

Synopsis:
Beyond "Back Door" Multilateralism:
The Case for Direct US Engagement with North Korea
By Hall Gardner

Article traces the acceleration of the North Korean nuclear weapons program to insecurity caused by the withdrawal of Soviet security guarantees, combined with US intervention in Iraq in the 1990-91 Persian Gulf War. It argues that the US normalization of relations with North Korea represents one of the major factors that could help persuade North Korea to eliminate its nuclear weapons program and accept international inspections. The refusal of the US to normalize relations with North Korea has not only permitted China to increase its influence over the North, but indirectly over South Korea as well. The article makes a distinction between "back door" and "front door" multilateralism. As Six-Party Talks have been stalled since September 2005, it is time for a more direct "front door" US-North Korean engagement. In exchange for the elimination of North Korea's nuclear program, and allowance of international inspections, it is urged that the US and China, along with Japan and Russia, need to take steps toward the formation of a northeast Asian "regional security community," with respect to a re-associated "confederal" Korean state, and to simultaneously look toward a resolution of the Taiwan question with China in order to minimize the real chances of North Korean state collapse and for major power conflict in Asia.

Bio: Hall Gardner

Hall Gardner is Professor of the International and Comparative Politics Department at the *American University of Paris* and author or editor of *American Global Strategy and the "War on Terrorism"* (Ashgate, 2005); *NATO and the European Union: New World New Europe New Threats* (Ashgate, 2004); *The New Transatlantic Agenda* (Ashgate, 2001); *Central and Southeastern Europe in Transition* (Praeger, 1999); *Dangerous Crossroads: Europe, Russia and the Future of NATO* (Praeger, 1997); *Surviving the Millennium: American Global Strategy, the Collapse of the Soviet Empire, and the Question of Peace* (Praeger, 1994).

Beyond "Back Door" Multilateralism: The Case for Direct US Engagement with North Korea

By Hall Gardner
Professor, International and Comparative Politics Department
American University of Paris
31, avenue Bosquet 75007 Paris, France

Tel : 33 1 40 62 06 91

hall.gardner@aup.fr

As the Cold War came to an abrupt and largely unexpected end (at least in Europe), the US opted not to reciprocate the largely unilateral steps of Soviet Secretary General Mikhail Gorbachev to make peace in Asia. In addition to seeking to resolve the “three obstacles” to peace with China (by working to withdraw Soviet forces from Afghanistan, as well as Vietnamese forces from Cambodia, and by taking steps to resolve Sino-Soviet-Mongolian border disputes), Gorbachev additionally normalized relations with South Korea in September 1990 and significantly downgraded relations with North Korea. With respect to nuclear energy, the Soviet Union had persuaded North Korea to sign the NPT in 1985 in exchange for Soviet assistance in the construction of a light water reactor, but work abruptly stopped once Pyongyang fell behind on its payments.¹

With Soviet security ties abandoned, the 1961 Treaty of Friendship, Cooperation and Mutual Assistance between China and North Korea became the latter's only remaining security agreement. Not unexpectedly, Pyongyang regarded Gorbachev's actions as an affront, if not a betrayal of international Communist ‘solidarity.’ North Korea consequently began to shift its defense strategy away from a primary focus on South Korea, and toward a focus on the “north” (which could hypothetically include Soviet Union/ Russia—as well as China).

Moreover, US intervention in Iraq in the 1990-91 Persian Gulf war (coupled with Moscow's refusal to back Saddam Hussein) raised fears of a possible US attack against North Korea. A retraction of Soviet security assurances, coupled with a more assertive US global strategy, consequently led North Korea to accelerate its efforts to obtain a nuclear weapons and missile delivery capability. (North Korea's nuclear program had been initiated in the 1960s in the aftermath of the Korean War and in reaction to General MacArthur's threats to “contain” China with a ring of nuclear explosions across North Korean territory. Moreover, Saddam Hussein's invasion of Kuwait followed by US-led multilateral intervention parallels North Korea's own invasion of South Korea followed by US-led UN engagement.)

Needless to say, Gorbachev's radical change of Soviet foreign policy held no esteem in Pyongyang; yet its positive features were not really appreciated in Washington either. Washington began to opine that the threat of instability within the USSR had begun to replace the Soviet global “threat.” And despite the fact that Gorbachev had opted to downgrade relations with North Korea, his policies tended to be interpreted by American “neo-conservatives” as gambit to play the “China card” back against the US. Thus rather than taking Gorbachev's overtures as an opportunity to forge peace agreements throughout the Asian region through US-Soviet cooperation, the US began to see Moscow's burgeoning links with Beijing (which would strengthen through the Yeltsin and Putin administrations) as a potential new “threat.”

Soviet links with China appeared more ominous as the previously close US-Chinese relationship had begun to sour toward the end of Cold War. US relations with China had begun to plummet for the worse following China's sale of Silkworm missile systems to Iran in 1987 and Eastwind IRBMs to Saudi Arabia in 1988. US-China relations then grew even poorer after the events of Tiananmen Square in June 1989. Gorbachev's visit to China in May 1989, coupled by an "unofficial" visit of General Secretary Kim Il Sung to Beijing in November 1989, further raised American suspicions of a new Sino-Soviet and Sino-North Korean relationship in the making. It thus appeared that Moscow was attempting to play the "China card" against Washington.

At the same time, however, as US-Chinese relations soured, Seoul took the opportunity afforded by the end of the Cold War to seek out better relations with Pyongyang. In July 1988, South Korean President Roh Tae Woo called for North-South exchanges, family reunification, the development of inter-Korean trade, as well as contact in international forums. President Woo likewise offered to discuss security matters with the North. Begun in September 1990, North-South Korean talks resulted in the 1991 Agreement on Reconciliation, Non-aggression, Exchanges, and Cooperation (the "Basic Agreement") and the 1992 Declaration on the Denuclearization of the Korean Peninsula (the "Joint Declaration").²

South Korea thus began a process of engagement with the North (what would initially be called the "sunshine policy"). Yet the US itself did not respond in kind by *directly* reaching out to North Korea in an effort to bridge the divided Korean peninsula, *an engagement that could have sought to check China's burgeoning influence upon both North and South Korea*. It appeared that the US remained content with sustaining a divided Korea that would not affect the regional 'equilibrium'—even though both the global and regional 'equilibrium' was in the process of radical transformation in the aftermath of the Cold War.

