuclear and missile activities over the past two decades:

As of today, the only way for North Korea to make the fissile material it needs

for weapons is to reprocess spent nuclear fuel from its reactor at Yongbyon and extract

the plutonium it needs for nuclear weapons. Yet North Korea stopped reprocessing

in the fall of 1991, some 3 years before signing the Agreed Framework, and

did not resume until 2003. It stopped again in 2007 and did not resume until now.

It thereby produced significantly less plutonium for nuclear warheads than it could

have.

The only way for North Korea to perfect ballistic missiles for delivering nuclear

warheads is to keep testing them until they work reliably. Yet the North has

conducted just three sets of medium-range missile tests and three tests of longer

range Taepodong missiles in 20 years.

The timing of when it started and stopped its nuclear programs and conducted

its missile tests suggests it has been pursuing a two-track strategy to ease its insecurity:

On the one hand, arm to deter the threat of attack, and on the other hand,

restrain arming as inducement for a fundamentally new political, economic, and

strategic relationship with the United States, South Korea, and Japan. We do not

know if that strategy has changed.

Pyongyang’s basic stance is that as long as Washington remains its foe, it feels

threatened and will acquire nuclear weapons and missiles to counter that threat.

But, it says, if Washington, along with Seoul and Tokyo, moves to end enmity and

reconcile with it, it will no longer feel threatened and will not need these weapons.

Does Pyongyang mean what it says? Most observers doubt it, but the fact is, nobody

knows, with the possible exception of Kim Jong-il. We need to find out. And

we need to find out exactly what he wants in return. The only way to do that is

to probe through sustained diplomatic give-and-take—offering the DPRK meaningful

steps toward a new political, economic, and strategic relationship in return for

steps toward full denuclearization. All the speculation that it will never give up its

weapons only encourages Pyongyang to think it won’t have to—and worse, encourages

our allies to think we are abandoning our goal of complete denuclearization.

A second major source of uncertainty is the future of the North Korean regime

if Kim Jong-il should die or be incapacitated. One thing is clear, whatever happens

to him will make the North’s nuclear and missile programs more of a risk. Why take

the chance that his successor might be less able to make and keep a nuclear or missile

deal or control North Korea’s nuclear weapons and material? Doubts about Kim

Jong-il’s health make diplomatic give-and-take more urgent. Managing or ignoring

North Korea, as some in Washington favor, is not a prudent policy, especially if the

North becomes more unmanageable.

Some believe that the collapse of North Korea is the only way to capture the

North’s nuclear and missile programs. When and if that might happen is unknowable.

Waiting for its collapse while it adds to its nuclear and missile capacity is not

prudent. Even worse, collapse would run serious risks that fissile material and missile

technology end up in the wrong hands. Collapse is certainly a hope, but hope

is not a strategy.

Nor is regime change a credible strategy because none of North Korea’s neighbors

seem willing to run the risks of collapse. The only strategy that can bring about

needed change inside North Korea, however gradual and grudging, is sustained

engagement and people-to-people exchanges. That will require support for NGOs to

work on the ground in North Korea and to bring North Koreans here and send

Americans there for cultural, scientific and educational exchanges and business,

agricultural, legal, financial, and other training.

A good example was the concert given by the New York Philharmonic in

Pyongyang, which received a warm, at times emotional reception that was broadcast

nationwide in North Korea—a useful counterpoint to the steady diet of anti-United

States propaganda Pyongyang usually feeds to its populace.

Instead of encouraging expanded access, however, we have tried to withhold such

exchanges for leverage, for instance, holding up a return visit to New York by North

Korea’s state symphony orchestra. Doing so gives us little leverage while denying

us the benefit of engagement that can stimulate change inside North Korea.

That example illustrates a larger point. The DPRK has nuclear and missile leverage.

We are reduced to withholding visas for a symphony orchestra. That underscores

just how little leverage we have to punish North Korea or compel its compliance.

Military action has always been too risky because Seoul remains hostage,

within range of North Korean artillery. Sanctions have never caused Pyongyang

enough economic pain to make it yield to our will because none of the North’s neighbors

have been willing to impose stringent enough sanctions to risk collapse. And

the North regards sanctions as confirmation of its conviction that we remain its foe,

giving it a pretext to continue arming.

