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CONGRESSIONAL TESTIMONY

**North Korea – a Multi-Faceted
Threat to Peace and Stability**

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My name is Bruce Klingner. I am Senior Research Fellow for Northeast Asia at The Heritage Foundation. The views I express in this testimony are my own, and should not be construed as representing any official position of The Heritage Foundation.

North Korea – a Multi-Faceted Threat to Peace and Stability

North Korea poses a multi-faceted military threat to peace and stability in Asia as well as a global proliferation risk.

North Korea has developed enough fissile material for six to eight plutonium-based nuclear weapons. Although the status of weaponization remains unclear, North Korea conducted two nuclear tests in 2006 and 2009. North Korean officials have repeatedly vowed that the regime has no intention of abandoning its nuclear arsenal.

North Korea's disclosure last November of a previously unknown uranium enrichment facility containing 2,000 operational centrifuges validated earlier U.S. assertions that Pyongyang was pursuing a parallel uranium nuclear weapons program. A visiting U.S. scientist was stunned by the size and sophistication of the facility, which exceeded all predictions of North Korean progress on a uranium program.

A South Korean nuclear scientist estimated that Pyongyang could produce one to two uranium weapons per year using 2,000 centrifuges. Capability would be even greater if North Korea has other undetected uranium enrichment facilities.

The newly identified uranium facility at Yongbyon not only augments North Korean capabilities to increase its nuclear weapons arsenal but also increases the risk of nuclear proliferation. A U.N. task force concluded that Pyongyang continues to provide missiles, components, and technology to Iran and Syria since the imposition of U.N. sanctions.

Secretary of Defense Robert Gates warned in January 2011 that "North Korea is becoming a direct threat to the United States" since it will develop an intercontinental ballistic missile within five years.

Pyongyang has already deployed 600 SCUD missiles to target South Korea, 300 No Dong missiles that can reach all of Japan, and the Musudan missile which can hit U.S. bases in Guam and Okinawa.

Pyongyang's unprovoked acts of war on a South Korean naval ship and a civilian-inhabited island last year were chilling reminders that the North Korean conventional forces remain a direct military threat to South Korea. Pyongyang's million-man army has 70 percent of its ground forces forward-deployed within 60 miles of South Korea. North Korea will feel compelled to conduct additional provocative acts in order to achieve foreign policy objectives.

Pyongyang also poses a grave proliferation risk. For decades it has exported missiles to rogue regimes and is suspected of being directly involved in nascent nuclear weapons programs in Iran, Syria, and Burma. In September 2008, Israel destroyed a Syrian nuclear reactor that was being constructed with covert North Korean assistance.

Finally, North Korea also poses a risk to its neighbors by counterfeiting U.S. and other countries' currencies, producing and distributing illegal narcotics and counterfeit pharmaceuticals, and engaging in illicit financial activities.

How Did North Korea Respond to U.S. Engagement?

For years, many have sought to absolve North Korea of responsibility for its acts by instead blaming U.S. and South Korean policies. It has also been claimed that a one-track policy of returning to negotiations, offering concessions, and abandoning punishment for North Korean violations will resolve the nuclear issue and prevent provocations.

Yet secret discussions underway last year did not prevent either North Korean provocation. U.S. and South Korean officials stated that discussions were moving participants back toward the Six-Party Talks but were undermined by Pyongyang's attack on the *Cheonan*. Similarly, South Korea was engaging secretly with North Korean officials, including discussions of humanitarian assistance, when the regime shelled Yeonpyeong Island.

During the last four years of the Bush Administration, the U.S. engaged not only in multilateral negotiations but also in frequent direct bilateral diplomacy with Pyongyang. Washington even removed Pyongyang from the state sponsors of terrorism list as a *quid pro quo* for Pyongyang's accepting a verification protocol as well as to improve the atmosphere of negotiations and stimulate further progress. But North Korean intransigence, noncompliance, and brinksmanship continued.

In early 2009, there were euphoric expectations that the transition from George W. Bush to Barack Obama would lead to dramatic breakthroughs with North Korea. During the presidential campaign, Senator Obama advocated the need for "sustained, direct, and aggressive diplomacy" with North Korea and considered having an unconditional summit with Kim Jong-il. Once in office, his administration attempted to reach out to North Korea several times.