The US did take some unilateral actions, such as the removal of tactical nuclear weapons from South Korea in 1991, so as to help provide some confidence building measures between the North and South, but Washington did not take steps that would in anyway formally normalize, and then recognize, Pyongyang. By 1993, after U.S. intelligence detected activities in the reprocessing facility in Yŏngbyŏn-kun that indicated North Korea was possibly reprocessing spent fuel rods, the Clinton administration demanded that North Korea open its nuclear reactor facilities to International Atomic Energy Agency (IAEA) inspections. The fact that Yŏngbyŏn-kun nuclear facilities had not been hooked up to the country's electrical grid raised suspicions that their primary purpose was to extract weapons grade plutonium from spent fuel.³

It was also at roughly that time that the US had begun to suspect a North Korean-Pakistani connection: North Korean missiles in exchange for Pakistani nuclear weapons expertise. Since the late 1980s, North Korea had become one of the leading exporters of missile technology and components (based upon Soviet and Chinese designs) to Iraq, Egypt, Iran,

Syria, Libya, UAE, Yemen and Pakistan. For its part, Pakistan had purportedly begun to amortize its nuclear weapons program by selling nuclear weapons technology abroad. It was then that Pakistan and North Korea purportedly made a deal: A. Q. Khan's blueprints for making nuclear weapons in exchange for ballistic missile technology, based on North Korea's *Nodong* missile.⁴

The Clinton Administration at first considered the option of a pre-emptive strike against the Yŏngbyŏn-kun nuclear facilities, but ruled that option out for fear that any fissile material produced by North Korea could be transported elsewhere. North Korea responded to American accusations by threatening to drop out of the NPT treaty. US negotiations with Pyongyang were then assisted by former president Jimmy Carter and consequently led to an ostensible freeze of North Korea's nuclear program in 1994. By 1999, the US was permitted to inspect a suspected underground nuclear site at Kumchang-ri, but found nothing.⁵ While he had been able to reach out to normalize relations with Vietnam in 1995, President Clinton was unable to begin the process of normalization of US-North Korean relations, as he had hoped, before the end of his second term in office. During this period, South Korean President Kim Young-sam (1993-98) feared a US-North Korean arrangement to the exclusion of South Korean interests in unification.⁶

With Washington unable (but not entirely unwilling) to engage with Pyongyang more directly, coupled with a serious decline in US-Chinese relations, not to overlook the collapse of Russian-North Korean relations, North Korea increasingly became one of the major points of strategic leverage that Beijing could use to pressure American policy in regard to a number of political-economic issues, including the question of China's unification with Taiwan. For China, the issue of North Korea's political-social-economic stability has been more crucial than Pyongyang's threat to develop nuclear weapons.

Despite their purported close "lips and teeth" relationship during the Cold War, post-Cold War Sino-North Korean relations have not been entirely good-natured. China itself followed Soviet/Russian footsteps and recognized South Korea in 1992—in order to take advantage of South Korea's growing market, high technology and financial investment. China likewise cut its subsidies for the North, but also placed investment in special economic zones. In such a way, North Korea would remain dependent upon China for its energy needs and investment.⁷ By 2003, China would ironically displace the United States as South Korea's largest trading partner. This, in effect, made South Korea's export-led economy highly dependent upon China's burgeoning consumer market and its quest to achieve a *xiaokang* society in which a majority of the Chinese population becomes 'middle class' by Communist Chinese standards.⁸

Soviet disaggregation in 1991 further exacerbated North Korean security concerns. In hoping to enhance Russia's economic opportunities, Boris Yeltsin continued steps toward South Korea, as initiated by Gorbachev, and chose Seoul as the first destination for travel abroad in

Northeast Asia, as opposed to Tokyo, in part due to the continuing Russo-Japanese dispute over the Kuril islands/ northern territories. This change in Russian foreign policy then meant an almost complete collapse of Moscow's strategic leverage over North Korean policies, as indicated by a significant drop in Russian-North Korea trade. Moscow was subsequently left out of important international negotiations on the future of the Korean peninsula in the 1990s, including the Agreed Framework of 1994 and the Four-Party Talks among North Korea, South Korea, the United States, and China.⁹

By the mid-1990s, Russian Foreign Minister Yevgeny Primakov attempted to re-build Russian influence on the Korean peninsula, and throughout "Eurasia" in general. President Vladimir Putin then sought to restore relations with Pyongyang while simultaneously seeking to maintain cooperative ties with Seoul. Russia has thus looked to sustain a more traditional balanced diplomacy between the two Koreas. Moscow additionally sought to play Beijing against Tokyo. By October 2004, Moscow reported a deal to link the Trans-Siberian Railroad with Rajin, a port in northeastern North Korea. Russian President Vladimir Putin has furthermore opted to place China in priority over Japan as the recipient of oil from the trans-Siberian pipeline project. In November 2005, Russia proposed a joint Sakhalin oil pipeline project with both North and South Korea. Here, it appears that a tacit Sino-Russian alliance is seeking to obtain hegemony over both Koreas, while simultaneously seeking to reduce Japanese influence. Coupled with the strengthening of the Shanghai Cooperation Organization and its expansion to new members (possibly including Iran), a burgeoning Sino-Russian alliance was made manifest by the March 23, 2006 visit of President Vladimir Putin to Beijing in which Russia and China signed twenty-two cooperation agreements. The latter included significant exchanges in energy cooperation to supply China's burgeoning demand, plus defense technology and military coordination.¹⁰

On the one hand, the fact that both the Soviet Union/ Russia and then China had opened relations with South Korea helped to exacerbate North Korea's fears of political-military isolation. Pyongyang consequently strove to achieve an autonomous military capability against all potential threats. US estimates of North Korean military expenditure range upward to 25% of its GNP. North Korea's quest for both energy and military "independence" has additionally led it to develop both the "peace" and the "war" atom. The "peace" atom is regarded as helping to amortize the costs of a nuclear weapons program (the "war" atom) in addition to helping to provide nuclear technological expertise. Washington fears that North Korea could eventually export fissionable materials and other nuclear infrastructure.

Moreover, despite its strong dependence upon China, Pyongyang's relations with Beijing tend to swing up and down. This fluctuation in Sino-North Korean relations has largely taken place as the North Korean economy itself began to deteriorate. Much as the Soviet Union feared the collapse of East Germany (followed by German unification and subsequent NATO enlargement), China has similarly feared the possibility

that North Korea might also collapse. China consequently fears that North Korean collapse will result in a massive refugee crisis, followed by Korean unification and American military expansion to the North. At present, an estimated 200,000-300,000 North Korean refugees already reside illegally in northeastern China; North Korea's political economic collapse could send hundreds of thousands more to the borders, which could likewise destabilize the situation in South Korea as well.

Reduced subsidies from the Soviet Union and China (subsidies which had initially permitted North Korea to become highly urbanized, unlike China), additionally woke the North Korean bureaucracy up to the need to seek out greater, trade and international investment, albeit under state controls. North Korea thus joined the UN in 1991, as well as other international organizations and regional forums, and permitted NGOs to provide food aid and other forms of assistance. (Joining the UN was a major step forward from the North's perspective, as the Korean War was fought under a UN flag.) Pyongyang likewise sought out energy assistance from both China and South Korea, and set up Special Economic Zones, similar to the Chinese development model.