While China will support tougher U.N. sanctions, Chinese officials have repeatedly

stated that it has no interest in seeing either nukes or collapse in North Korea.

Those who seek to induce or pressure China to cut off all food and fuel to the North

want it to act contrary to its interests. This is hardly the time to put our relations

with China in jeopardy over North Korea.

The only way to stop North Korea from testing nuclear weapons and missiles and

making more plutonium is diplomatic give-and-take, whether bilateral or six-party.

That was what President Bill Clinton decided after the North launched its

Taepodong-1 in 1998 in a failed attempt to put a satellite in orbit. Talks in 1999

led the North to accept a moratorium on test launches. When Kim Jong-il met with

Secretary of State Madeleine Albright in October 2000, he offered to end not only

tests, but also deployment and production of longer range missiles.

President Bush also opted to negotiate in earnest after North Korea conducted its

first nuclear test on October 9, 2006. Just 3 weeks later, on October 31, U.S. negotiator

Christopher Hill met bilaterally with his DPRK counterpart and proposed a

compromise end to the financial sanctions imposed in 2005. Negotiations yielded

agreements that put Pyongyang on a path to disable its plutonium facilities at

Yongbyon.

In neither instance, however, did we sustain our promising diplomatic course, so

we do not know how far we could have progressed toward our goal of eliminating

North Korea’s nuclear and missile programs and weapons.

We do not know now, either.

The step-by-step approach we have taken in six-party talks so far has failed to

build much trust or give either side much of a stake in keeping any agreement, leaving

Pyongyang free to use its nuclear and missile leverage. And use that leverage

it has: Whenever it believed the United States was not keeping its side of the bargain,

North Korea was all too quick to retaliate—in 1998 by seeking the means to

enrich uranium and testing a longer range Taepodong-1 missile, in 2003 by reigniting

its plutonium program and giving nuclear help to Syria, and in 2006 by

test-launching the Taepodong-2 along with six other missiles and then conducting

a nuclear test.

The lesson that North Korea learned from 1998, 2003, and 2006, but we have not,

is that we lack the leverage to coerce it to do what we want or punish it for its

transgressions.

It is applying that lesson now. On June 26, 2008, North Korea handed China a

written declaration of its plutonium program, as it was obliged to do under the October

2007 accord. North Korea reportedly declared it had separated 38kg of plutonium,

a total that was within the range of United States estimates, though at the

lower end. In a side agreement with Washington, Pyongyang committed to disclose

its enrichment and proliferation activities, including help for Syria’s nuclear reactor.

Many in Washington, Tokyo, and Seoul questioned whether the declaration was

‘‘complete and correct,’’ as required by the October 2007 agreement. The crux of the

dispute is how much plutonium the North had separated before 1991. Here again,

we do not know for sure.

The United States decided to demand arrangements to verify the declaration before

completing the disabling and moving on to the dismantlement phase of talks.

The trouble was, the October 2007 agreement contained no provision for verification

in the second phase of denuclearization. The day the North turned over its declaration,

the White House announced its intention to relax sanctions under the Trading

with the Enemy Act and to delist the DPRK as a ‘‘state sponsor of terrorism’’—but

with a caveat. As Secretary of State Rice told the Heritage Foundation on June 18,

She

acknowledged Washington was moving the goalposts: ‘‘What we’ve done, in a sense,

is move up issues that were to be taken up in phase three, like verification, like

access to the reactor, into phase two.’’

In bilateral talks with the United States, North Korea then agreed to establish

a six-party verification mechanism and allow visits to declared nuclear facilities, a

review of documents, and interviews with technical personnel. These commitments

were later codified in a July 12 six-party communiqué. Undisclosed at the time, the

North also agreed to cooperate on verification during the dismantlement phase.

That was not good enough for Japan and South Korea. They demanded a written

protocol, and President Bush agreed. The United States handed the North Koreans

a draft on intrusive verification and on July 30 the White House announced it had

delayed delisting the DPRK as a ‘‘state sponsor of terrorism,’’ until they accepted

it.

North Korean reaction was swift. Retaliating for what it took to be a renege on

the October 2007 accord, it suspended disabling at its plutonium facilities at

Yongbyon on August 14. It soon began restoring equipment at its Yongbyon facilities.