It was premised that the departure of the Bush Administration would lead North Korea to no longer feel threatened and therefore it would refrain from any further provocations. New efforts at dialogue would lead to dramatic improvements in U.S.-North Korean relations and breakthroughs in the Six-Party Talks.

Instead, Pyongyang quickly sent clear signals that it would not adopt a more accommodating stance post-Bush. On the eve of President Obama's inauguration, the North Korean Ministry of Foreign Affairs declared the existing Six-Party Talks agreements were void since Pyongyang had new demands. Only two days after Obama's

inauguration, unclassified satellite imagery photos showed Pyongyang was already preparing for a Taepo Dong-2 missile launch in violation of U.N. resolutions.

Pyongyang also conducted a rapid-fire series of provocations in 2009. North Korea responded to President Obama's soft touch by threatening to weaponize all of its plutonium and build more nuclear weapons, abandoning all previous disarmament pledges, and vowing to "never return" to the already moribund Six-Party Talks.

The regime also launched several missiles in violation of U.N. resolutions; conducted a nuclear test; abrogated the Korean War armistice and all bilateral agreements with South Korea; threatened war against the United States, South Korea, and Japan; threatened the safety of civilian airliners; and closed its border, holding hundreds of South Koreans hostage.

As a result, 2009 saw the death of a lot of cherished misperceptions about engaging North Korea. Pyongyang's biting the offered open hand of dialogue backfired on the regime since it caused a belated epiphany among U.S. experts that Pyongyang, and not the various U.S. policies over the years under successive administrations, was to blame for the North Korean nuclear problem.

The North Korean provocations convinced a lot of analysts in and out of government that Pyongyang had spent 40 years, billions of dollars, countless man-years of effort, and risked international ostracism and punitive measures to develop nuclear weapons as a military capability and not as a "bargaining chip."

Formulating a U.S. Policy Response

U.S. policymaking toward North Korea has repeatedly stumbled over a binary debate over whether Washington should use pressure or engagement. The reality, of course, is that pressure and highly conditional engagement—along with selected and fully monitored economic assistance, military deterrence, alliances, and public diplomacy—are all diplomatic tools to influence the negotiating behavior of the other side.

Rather than being used in isolation, these tools are most effective when integrated into a comprehensive strategy utilizing all the instruments of national power. As such, sanctions are not an *alternative* to diplomacy but are, rather, a *component* of a more comprehensive foreign policy strategy.

Pressure and engagement are two sides of the same coin; both are necessary. Diplomacy without pressure is as ineffective as sanctions imposed without a strategic objective. Sanctions and engagement are a *means* to an objective rather than an *end* in and of themselves, a point often lost on those who claim the mere resumption of negotiations is itself a success.

To be most effective, sanctions should include a way to ameliorate their impact—as incentive to end the abhorrent behavior that triggered them—just as engagement must carry a penalty when the conditions are violated.

Sanctions Show Resolve to Enforce International Agreements. Sanctions send a strong signal that there are consequences for defying international agreements. As President Barack Obama correctly commented, “sanctions are a critical part of our leverage to pressure North Korea to act. If the North Koreans do not meet their obligations, we should move quickly to re-impose sanctions that have been waived and consider new restrictions going forward.” In response to Pyongyang’s belligerent behavior and violations of U.N. resolutions, President Obama declared, “Rules must be binding. Violations must be punished. Words must mean something.”

Punitive measures serve a number of objectives. They can:

1. Enforce U.N. Security Council resolutions concerning North Korea’s abhorrent behavior;
2. Impede North Korea’s development of nuclear weapon capabilities by curtailing imports of components, material, and financial support;
3. Curtail Pyongyang’s destabilizing proliferation activities;
4. Discourage further North Korean provocative actions;
5. Interdict illicit activities and make banks and businesses increasingly wary of dealing with Pyongyang;
6. Induce North Korea to comply with denuclearization commitments by removing illegal sources of revenue and offering economic benefits as part of the Six-Party Talks.

China Undermines International Response. Beijing has shown itself to be part of the problem rather than the solution. China has proven itself to be a paper dragon when called upon to enforce U.N. resolutions.