From this perspective, North Korea has now recognized the need to move away from its concept of "self-reliance" or *juche*, and toward greater "interdependence." While China and South Korea represent the main rivals in the North Korea's opening market, Swiss, Swedish, Irish and German firms are also beginning to compete. North Korea's agricultural production has made "steady improvement" since 2000, up from 3 million tons five years ago to 4.4 million tons in 2006, although still falling short of the minimum 5 million tons needed to feed its people. Despite its repressive nature, the regime has showed some signs of religious liberalization, permitting more churches and temples.¹¹

In order to further reduce its dependence upon China in particular, Pyongyang ironically needs to obtain security guarantees and supports from Washington (as well as Russia, Japan and South Korea). *But to move toward greater interdependence North Korea would require guaranteed economic, agricultural and energy "security"—in addition to multilateral security guarantees that the country would not be attacked or the regime destabilized. The latter could be achieved through the formation of a "regional security community" consisting of a North-South Korean "confederation" backed by the US, China, Russia, Japan security assurances leading to security guarantees under a general UN mandate.*

Post-September 11, 2001

In contemporary post-September 11 circumstances, Washington fears that North Korea, in a desperate financial situation, will sell anything and everything—illicit drugs, ballistic missiles and nuclear materiel—to any interested buyers, such as *Al Qaeda*, despite Pyongyang's disclaimers to the contrary. Washington has accordingly demanded that North Korea give up its illegal activities and nuclear program before it will be willing to grant any further aid or concessions. At the same time, the Bush administration's anti-diplomatic rhetoric and overt actions have worked to aggravate the situation. While South Korea feared a US-North Korea rapprochement over its head during the Clinton years, Seoul presently fears that President Bush's policies will block real chances for North-South cooperation and reconciliation.

In his 2002 State of the Union address President Bush listed North Korea as a member of the "Axis of Evil," along with Iran and Iraq. By the summer of 2002, the CIA concluded that North Korea had begun to produce weapons grade materiel. In November 2002 the United States, Japan and South Korea then voted to suspend shipments of fuel oil to North Korea. President Bush declared that oil shipments would be cut altogether if the North did not agree to put a halt to its weapons ambitions. At the same time, however, President Bush also issued a statement that the US had no intention of invading North Korea, so as to indicate that Washington might ultimately provide North Korea with more formal security guarantees.

Such a "promise," however, did not appear very sincere to Pyongyang, who wanted more concrete terms: North Korea demanded the signing of a "non-aggression" pact with the US, and argued that US had not kept its side of the 1994 Agreed Framework. The latter agreement had stated that the construction of light water reactors would be completed in 2003, but the project was years behind schedule. By December 2002, the North threatened to re-activate nuclear facilities at Yŏngbyŏn-kun for energy generation. Pyongyang argued that it had no other option to fulfill its energy needs due to the American decision to halt oil shipments.

In January 2003, South Korea asked China if it could use its influence upon North Korea. Russia, which had gradually restored its influence, likewise offered to help convince Pyongyang to find a way to put an end to its nuclear program. The IAEA threatened the possibility of sanctions. North Korea then announced it would withdraw from the NPT, but did not offer explanations as to what extraordinary event justified its withdrawal from Treaty as required by Article X.1.¹² (This raised the deeper legal question of how the UN and IAEA should respond to a withdrawal from the NPT—without adequate justification.)

South Korean President-elect Roh Moo-hyun proposed a face-to-face meeting with Kim Jong-Il, but this effort failed to break the impasse. In his January 2003 State of the Union address, President Bush declared that

“America and the world will not be blackmailed.” The IAEA found North Korea in breach of nuclear safeguards and referred the matter to the UN Security Council. At this point, North Korea fired a missile into the sea between South Korea and Japan, and then fired a second missile in March. In March 2003, the US and South Korea engaged in military maneuvers at the same time that the US intervened militarily in Iraq. The Pentagon placed F-117 Stealth aircraft, B-1 and B-52 heavy bombers in the region on a high state of alert—as an ostensible deterrent against any possible North Korean aggression during the American “preemptive” war against Iraq.

In the immediate aftermath of the US intervention in Iraq in 2003, American neo-conservatives continued to press for possible military intervention against North Korea. One option argued that it was possible to engage in “regime change” by utilizing extreme military pressures that were designed to confuse the Korean military and then to instigate a *coup d’etat* (by means of Operations Plan 5030).¹³ Another option foresaw the scenario of engaging in a series of pre-emptive strikes—ironically enough, this option would be undertaken should China not be able to use its economic leverage to persuade Kim Jong-Il to give up his nuclear program or else stage a Chinese-backed “regime change” through a *coup d’etat*.¹⁴

The latter scenario of a Chinese-backed *coup d’etat* presumed that Beijing truly feared that a nuclear-armed Korea might destabilize regional relations, so that it would be willing to overthrow the “Dear Leader” and the first “Communist dynasty.” At present, however, China has agreed to pressure North Korea, but only to a point: Beijing does not yet appear willing to pressure North Korea to the point of rupturing relations or destabilizing the country. In early 2003, Beijing warned Pyongyang that renewed provocations toward the United States could strain Chinese-North Korean relations. To send a clear message, China then temporarily shut off an oil pipeline from its Daqing oilfields to North Korea for three days in March 2003, officially citing technical problems.¹⁵

For its part, the UN Security Council expressed concern about North Korea’s nuclear program, but did not condemn Pyongyang for pulling out of the NPT. North Korea then signaled that it was ready for direct talks with the US, which began in Beijing in April 2003. At the time, American officials stated Pyongyang had admitted to possessing nuclear weapons, but that it was ready to destroy its nuclear program in exchange for normalized relations and economic assistance from the United States.

Washington, however, refused to engage in direct bilateral talks, arguing that this would encourage ‘bad behavior.’ This led China to play the host of a three party meeting (which excluded Russia and Japan). By May 2003, without any concrete response from Washington as to its demands for diplomatic recognition, Pyongyang threatened to tear up the Declaration on the Denuclearization of the Korean Peninsula (the “Joint Declaration”) which had established the North-South Joint Nuclear Control Commission (JNCC) that had been mandated to verify the denuclearization of the peninsula. In July, South Korea claimed that North

Korea had started to reprocess a “small number” of the 8,000 spent nuclear fuel rods at its facilities in Yŏngbyŏn-kun.

By August 2003, North Korea agreed to six-way multilateral talks on its nuclear program; these involved South Korea, the US, Japan, China and Russia. At these talks, the U.S. promised to resume heavy fuel oil and food aid and agreed in principle to a bilateral non-aggression pact. Washington agreed to compensate North Korea for its loss of electric power and both the US and Japan would normalize relations with Pyongyang. In turn, North Korea would agree in principle to scrap its nuclear program and institute a freeze on its nuclear facilities and materials. Pyongyang would permit inspections and then dismantle its nuclear facilities upon the completion of the light-water reactors promised under the 1994 Agreed Framework. North Korea would also conclude a treaty to halt its missile production and sales. Yet as the U.S. then refused to engage in *direct* substantive discussions, North Korea threatened to test a nuclear weapon.

By December 2003, North Korea appeared to offer to “freeze” its nuclear program in return for a list of concessions from the US—in addition to a promised offer of a security guarantee and a “non-aggression” pact. By February-June 2004, the second and third rounds of multilateral Six-Party Talks took place. Here, the US made a brand new offer that would permit North Korea to obtain fuel aid—but only if Pyongyang froze, and then dismantled, its nuclear program. In other words, in what seemed to be a new step-by-step approach designed to reduce tensions, the U.S. was no longer demanding that North Korea completely dismantle its nuclear weapons program before it would address North Korea’s security and energy concerns.