On October 9 it barred IAEA inspectors from its Yongbyon complex.

Disabling was designed to whittle away North Korea’s nuclear leverage by making

it more time-consuming and difficult for it to resume making plutonium. With the

disabling in jeopardy, Hill met his DPRK counterpart Kim Gye Gwan in Pyongyang

October 1–3, armed with a revised draft protocol. Stopping short of accepting it, Kim

agreed to allow ‘‘sampling and other forensic measures’’ during the dismantlement

phase at the three declared sites at Yongbyon—the reactor, reprocessing plant, and

fuel fabrication plant—which might suffice to ascertain how much plutonium the

North had produced. If not, he also accepted ‘‘access, based on mutual consent, to

undeclared sites’’ according to the State Department announcement.

President Bush’s decision to proceed with the delisting angered the Aso government.

Japan and South Korea insisted on halting promised energy aid without more

intrusive verification arrangements. In the face of allied resistance, the Bush administration

backed away from the October 2007 six-party accord. On December 11,

the United States, Japan, and South Korea threatened to suspend shipments of energy

aid unless the DPRK accepted a written verification protocol. In response to

the renege, the North stopped disabling. In late January it began preparations to

test-launch the Taepodong-2 in the guise of putting a satellite into orbit.

We then imposed new sanctions, giving Pyongyang a pretext to demonstrate its

nuclear and missile leverage and add to it. It is doing just that by reprocessing the

spent fuel unloaded from the Yongbyon reactor in the disabling process. Extracting

another bomb’s worth of plutonium put it in a position to conduct another nuclear

test without reducing its small stock of fissile material, which it has now done. It

is also threatening to restart its uranium enrichment effort, which could take years

to produce significant quantities of highly enriched uranium. Much worse, in just

a matter of months, it could also restart its reactor to generate more spent fuel for

plutonium. That would give it what it does not yet have—enough plutonium to export.

That could also trigger a nuclear arms race in Asia.

The experience of the last 8 years makes North Korea far less confident about its

effort to reconcile with us and our allies and much more confident about acquiring

additional nuclear and missile leverage. That makes it much more difficult for us

to get Pyongyang to reverse course. In short, we do not know if we can get

Pyongyang back on the road to denuclearization or how far down that road we can

get. We need sustained diplomatic give-and-take to find out.

The current crisis prompts a troubling question, how can Washington avoid having

to react under pressure from Pyongyang, especially when the process of

denuclearization could take years to complete?

Accusing a self-righteous North Korea of wrongdoing and trying to punish has

been tried time and again by the last three administrations over the past two decades.

That crime-and-punishment approach never worked then and it won’t work

now.

We need a new strategy, one that focuses sharply on the aim of reducing North

Korea’s leverage while adding to our own by easing its insecurity and expanding engagement

and exchanges. Deeper engagement not only encourages change in North

Korea. It is also our only way to enhance our leverage. North Korea may be willing

to trade away its plutonium and enrichment programs brick by brick. We should

be willing to give it some of what it wants in return. That would reward good behavior.

It would also give us leverage to withhold if the North does not follow through

on its commitment to disarm.

To probe with an open mind what North Korea wants and what it will do in return,

we need an internal policy review that crafts a roadmap to put more for more

on the negotiating table—not a grand bargain, but a comprehensive list of

sequenced reciprocal actions to normalize relations, sign a peace treaty, end enmity

and reconcile with North Korea, easing its insecurity and isolation. In return for

steps toward a new political, economic, and strategic relationship with Washington,

Pyongyang needs to satisfy international norms of behavior, starting with a halt to

exports of nuclear and missile technology—along with nuclear and missile tests—

and then move to eliminate its nuclear and missile programs. In negotiating, we

need to be clear about what we want at each step and honor the terms of any agreements

we reach with Pyongyang.

One possible roadmap of more for more might look like this:

Send a high-level emissary, someone with the stature of former President Bill

Clinton or former Secretary of State Henry Kissinger who can get access to Kim

Jong-il, and propose a little more for more:

Complete the disabling of the plutonium facilities and the disposal of replacement

fuel rods in return for delivering promised energy assistance on schedule

and move on to permanent dismantlement.