Beijing denied clear, compelling, and comprehensive evidence that North Korea conducted two unprovoked acts of war in 2010, obstructed international efforts to penalize Pyongyang for repeated violations of international agreements, and criticized the U.S. and South Korea for taking steps to prevent further North Korean attacks.

China’s actions have undermined international efforts to resolve the Korean crisis, enforce U.N. resolutions, and induce North Korea to comply with its Six-Party Talks commitments. The effectiveness of sanctions is also hindered by China’s willingness to provide economic benefits outside of the conditionality of the Six-Party Talks.

By not fully implementing sanctions and offering alternative sources of revenue, Beijing reduces the likelihood that North Korea will return to the Six-Party Talks. Why would Pyongyang seek the conditional benefits offered as inducements in the nuclear negotiations when it can receive the same benefits directly from China?

What to expect in 2011. The lunar year of the rabbit will see North Korea hopping back and forth between more provocations and a more energetic charm offensive.

Provocations. The current calm on the Korean Peninsula may be short lived. North Korea's inability to date to achieve its diplomatic objectives through provocations will compel it eventually to engage in more high-risk confrontational measures, even as it appeals for negotiations with the U.S.

Admiral Michael Mullen, Chairman of the Joint Chiefs of Staff, recently warned that the "potential provocations could become more and more catastrophic." The next provocation could be escalation of warlike rhetoric, tactical military confrontations along the Demilitarized Zone and Northern Limit Line, missile launches, or another nuclear test.

Such tactics have worked repeatedly in the past, with Washington and Seoul willing to buy their way back to a calmer status quo. Previous provocations have often elicited offers of negotiations or concessions. Kim Jong-il would also be emboldened by perceptions that Washington and Seoul do not have a military option because of the proximity of Seoul to the DMZ. There is indeed a long history of deadly provocations for which neither Washington nor Seoul responded.

Charm Offensive. Yet, none of this precludes the potential for resumed dialogue. North Korean provocations have often laid the groundwork for negotiations. Pyongyang used its annual New Year's Day joint editorial to initiate a new charm offensive. The shift in tactics is consistent with standard North Korean negotiating behavior to alternate between provocations and seemingly conciliatory behavior to attain its goals.

Pyongyang realizes it must lower tensions on the Korean Peninsula and appear to be a reasonable negotiating partner. In order to resume dialogue with Washington, Pyongyang understands it must fulfill one of the Obama Administration's preconditions by first reaching out to South Korea.

Other North Korean foreign policy objectives include: undermine new U.S. and South Korean efforts to impose additional sanctions for the attack on Yeonpyeong-do and revelation of the uranium facility at Yongbyon; weaken international resolve to maintain existing punitive measures; and gain diplomatic and economic benefits.

But as the collapse of the inter-Korean military talks showed, even when North Korea is reaching out, its behavior is more offensive than charming. North Korea showed no inclination to alter its behavior, address South Korean security concerns, or implement its Six-Party Talks denuclearization commitment

Policy Recommendations

The United States should continue the current two-track policy of pressure and conditional engagement, but with additional measures. Overall, it is a good strategy, but has been weakly implemented by the Obama Administration.

Stronger measures—both more pain and more gain—should be implemented to more effectively alter North Korean behavior. There is a need to increase power to all

cylinders, namely greater pressure, public diplomacy (overt and covert), military preparations/defenses, and diplomacy

1. Increase punitive and coercive measures

- **Fully implement existing U.N. resolution requirements**, including freezing and seizing the financial assets of any complicit North Korean person, company, bank, or government agency;
- **Close loopholes in the U.N. resolutions**, such as allowing the use of military forces to enforce the resolution. Doing so would prevent a recurrence of an incident in which a North Korean freighter suspected of proliferating nuclear or missile items could not be interdicted or boarded for inspection;
- **Target both ends of the proliferation pipeline**, including foreign companies, banks, and governments that assist North Korea's nuclear and missile programs. U.N. Resolution 1874 applies to all U.N. members. The reluctance of the U.N., U.S., China, and others to target Iranian, Syrian, Burmese, and other government and private entities has hindered international efforts to constrain North Korea's nuclear and missile programs;
- **Impose unilateral U.S. sanctions** on foreign violators if the U.N. remains reluctant to act. Call on other nations to match the U.S. effort;
- **Maintain international punitive sanctions until North Korea complies** with international law and U.N. resolutions. Do not negotiate them away for simply returning to Six-Party Talks;
- **Lead a global effort to target North Korean illegal activities**, including counterfeiting of currency and pharmaceuticals, production and distribution of illegal drugs, and money laundering;
- **Return North Korea to the state sponsors of terrorism list** for attempting to assassinate Hwang Jang-yop, the most senior North Korean defector, and providing conventional arms and assistance to terrorist groups;
- **Demand a suspension of all U.N. Development Program activities in North Korea** until Pyongyang complies with U.N. Security Council resolutions. Demand that North Korea agree to rigorous, transparent monitoring standards and delivery verification for all international food and humanitarian assistance.