The new U.S. offer proposed a complete two-stage dismantlement and elimination of North Korea’s nuclear program in which a general three-month freeze was to be followed by the elimination and removal of all existing weapons as well as the plutonium program, the uranium enrichment program, and all civil nuclear facilities. These programs would be subject to verification by an undefined international body. The U.S. and other states would promise not to invade or attack; each side would respect the territorial integrity of the other parties. The US, Japan and other states would assist North Korea with its energy needs; North Korea could then be shown a route through which it could be removed from the U.S. list of “State Sponsors of Terrorism.” (North Korea had been placed on the list in 1988). Sanctions would be gradually removed.

While leaving open the possibility of further discussion, North Korea rejected the US proposals, arguing that it was being forced to take “unilateral” steps, that US policy in respect to uranium enrichment was “unreasonable” and that the US had not thoroughly renounced its hostile policy toward North Korea—in deeds as opposed to mere words. North Korea then reiterated its demand for compensation in the form of heavy oil and electricity. At this point, it appeared that North Korea had taken offense to Japanese plans to purchase BMD systems from the US—to be deployed by 2007. North Korea saw the latter systems as a step toward

undermining its own missile deterrent: a BMD system could potentially be used in an offensive manner by protecting a preemptive strike.

During these talks, Pyongyang argued that it was “entitled” to possess a powerful nuclear deterrent program in order to deter a preemptive U.S. attack (as illustrated by the US intervention in Iraq). Pyongyang stated that it was entitled to pursue a “neither confirm nor deny” policy concerning the specifics of its nuclear capabilities (much like the US Navy neither confirms nor denies the presence of nuclear weapons aboard its ships). North Korea likewise raised allegations that South Korea had its own nuclear program—an accusation denied by Seoul (Seoul admitted to having such a program in the 1970s).

In early 2005, the Bush administration dubbed North Korea, along with Belarus, Burma / Myanmar, Zimbabwe, Iran, in addition to Cuba, as “outposts of tyranny,” once again offending Pyongyang. By 10 February 2005, North Korea declared itself a nuclear power and pulled out of the six-nation talks, stating that it was “prepared to mobilize all of our military force against any provocative moves by the enemy.”¹⁶ Some South Korean analysts stated that North Korea may be bluffing: It was too early to consider North Korea as a nuclear power, as it has neither tested the nuclear devices nor provided any solid evidence of their possession.¹⁷ This opened the question as to whether the UN should apply sanctions—or whether the US would intervene militarily. Later in February 2005, in another of its many flip-flops, Pyongyang indicated that it *might* return to the discussions. The second term Bush administration then stated that it had new tools to pressure Korea into compliance (targeted financial pressures through the Proliferation Security Initiative) once again raising the threatening rhetoric, but backed by actions to go beyond words.

Toward Northeast Asian Security Community?

By early 2005, President George W. Bush began to refer to Kim Jong-Il as “Mr. Kim Jong-Il.” Yet this was then interpreted as a joke in response of North Korean demands that their leader be considered with respect, after North Korea was first labeled a member of the “axis of evil” and then as an “outpost of tyranny.”¹⁸ In March 2005, US Secretary of State Condoleezza Rice proposed the resumption of multilateral talks—but at the same time that the US and South Korea engaged in annual military maneuvers. As opposed to the assertive unilateral strategies of the first Bush administration, the second term Bush administration began to somewhat lessen its harsh anti-diplomatic rhetoric and place greater diplomatic support for a strategy of “multilateralism,” largely in the realization that the US would need as much help as possible from its allies in order to pacify Iraq and deal with other crises.

But here, Washington needs to move away from “back door” multilateralism (that is largely dependent upon China’s ability and willingness to pressure North Korea) toward “front door” multilateralism in which Washington begins to engage North Korea in more direct talks, at

the same time that it remains as much as possible within a multilateral framework. This is the approach Pyongyang itself has demanded since the 1970s, when it sought a formal U.S.-North Korea peace treaty to replace the 1953 armistice that ended the Korean War.¹⁹ (As shall be argued, such an approach should be regarded not only as means to resolve the Korean entanglement, but ultimately that between China and Taiwan.) On 19 September 2005, the fourth round of Six-Party Talks then agreed to a joint statement aimed at the denuclearization of North Korea and the Korean peninsula. It has been argued that this agreement could set the stage for a “concert of the willing”²⁰ or what I prefer to call a “regional security community.”²¹

The US has thus far appeared to oppose any “peaceful” nuclear program; instead it has offered provisional multilateral security assurances, non-nuclear energy programs, heavy fuel oil, progressive removal of economic sanctions economic, humanitarian, agricultural and technical assistance and ultimately normalization of relations in exchange for a clear commitment by North Korea to dismantle its entire nuclear program. Both South Korea and Japan offered significant incentives. Prior to these talks, Japan and the US thought the issue should be taken before the UNSC; South Korea was opposed. Here South Korea has begun its own initiative toward the North. The latter started to institute market-economy reforms since 2002, but will only reform its economy, to the extent that it does not undermine the Kim Jong-Il regime. Wage and price controls have been relaxed in the North, and private markets tolerated. South Korean tourists have been flocking to Mount Kumgang. Closer North-South relations appear to be very popular among both the general population and the corporate South Korean leadership. On March 28, 2006 South and North Korea began building a major US\$20 million water treatment facility in the North Korean border city of Kaesong.

With North Korean labor costs about half those of China, South Korean firms are increasingly beginning to shift investments from China to North Korea, thus placing investments in special economic zones, such as the Kaesong complex.²² The North also appears willing to let South Korean firms explore for minerals and iron ore in exchange for consumer products. These steps represent the best way to forge inter-Korean political-economic ties, to draw North Korea closer to the South and toward the international community. Such steps could also represent the prelude of the formation of a *confederal* Korean state that would link the two Koreas into closer political-economic cooperation, while North Korea continues steps toward reform.