Begin verification of its plutonium production in return for additional energy

aid.

As inducement to a moratorium on nuclear and missile tests and exports,

begin a peace process on the Korean Peninsula with a declaration signed by

the United States and North Korea, along with South Korea and China. In

that declaration Washington would reaffirm it has no hostile intent toward

Pyongyang and formally commit itself to signing a peace treaty ending the

Korean war when North Korea is nuclear-free. It would then commence to negotiate

a series of peace agreements on confidence-building measures.

After consultations with South Korea and Japan, propose a lot more for a lot

more:

Deepen economic engagement with agricultural, energy and infrastructure aid

bilaterally, multilaterally and through international financial institutions as inducement to an agreement to dismantle its nuclear facilities and its medium

and longer range missile programs along the lines of October 2000.

Begin constructing power plants as North Korea dismantles its nuclear programs

and begins to turn over its nuclear material and weapons.

Establish full diplomatic relations as Pyongyang dismantles its fuel fabrication

plant, reprocessing facility, and reactor at Yongbyon with the aid of Nunn-

Lugar funding, carries out the verification of its plutonium production, adopts

a plan for verification of its enrichment and proliferation activities, and holds

talks with the United Nations on human rights issues, such as opening its

penal labor colonies to visits by the International Committee of the Red Cross,

and makes progress on allowing free exercise of religion.

Commence a regional security dialogue that would put North Korea at the top

table and eventually provide negative security assurances, a multilateral pledge

not to introduce nuclear weapons into the Korea Peninsula (a nuclear-free

zone), and other benefits to its security.

Complete powerplants, perhaps including a replacement nuclear reactor, and

sign a peace treaty once the North gives up all its nuclear material and weapons.

Hold a summit meeting with Kim Jong-il in return for its disposal of some plutonium—

at a minimum the spent nuclear fuel removed during the disabling

process. At that meeting conclude agreement on the above roadmap, which

would then be subject to six-party approval.

By getting Kim Jong-il’s signature on such a deal, President Obama would give

Pyongyang a tangible stake in becoming nuclear-free. It would also give Washington

its first real leverage: U.S. steps could be withheld or reversed if—and only if—

Pyongyang doesn’t follow through on commitments to give up its nuclear programs

and arms.

Will our allies go along with this strategy? Whatever the allies’ misgivings about

United States diplomatic give-and-take with the DPRK, letting North Korea’s nuclear

and missile programs run free will only aggravate alliance relations. United

States failure to deal with the North Korean threat has already sowed unease in

some quarters of Tokyo and Seoul about how much they can rely on Washington

for their security. Their unhappiness with U.S. policy can best be addressed neither

by deferring to their wishes nor by running roughshod over them, but by frank and

thorough consultation. That includes serious discussion not only about our negotiating

proposals but also about their security needs as long as North Korea remains

nuclear-armed. Above all, it means making clear to our allies that we will not accept

a nuclear-armed North Korea and that we remain committed to our goal of complete

denuclearization of the Korean Peninsula.

That may be, but he’s promised his people not just

a strong country but a prosperous one by 2012. He can’t do that

on his own. The only way he can do that is with a political accommodation

with us, South Korea and Japan, that allows him to reallocate

resources internally and get aid and investment from the

outside.

If he wants to give up on prosperity, I think that’s trouble for

him, and I think there is no sign he has changed that view. North

Korean rhetoric remains the same. So at some point, I think he

will come and want to deal with us.

I also think he needs us for his security. He did not want to be

dependent on China. His father didn’t want to be dependent on

China. That’s why they reached out to us back in the late 1980s.

I think those fundamentals don’t change. North Korea lives in a

dangerous neighborhood. If it can turn the former enemies into

friends, it is much safer. So I think those things remain and those

things ultimately will make him dependent on us.

I don’t know. I think it is possible to see what we

have as a man who’s trying to force us to be his friend, doesn’t

trust us, and he has somewhat reasonable grounds for not always

trusting us, he has a much weaker country, and a Korean tradition

where for centuries Korean leaders have made deals with the key

neighbors rather than standing up to them.