2. Simultaneously keep the door open for negotiations. It's not a question of *whether* to engage North Korea, but of *how* to do so. Negotiations should be based on principles of compliance, conditionality, reciprocity, and verification.

- **Insist that North Korea comply with its existing Six-Party Talks agreements.** The Six-Party Talks should define a strategic blueprint that clearly identifies the desired end-state, objectives, and requirements for all parties, as well as a roadmap delineating the linkages, schedule, and metrics for achieving measurable results;
- **Require that subsequent Six-Party Talks joint statements be sufficiently detailed** to prevent North Korea from exploiting loopholes to avoid full compliance;
- **Insist on a rigorous and intrusive verification mechanism.** North Korea should return to the Non-Proliferation Treaty and commit to all required inspections.

Pyongyang should fully disclose both its plutonium- and uranium-based nuclear weapons programs and past proliferation of nuclear technology, materials, and equipment.

But several factors should be kept in mind before returning to talks:

- Realize that talking itself is not progress. It simply returns the combatants to the ring. The talks had collapsed because North Korea rejected a verification accord.
- The agreements were a series of vaguely written compromises papering over differences that merely kicked the can down the road.
- Entering into negotiations can create forces that may be inimical to achieving U.S. goals. An inherent desire for continued momentum leads to mounting pressure on Washington to make concessions
- Diplomacy is very good for solving problems. North Korea has also learned that diplomacy is also very good for *not* solving problems.
- The disclosure of significant North Korean progress in its uranium program makes resolution exponentially more difficult since far more stringent verification requirements will be necessary.

3. Strengthen Defensive Measures

Since international diplomacy and U.N. resolutions did not prevent North Korea from continuing its development and testing of nuclear weapons and ICBM delivery capabilities, the U.S. should:

- Continue to develop and deploy missile defense systems;
- Augment non-proliferation efforts, such as the Proliferation Security Initiative;
- Strengthen U.S. alliances with South Korea and Japan.

4. Adding Lanes to the Road of Engagement.

The Six-Party Talks need not be the only focus of North Korea policy. A comprehensive, integrated, and conditional approach would offer Pyongyang a path to greater economic, developmental, and diplomatic benefits while still insisting on conditionality, reciprocity, and transparency.

That said, addressing the North Korean nuclear threat must remain the paramount national security objective in Northeast Asia. Pyongyang cannot be allowed to use additional negotiating venues to deflect attention from its intransigence in the Six-Party Talks.

Negotiating venues should be pursued bilaterally or multilaterally depending on their impact on a country's national interests. (missiles, peace treaty, abductees)

- **Inter-Korean negotiations should be based on the 1991 Basic Agreement;**
- **The U.S., South Korea, and Japan should initiate multilateral negotiations to eliminate North Korea's missile threat.** Such discussions should constrain, and ideally eliminate, missile development, deployment, and proliferation rather than being merely a *quid pro quo* agreement of cash payments in exchange for Pyongyang not exporting missile technology;

- **The U.S., China, North Korea, and South Korea could begin discussions on a peace treaty to formally end the Korean War** once North Korea's nuclear and missile threats to its neighbors are eliminated. An inviolable precondition for such negotiations would be the inclusion of conventional force reductions and confidence-building measures, such as prior notification of major military deployments, movements, and exercises.

Not all forms of engagement should be linked to the Six-Party Talks.