The problem, however, is that either US or UN imposed economic sanctions could sever burgeoning inter-Korean trade and cultural ties, in addition to augmenting North Korea’s dependence upon China. These actions would, more indirectly, increase South Korean export dependence upon China’s growing domestic market as well.²³ Here, for example, the US does not recognize goods produced in Kaesong as made in South Korea. Moreover, as it controls the southern half of the DMZ, the US could additionally stop traffic from the south to the north. From the US

perspective, the potential inclusion of the Kaesong Industrial Complex in the upcoming free trade agreement (FTA) negotiations between the United States and South Korea, as requested by Seoul, will raise thorny issues related to the treatment of labor.²⁴ In a strongly worded response to US pressures on North Korea, South Korean President Roh warned in January 2006, “The South Korean government does not agree with some in the United States who appear to want to take issue with North Korea's regime, apply pressure, and who occasionally wish for its collapse... If the U.S. government attempts to resolve the problem that way, there will be friction and disagreement between South Korea and the United States.”²⁵

In this respect, in addition to North Korea intransigence, the fact that US has imposed targeted “sanctions” on North Korea in September 2005 has worked to disrupt the Six-Way Talks.²⁶ From the American perspective, these “sanctions” have been intended to target the alleged counterfeiting and distribution of US dollars printed in North Korea by the Banco Delta Asia. Washington has consequently ordered all US institutions not to deal with the Banco Delta Asia in Macao, which has also been accused of being a transfer payment center for narcotics and weapons trades. These “sanctions” have also led other international banks not to deal with North Korea, so as not to be tainted with an image of corruption. On March 30, 2006, the US Treasury Department moved against the Swiss firm Kohas AG, claiming that the firm acted as a technology broker in Europe for North Korea's military, and that it was partly owned by a subsidiary of a targeted North Korean company. According to David Asher, head of the US-North Korea Working Group, “North Korea is the only government in the world today that can be identified as being actively involved in directing crime as a central part of its national economic strategy and foreign policy... In essence, North Korea has become the Soprano state—a government guided by (Korean) Workers Party leaders, whose actions, attitudes and affiliations increasingly resemble those of an organized-crime family more than a normal nation.”²⁷

US “sanctions” do appear to have stung Pyongyang, but they will dubiously force “regime change.” US financial pressures have reportedly worked to turn North Korea toward China for billions of dollars in aid and investment; Pyongyang has also granted China concessions to North Korean mineral resources. The South Korean Bank of Korea reported that North Korea has become increasingly dependent on China for its economic survival, which could weaken inter-Korean cooperation. Concurrently, North Korean trade with Japan has consistently diminished, thus further deepening Pyongyang's economic dependency upon China. Moreover, in October 2005, in its quest to seek out oil concessions throughout the world, China stated that new oil reserves had been uncovered in Bohai Bay, which lies between North Korea and China, and is believed to hold up to 5 billion barrels.²⁸ In exchange for its diplomatic and financial supports, Beijing has reportedly pressured Pyongyang to agree to restart the Six-Party Talks over its nuclear program.²⁹

Despite this growing Chinese-North Korean cooperation, which is based on mutual use and not Communist “solidarity,” North Korea does not want to become too dependent upon China. Thus on 9 March 2006, in what was dubbed a rare US-North Korean “briefing” (but not a “negotiation”) at the US Mission to the UN, North Korean spokesmen made four demands that the US: (1) remove “financial sanctions”; (2) institute a joint US-North Korean task force to examine counterfeiting; (3) give North Korea access to the US banking system; (4) and provide North Korea with technical assistance to help identify counterfeit bills.

The meeting took place as North Korea reportedly fired surface to air missiles ‘accidentally’ toward either China or toward the Sea of Japan. At this time, in a strong criticism of Bush administration policy, in which it was purported that Vice President Dick Cheney and Secretary of Defense Donald H. Rumsfeld had severely restricted U.S. chief negotiator Christopher Hill's freedom to negotiate, Representative Jim Leach (R-Iowa), the Chairman of the House International Relations subcommittee on Asia and the Pacific, accused the White House of giving American negotiators “constrained options” and urged a more creative approach. These would include direct talks with Pyongyang, in recognition that the Six-Party approach appears “moribund.” As Representative Leach put it: “It’s time for the United States to lead... (rather than)... indebting us to the diplomacy of countries that may have different interests.” Leach furthermore suggested that the US and North Korea should establish ‘liaison offices’ in each other’s capitals.³⁰

By March 23 a major strategic breakthrough for the burgeoning Sino-Russian ‘Eurasian’ alliance took place following the visit of Russian President Putin to Beijing. Russia and China signed twenty-two cooperation agreements, which included significant exchanges in energy cooperation to supply China’s burgeoning demand, plus deals involving defense technology and military coordination, in addition to the expansion of the Shanghai Cooperation Organization to include more states, possibly Iran. The end of March 2006 then saw a return to saber rattling as North Korea warned that “The US should know that a pre-emptive strike is not its monopoly” during US-South Korean military exercises (Reception, Staging, Onward Movement, and Integration). The annual US-South Korean war games in 2006 involved the nuclear powered aircraft carrier USS Abraham Lincoln (as pointed out by the North Korean press); the 2005 exercises had likewise involved the participation of the nuclear powered USS Kitty Hawk.

As Six-Party Talks have been stalled since September 2005, it is time for the US to engage in a more “front door” approach to multilateralism, and toward the formation of a northeast Asian “regional security community.” The “packaged approach” of attempting to lump together the issues of nuclear weapons, human rights, kidnapping, as well as illicit black market activities, appears moribund.³¹ What is needed is a real US-North Korean dialogue that focuses on the question of nuclear weapons and security guarantees and then takes up the other issues once

more direct US-North Korean ties are established. The proposal of Representative Leach to establish US-North Korean “liaison offices” thus appears to represent a commonsense starting point to breaking the dangerous US-North Korean impasse, and to bring North Korea into a “regional security community.” The “hermit kingdom” of North Korea has made some strides to open itself up to what it considers a hostile outside world. Yet one of the key problems in dealing with the nuclear question is that it is unrealistic to expect North Korea to abandon its entire “peaceful” nuclear program. (This is particularly true given a looming crisis in terms of rising oil prices following the 2003 Iraq war and given that tensions with Iran could result in yet another rise in world oil prices!) At the same time, however, it is not unreasonable to expect North Korea to accept full international inspections if the US would ultimately concede to accepting the North Korean nuclear program for “peaceful” purposes.

It has largely been the US and Japan who have opposed North Korea’s nuclear program, arguing that it would make it easier for North Korea to divert its “peaceful” program at a later date to nuclear weaponry. China, Russia and South Korea, have, however, accepted the argument that North Korea should be able to possess a peaceful nuclear program in principle. On the other hand, Washington and Seoul might have reached a common agreement that would agree to a “peaceful” nuclear energy program in North Korea at some time in the future, but only after Pyongyang completely dismantles its existing nuclear materials and facilities, rejoins the NPT, and accepts inspectors from the International Atomic Energy Agency. The bone of contention might, however, remain the nuclear reactor at Yŏngbyŏn-kun. North Korea would probably argue that this facility should be frozen, rather than completely dismantled, if it would have a right to peaceful nuclear energy in the future.³²

China, the US and North Korea

Of the six states involved in the multilateral talks, who do not at all agree on a broad range of questions, it is really the US and China that represent the two states that possess most important influence upon North Korean behavior and actions, and that need to develop a common strategy. Getting the US and China to see eye to eye, however, is also, at least in part, dependent upon US relations with regard to Taiwan and the question of Taiwanese “independence.” China’s main concern in supporting North Korea is to prevent its collapse in addition to using the North to boost its own influence in South Korea and throughout the Asian region in general. North Korea furthermore provides Beijing with bargaining leverage with respect to Taiwan: China tacitly argues that it will help the US in regard to North Korean nuclear weapons if the US strongly opposes Taiwanese “independence” and ultimately accepts the “unification” of China and Taiwan, however defined. China has consequently been reluctant to apply tougher pressures and has not been keen on doing more than simply mediating the dispute; it has argued that it cannot be more effective as long as the US itself does not engage in a more flexible approach.³³

China has thus far supported the “Ukrainian model” of regional security accords in which the US and Russia used a mix of pressures and rewards or concessions to convince Ukraine to give up its nuclear weapons capability left over after Soviet collapse. Once Ukraine agreed to give up some of the military aspects of its nuclear capabilities (but keeping its “peaceful” nuclear and ballistic missile programs), Kiev was then granted multilateral US-UK-French-Russian and Chinese “security guarantees.” China argues that this basic approach can be applied to North Korea as well. The US, thus far, has disagreed. (It should be noted that the 1994 Ukrainian nuclear deal did not prevent the Orange Revolution and “regime change” a decade later.)