What his father did and what he did partly to legitimate their

rule is stand up to all the great powers. That’s very bad if he

chooses to do it just with weapons, but as Colin Powell put it very

well, he can’t eat plutonium. If he chooses simply to stand up to

the other powers and simply go for strength and not for prosperity,

that’s not a very good solution for him and it’s certainly not a good

solution for his successor whenever that person takes power down

the road. So Kim Jong-il needs to move.

Well, clearly what we want to do is reward good behavior

and you only do things where, as I suggested, with a series

of reciprocal steps. You only do things for them when they do

things that you want them to and you structure the deals that way.

The fact is we didn’t always do that and that’s a sad fact. North

Korea behavior is inexcusable. What they’re doing now, I don’t

have to tell you, is harmful to them, harmful to us, above all harmful

to our alliance relationships down the road, which is a very

important reason why we have to get back to this negotiating table

and see what we can get.

If I might, Senator, without taking issue at all with

port inspections and other things, I think we really have to keep

our eye on the plutonium.

The North has a likely response, although there’s nothing certain

about the North or what’s going on there right now, which is to

restart the reactor at Yongbyon which would generate more plutonium.

I think we have to try to prevent that from happening and

I don’t know a better way than negotiation.

I think we can’t risk a war here. We have Seoul as a hostage and

I think if you keep your eye on plutonium, right now they have a

very limited supply, limited enough so that they had to reprocess

in order to have enough for another test. They’re going to have to

test some more if they want to prove their weapons.

I think we have some very serious stakes that go beyond the narrow

issue of the plutonium. Think about an unconstrained North

Korean nuclear program and its effects on the politics of Japan and

how that plays back into the politics of China. That is the real

security risk to the United States of America and I don’t know any

other way to stop it—granted it might not work—than through the

negotiating process.

I didn’t say that.

No. What I’m saying is you have to do both. We need

to be able to impede the North from getting things it needs to

make more nuclear weapons and missiles and from sending things

abroad. We need to do that, but we can’t stop there nor should we

consider that the pressure we’re putting on them now will have the

immediate effect of stopping them from making more plutonium.

That’s part of our problem.

I have no objection to part of what he said. I think we have to

do that, and I’m glad that the Chinese are willing to join with us,

but we should not see that as a solution and I think, if I heard

Ambassador Bosworth say this, I think that’s his view, as well. I

think that’s the administration’s view, if I heard it correctly.

I think that’s very important here, and it is very hard. We should

not—there’s no grounds for optimism. It’s just we don’t have an

alternative.

I’m sorry. I didn’t mean to be misunderstood that

way. No, no. I think if you are trying to get rid of the plutonium

facility by attacking it, that’s a risk. That’s a different thing

from——

What this has been about, and we do not know if it

is still about that, what they have told U.S. officials, the earliest

I know is 1990, and they told Under Secretary of State Arnold

Kanter that in 1992, was they wanted a strategic relationship with

us—they wanted to be our ally, to put it in plain English. That was

the way for them to get security.

Do they still want that? I do not know. But if you think about—

if you put yourself in—and it’s very hard to do—put yourself in

Kim Jong-il’s shoes. How can he feel secure? Do nuclear weapons

alone make him secure? I don’t think so.

But if he has a fundamentally new relationship with us, Japan

and South Korea, that’s a different story, but he can’t count on that

and he has seen that we’ve been reluctant to move that way and

therefore he keeps threatening us with the nuclear program.

But in the end, if you look, what we can’t have a good explanation

of it if we think it’s just about nuclear weapons is why did

he limit his production of plutonium over the past 20 years?

It is very hard to understand. It is very hard to understand why

the North Koreans did not in fact test missiles over and over again

until they had reliable missiles. They certainly have the capacity

to do that. Something else is going on here and what I don’t know

is, is it still going on, but we have to find out.

No. I just—one thing with respect to China. I don’t

think fundamental Chinese interests have changed yet.

Instability in Korea is a problem for China, not simply nukes,

and I think that means that to expect China, for instance, as some

people hope for, to cut off all food and fuel to North Korea is to

make it act contrary to its interests and I would say I think the

chairman and certainly Senator Lugar knows this is hardly the

time to put our relations with China in jeopardy over North Korea.

We don’t want to push it too hard, but China is going

to do a lot more, I think, to get tough with North Korea and we

will not only see it but they’re going to do that. That I agree with,

totally with Evans.

Right.