- **Humanitarian assistance should not be linked to nuclear negotiations.** Levels of humanitarian aid should be determined by in-country assessments of North Korean needs. However, distribution of humanitarian aid should be subject to rigorous monitoring standards. Moreover, donor levels cannot help but be influenced by North Korean provocative acts, unwillingness to reform economically, and more pressing humanitarian needs elsewhere.
- **International development assistance should be subject to the standard rules of international financial institutions.** Initial contributions should be project-based while any extensive, long-term assistance should be tied to North Korean economic reform.
- **Law enforcement, implementation of U.N. resolutions, and efforts to combat proliferation of weapons of mass destruction and missiles are not negotiable.** It was a grave mistake on the part of the Bush Administration to allow Pyongyang to defy the U.S. and the U.N. Security Council in exchange for North Korea's return to the Six-Party Talks.

The U.S. should denounce North Korea's human rights abuses and take steps to improve living conditions for its citizens. The U.S. should:

- Challenge North Korea to improve its abysmal human rights record through exposure at international fora, including at the U.N.;
- Call on Beijing to abandon repatriation of North Korean defectors and allow visits by the U.N. rapporteur on North Korean human rights to investigate refugee conditions in northeast China;
- Engage with China, Mongolia, and Southeast Asian nations to determine ways to facilitate travel by North Korean refugees;
- Support Japanese and South Korean efforts to secure full accounting and return of all abductees and prisoners of war currently languishing in North Korea; and
- Condition establishment of diplomatic relations with North Korea on the introduction of a Helsinki Accord-type process to ensure human rights improvements.

The U.S. should expand public diplomacy to increase North Korean exposure to the outside world and induce the transformation of the nature of the regime, as took place in Communist Eastern Europe and the Soviet Union.

- Increase public diplomacy offensive (overt and covert). This could include defector-led broadcasting; leaflets, covert ops;
- Facilitate formal student and cultural exchange programs;

- Expand broadcasting services, such as by Radio Free Asia, and distribution of leaflets, DVDs, computer flash drives, documentaries, and movies into North Korea through both overt and covert means.

Building a foundation on sand. While a comprehensive integrated strategy utilizing all the tools of coercion and persuasion provides the best potential for achieving North Korean denuclearization, we must realize that we may be trying to negotiate the non-negotiable. There may not be any magical combination of benefits and punishments that gets Pyongyang to abandon its decades-long quest to develop nuclear weapons.

Indeed, there is a growing sense that Pyongyang's antics and stalling tactics are not merely negotiating ploys, but instead are designed to achieve international acceptance of North Korea as a nuclear weapons state. North Korean officials have repeatedly indicated that is precisely their intention.

Currently, there is little optimism that negotiations will be successful. Pyongyang has repeatedly dashed the hopes of those advocating engagement. North Korea's words do not offer comfort for a negotiated settlement:

- First Vice Minister of Foreign Affairs Kang Sok-ju commented in November 2006, "How is it possible for us to give up our nuclear weapons? Why would we conduct a nuclear test in order to abandon them?"
- The Ministry of Foreign Affairs, the supposed "soft-liners" in the North Korean government, declared in June 2009 that, "It has become an absolutely impossible option for the DPRK to even think about giving up its nuclear weapons."
- Pyongyang declared in February 2010 that "those who talk about an economic reward in return for the dismantlement of [North Korea's] nuclear weapons would be well advised to awake from their daydream."
- North Korean official media pronounced in February 2010 that "Only fools will entertain the delusion that we will trade our nuclear deterrent for petty economic aid."

What is Obama's Plan B? The Obama Administration's two-track policy of pressure and negotiations is an improvement over earlier approaches. Yet when weakly implemented, "strategic patience" is insufficient as a long-term strategy. Simply containing North Korea in a box is problematic:

- It allows Pyongyang to expand and refine its nuclear and missile delivery capabilities. This not only further undermines the security of the U.S. and its allies but also sends a dangerous signal of de facto acceptance to other nuclear aspirants;
- North Korea may not obligingly stay in a box. The North Korean nuclear genie has already escaped the peninsular bottle to Syria and most likely also to Iran and Burma;
- Pyongyang may not meekly acquiesce to a steadily declining condition. In the past, Pyongyang has reacted to feelings of weakness by lashing out in a provocative manner.

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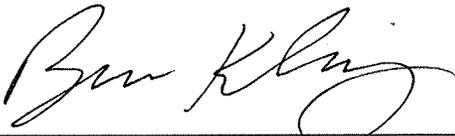
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