The US has, by contrast, proposed the Libyan model. The US has argued that North Korea must first dismantle its nuclear weapons infrastructure, before assistance and other concessions can follow, along the line of Libya. In negotiations that began prior to the essentially unilateral US intervention in Iraq, Libya agreed in December 2003 to eliminate all materials and programs resulting in the production of nuclear, or other internationally proscribed weapons, in exchange for a step-by-step process of normalization of relations with the US. The agreement likewise permitted US companies to explore Libyan oil reserves, but did not initially take Libya off the State Department list of countries that support terrorism.³⁴

Thus, in order to obtain Beijing’s support in particular, and to coordinate US-Chinese strategy toward North Korea, the US should first propose, and then implement, a detailed multilaterally-backed plan of economic, agricultural, high-tech and energy assistance, involving Japan and South Korea and possibly the EU, plus assurances of a nuclear fuel supply, as well as *conditional security assurances* leading to *stronger security guarantees*. These steps should be able to gain the confidence of China in order to ultimately obtain an accord with Pyongyang.

In order to achieve full North Korean compliance on the nuclear question, and convince it to put its nuclear program under international safeguards, the U.S. will thus need to engage in confidence building measures and incentives, as well as conditional security assurances that ultimately lead to stronger security guarantees for Pyongyang through some form of a “multilateral security and defense agreement” along the lines of the Ukrainian model under a general UN mandate. The concept of overlapping U.S., Chinese, Russian, Japanese, and South Korean security assurances leading to stronger security guarantees, plus economic incentives for Pyongyang, in exchange for a pledge not to develop nuclear weapons, appears plausible despite present North Korean recalcitrance. What is needed is for the US to engage more openly in the process, through “front door” multilateralism, with the support of South Korea.

Symbolic measures, such as unilateral US troop reductions in South Korea, are not sufficient; these steps, which have been coupled with increase in South Korean “burden sharing” and greater military “self reliance” under the “Cooperative Self-Defense Pursuit Plan”³⁵ can be

interpreted as a means to cut US losses in case of a preemptive North Korean attack. These reforms are taking place at the same time that the US has been focusing on potential threats outside of the two Koreas, and has been strengthening defense cooperation with Japan, in effect, forming a joint command by bringing together U.S. Forces Japan and Japan's Self-Defense Force. Moreover, US military strategy no longer relies on large-scale troop commitments following the 'Revolution in Military Affairs'; yet such troop cutbacks raise South Korean fears in symbolical terms that the US might not commit itself to the defense of South Korea.

While the US transforms its command structure and defense relationship with both Japan and South Korea, in accord with the 'Revolution in Military Affairs,' a North Korean refusal to draw back its forward deployed forces would remain absolutely unacceptable as roughly 50-70% of North Korea's military are deployed within 40 miles of the DMZ. Both sides would need to compromise and build confidence by engaging in verifiable conventional force reductions.³⁶ Here, multilaterally financed provisions would be needed to find employment for North Korean military personnel so as to help reduce the North's excessive military spending.

While working to normalize relations with North Korea and to establish overlapping *security assurances* leading to *security guarantees*, Washington (pressed by the 2004 North Korean Human Rights Act) will, at some point, need to engage in *real dialogue* with Pyongyang concerning its severe violation of human rights (involving an estimated 10 political prisons and about 20 re-education and work camps) as well as its support for mafia and "terrorist" activities. Russia, China, and South Korea, however, have all been adamantly opposed to introducing the human rights issue in general, and the issues concerning the abduction Japanese citizens in particular, into the Six-Party Talks. Moreover, if the United States is going to bring up the issue of counterfeit currency in the Six-Party context, then Tokyo, which is under domestic pressure to raise the issue, might likewise want to bring the abduction issue up as well. (In February 2006, Tokyo stated that it was set to negotiate with North Korea about possible diplomatic normalization, financial assistance and compensation as well as economic cooperation—but only once the abduction and security issues are properly addressed.)

Here, however, despite the severity of the problem, Washington must prevent the human rights issue, as well as the questions of counterfeiting and abductions, from blocking the full normalization of US-North Korean relations. The question of human rights (which would open a can of worms dating from before World War II and the Korean War, involving both the US and Japan) should thus be dealt with in separate bilateral talks after nuclear talks or else through the UN. Thus, rather than pressing for "regime change," US-North Korean diplomatic engagement, coupled with North Korean acceptance of political economic reforms and international assistance, can ultimately work restore trust in the attempt to gradually wean North Korea away from use of work camps, illicit black market activities, and help to upgrade North Korean living conditions. (Rather

than put human rights issues before a UN human rights commission or council governed by states, the UN should sponsor an independent Advisory Council made of world renown human rights activists who could critique the human rights policies of *all* states more fairly and objectively.)

Furthermore, the very manner in which North and South Korea “re-unify” is problematic. Neither Beijing (nor Tokyo) wants to see a strong unified Korea. As an estimated three million ethnic Koreans live in northeastern China, not to overlook 200,000-300,000 illegal, ill-treated Korean refugees, China fears the possibility that a unified North Korea might press its irredentist claims with respect to the 1909 Gando Convention in which colonial Japan ceded the territory of Gando—a portion of Korea's Chosun Kingdom—to China. This agreement established the current border between China and North Korea.³⁷

Moreover, with the assertion of China's ‘one nation policy’, historical ethnological disputes between South Korea and China have erupted over the nature of the ancient Koguryo (Goguryeo) Kingdom (37 BC-AD 668). The latter had expanded into almost all of Manchuria, and into part of Inner Mongolia, likewise taking the Seoul region from the Baekje kingdom, making Goguryeo one of the great powers in East Asia of that era.³⁸ By consequence, as a means to preclude potential Korean irredentist claims (not to overlook Chinese opposition to Uighur, Tibetan, Bhutanese, and Nepalese nationalism, as well as Taiwanese demands for ‘independence’), Beijing might demand the implementation of a demilitarized buffer zone with a “unified” Korea. China would also oppose the deployment of US troops north of the current DMZ—although the deployment of UN peacekeepers might prove acceptable.

Another more realistic option would consequently be to work toward a re-associated *confederal* solution that would avoid an expensive and provocative “buy-out” of the North by the South, and that would likewise allay Chinese fears of possible U.S. military expansion north of the Yalu, much as NATO expanded into East Germany once Germany unified. A *confederal* approach could likewise mitigate potential revisionist claims of a unified Korea to the territory of Gando, and seek out gradual reforms designed to bring the North and South into greater political-economic cooperation, as a *transition* to a North-South Korean *confederation*.

On the one hand, China's fears of North Korean collapse provide an incentive for Chinese cooperation with the US, Japan, Russia, as well as South Korea. Although Chinese relations appear to be growing tighter with North Korea, it appears dubious that China can help stabilize and develop North Korea alone. A socially and economically instable nuclear North Korea that provokes Japan and possibly South Korea itself into obtaining nuclear weapons and BMD defenses does not serve China's regional interests. The fact that China and South Korea, as well as Japan and Russia, have been involved in the bargaining means that North Korea would alienate its leading suppliers of agricultural, energy and financial assistance—if it continued to press for nuclear weapons development. On

the one hand, the multilateral approach helps to keep North Korea honest; on the other, it helps to moderate US policy as well.

At the same time, however, as long as Washington does *not* move past its “backdoor” strategy and thus engage in direct relations with Pyongyang, Beijing can continue to engage in a “sweet and sour” strategy. Beijing could continue to promise assistance to Pyongyang (and tacitly back its nuclear weapons program) in exchange for a retraction of US backing for Taipei. From this perspective, US normalization of relations with North Korea can help to stabilize and then work to develop and reform North Korea. While working with China, the US recognition of North Korea would also tend to undercut (but not eliminate) Chinese leverage and influence in both North and South Korea. A US opening to North Korea can thus indirectly weaken one of China’s primary strategic levers that Beijing could use to pressure US policy in support of Taiwan. It can thus represent a major step to resolving US-Chinese tensions and disputes.

The primary problem, however, will be for the US and China to work in concert to resolve *both* the North Korean and Taiwanese issues (to which can be added the Iran nuclear question as well).³⁹ From this perspective, it remains an open question as to whether the “unification” of both North and South Korea and that of China and Taiwan could take place in terms of a re-associated “confederal” relationship in which the US and South Korea assist North Korea to reform, along with the other interested powers, and in which the US could likewise help negotiate a “confederal” power-sharing relationship between China and Taiwan. The considerable dilemma will consequently be for the US and China to find a fair and appropriate formula to resolve both crises, without fear that either side is taking advantage of the other.

Averting War

Should Six-Party Talks ultimately fail, and should North Korea opt to develop a sufficient nuclear weapons deterrent, the first step for the US might be to strengthen the Proliferation Security Initiative (PSI), and seek to block North Korean trade in counterfeit dollars, illicit drugs and military technology, a policy which could have destabilizing effects upon the increasingly isolated North, pressing it closer to China. At the same time, it is not clear that China is willing or able to support a failing state in the near to long term. Washington could also adopt an ‘quasi-isolationist’ policy in which it looks the other way as Japan and South Korea develop their own nuclear weapons and/or pre-emptive strike capabilities.⁴⁰ But such a “strategy” would result in a destabilizing conventional and nuclear arms race which is in no one’s interests and which could ultimately drag the region, as well as the US, into major conflict at a later date. From this perspective, nuclear weapons do not necessarily deter conflict, but could theoretically change the ways and choice of options in which a war would be fought.⁴¹

Should Washington permit the re-armament of the region in response to the North Korean program, overt military conflict would thus become increasingly probable, particularly if tensions between China and Taiwan rise as well. Here, Chinese-Taiwanese relations have begun to heat up once again following the decision of Taiwan's President Chen Shui-bian to scrap Taiwan's National Unification Council on the 27 February 2006. There is a further danger that Chinese hardliners could conclude that a nuclear North Korea provides a diversion from China's plans to force unification with Taiwan by use of its own expanding cruise and ballistic missile force, as illustrated by the 1995-96 Taiwan Missile crisis, which was intended by Beijing to protest Taiwanese steps toward 'independence.' From this perspective, both North Korea and China appear to be using similar forms of "missile diplomacy" for differing purposes. A number of possible war scenarios have been envisioned in regard to the Korean peninsula, not to overlook the possibility of war with China.⁴²

If tensions continue to mount in regard to Taiwan, it is therefore possible that Chinese hardliners could ultimately decide that a minimal North Korean nuclear weapons capability might actually prove useful in diverting attention away from Chinese missiles pointed toward Taiwan.⁴³ And should North Korea ultimately collapse in political and economic terms, Chinese military intervention remains an option so as to preclude US-South Korean steps to take control of the region. The risk then is that even a minimal North Korean nuclear deterrent would continue to cause repercussions in Seoul and Tokyo, most likely resulting in a re-armament of the entire region, at the same time that South Korean and Japanese disputes over the Dokdo/Takeshima islands does not auger well for defense cooperation between Seoul and Tokyo. Already North Korea's ballistic missile capabilities (as well as those of China) have provoked US-Japanese Ballistic Missile Defense cooperation, coupled with Chinese counter-threats. Following the North Korean 1998 testing of the Taepodong missile over Honshu Island, a number of Japanese Defense officials argued that Tokyo should consider the development of a pre-emptive strike capability.⁴⁴

As Pyongyang remains convinced that Washington intends to engage in "regime change" at some point in the future, and as Washington believes that Pyongyang will continue to engage in black market activities, including the sales of illicit drugs, counterfeit dollars, as well as ballistic missile, if not nuclear weapons, technologies, *even if* the US reaches out toward a rapprochement, it will be very difficult for the two sides to establish confidence, and even more so given North Korea's tough and erratic bargaining stance. In many ways, the fate of North and South Korea is still tied to the fate of the tempestuous China-Taiwan relationship. If, however, on the more positive side, the US and China can reach a common accord on the North Korean question, they could also reach a common accord with respect to Taiwan, in which the US could secretly attempt to facilitate a cross-Straits agreement. An American rapprochement with North Korea would ironically provide the US with greater strategic leverage vis-à-vis China so as to resolve the Taiwan

question diplomatically. It will consequently take a earnest effort on the part of the US to thoroughly engage with North Korea in an attempt to inspire trust on all sides through “front door” multilateral diplomacy, so as to promote a Northeast Asian “security community” that would guarantee Korean “unification” in terms of a “confederal” relationship—as the major step toward peace for the entire region.

¹Endnotes

Ralph C. Hassig and Kongdan Oh, "North Korea: A Rogue State Outside the NPT Fold" *Foreign Policy Agenda*, March 2005. Available at: <http://usinfo.state.gov/journals/itps/0305/ijpe/kongdan.htm> (accessed on March 30, 2006).

² Available at: <http://www.state.gov/r/pa/ei/bgn/2792.htm> (accessed on March 30, 2006).

³ Nicholas Eberstadt, "North Korea Triumphs Again in Diplomacy," American Enterprise Institute for Public Policy Research (October 2005). Available at: http://www.aei.org/publications/pubID.23277/pub_detail.asp (accessed on March 30, 2006).

⁴ David E. Sanger, "In North Korea and Pakistan: Deep Roots of Nuclear Barter" *New York Times* (24 November 2002). Available at: http://www.fas.org/irp/threat/missile/rumsfeld/pt2_wright.htm (accessed on March 30, 2006).

⁵ Yoel Sano "Talks aside, North Korea won't give up nukes" *Asian Times On Line* (March 2, 2004) Available at: <http://www.atimes.com/atimes/Korea/FC02Dg04.html> (accessed on March 30, 2006).

⁶ Scott Snyder, "South Korea's Squeeze Play" *The Washington Quarterly* Vol. 28, No. 4 (Autumn 2005).

⁷ Bruce Klingner "China shock for South Korea," *Asian Times On line* (September 11, 2004). Available at: <http://www.atimes.com/atimes/korea/FI11Dg03.html> (accessed on March 30, 2006).

⁸ John S. Park, "Inside Multilateralism: The Six-Party Talks" *Washington Quarterly* Vol. 28, No. 4 (Autumn 2005).

⁹ Yoshinori Takeda, "Putin's foreign policy toward North Korea," *International Relations of the Asia-Pacific* 0: 1411 (March 3, 2006). Available at: <http://irap.oxfordjournals.org/cgi/content/abstract/lci141v1> (accessed on March 30, 2006).

¹⁰ Sieff Martin, "Putin's China visit shifts power" (March 23, 2006). Available at: <http://www.america-russia.net/eng/geopolitics/113619502> (Accessed March 30, 2006).

¹¹ Alexander Vorontsov, cited in *Japan Economic Newswire* "FOCUS: Economic Engagement with N. Korea Becoming Reality: Expert" (March 14, 2006). Available at: <http://asia.news.yahoo.com/060314/kyodo/d8gb1p7o0.html> (accessed on March 30, 2006).

¹² Darryl Howlen, "A Concert of the Willing: A New Means for Denuclearising the Korean Peninsula" in *Nuclear Non-Proliferation: The Transatlantic Debate*, ed. Ettore Greco, Giovanni Gasparni, Riccardo Alcaro IAI Quaderni (February 2006).

¹³ Bruce B. Auster and Kevin Whitelaw "Upping the Ante for Kim Jong Il: Pentagon Plan 5030, a New Blueprint for facing down North Korea." *US News and World Report* (July 21, 2003). Available at: <http://www.usnews.com/usnews/news/articles/030721/21korea.htm> (accessed on March 30, 2006).

¹⁴ R. James Woolsey and Thomas McInerney in the *Wall Street Journal* (4 August 2003). Available at: <http://www.benadorassociates.com/article/498> (accessed on March

30, 2006).

¹⁵ John S. Park, "Inside Multilateralism: The Six-Party Talks" *The Washington Quarterly* Vol. 28, No. 4 (Autumn 2005).

¹⁶ Erich Marquardt "U.S. Struggles to Place Pressure on North Korea" Power and Interest news Report PINR (23 March 2005). Available at: http://www.pinr.com/report.php?ac=view_report&report_id=281&language_id=1 (accessed on March 30, 2006).

¹⁷ "US reveals new tactics to pressure N Korea" *ISN Security Watch* (14 February 2005). Available at: <http://www.isn.ethz.ch/news/sw/details.cfm?ID=10763> (accessed on March 30, 2006).

¹⁸ "I do believe North Korea wants some degree of normalization of relations to happen; but they are not willing to "lose face" by unilaterally acquiescing to the United States' demands. I believe this desire for normal relations was evident when they eagerly pointed to the respect President Bush showed their leader by calling him "Mr." Kim Jong-il at one point last year. Their enthusiasm quickly dissipated when they realized the remark was in jest." "Senator Murkowski Addresses World Trade Center Alaska" US Fed News February 23, 2006.

¹⁹ Todd Walters, "The Fourth Round of Six-Party Talks" Power and Interest News Report 5 September 2005. Available at: http://www.pinr.com/report.php?ac=view_report&report_id=360&language_id=1 (accessed on March 30, 2006).

²⁰
Darryl Howlen, *Ibid.*

²¹
See Hall Gardner, *American Global Strategy and the 'War on Terrorism'* (Burlington, VT: Ashgate, 2006), Chapter 4.

²²
Moon Ihlwan, "Bridging the Korean Economic Divide" *Business Week* (March 7, 2006). Available at: http://www.businessweek.com/globalbiz/content/mar2006/gb20060307_843108.htm (accessed on March 30, 2006).

²³ North Korea's trade with Japan totaled \$190 million in 2005, the lowest since 1977. During the same period, China's trade with North Korea totaled \$1.58 billion, up 14.8 percent. China remains North Korea's top trade partner, with two-way trade between the two rising by an average 30 percent per year since 2000.

Alexander Vorontsov, cited in *Japan Economic Newswire* "FOCUS: Economic Engagement with N. Korea Becoming Reality: Expert" (March 14, 2006). Available at: <http://asia.news.yahoo.com/060314/kyodo/d8gb1p7o0.html> (accessed on March 30, 2006).

²⁴ "South Korea has requested duty-free treatment for products produced in the Kaesong Industrial Complex in prior FTA negotiations with other trade partners. The issues are twofold. The first is substantive: North Korea does not meet internationally recognized core labor standards rights to associate, organize, and bargain collectively are absent entirely... The real problem is that while conditions in Kaesong may be exploitative, they probably are considerably better than those existing elsewhere in North Korea, and there may be no shortage of North Koreans willing to work on these terms.

The second issue is procedural: While the FTA will presumably include a labor standards chapter, South Korea has no way to enforce such commitments in Kaesong, where North Korea is sovereign. One possible solution would be to involve a third party such as the International Labor Organization (ILO) to monitor conditions in the zone... but even this solution would require the cooperation of the North Korean government, which is not a member of the ILO, has a track record of noncooperation in other spheres of international engagement, and to date has restricted access to the zone by third-party observers.”

Marcus Noland, “How North Korea Funds Its Regime” Congressional Quarterly, Inc. Senate Homeland Security and Governmental Affairs Congressional Testimony (April 25, 2006)

²⁵ Choe Sang-Hun “Roh warns U.S. over N. Korea: Blunt speech shows rift between allies” *The International Herald Tribune* (January 26, 2006)

²⁶ US Ambassador to the Republic of Korea, Alexander Vershbow argued that the US “did not place 'sanctions' on North Korea, as is commonly misrepresented in the press; we took law enforcement action against a bank in Macau to protect our financial system from abuse... Like South Korea, the United States is ready to return to the talks. It's in everyone's best interest, including North Korea's, to see the commitments contained in the September 19 Joint Statement implemented. Those commitments include not only denuclearization, but negotiation of a permanent peace regime, normalization of diplomatic relations, and economic integration.” US Ambassador Vershbow Delivers Remarks to the Korea Freedom League, as released by the State Department *Congressional Quarterly* (April 18, 2006). North Korea has countered by saying, in general, that U.S. sanctions apply to North Korean trade, science and technology, investment, real estate, insurance, transportation, communication and immigration, and prevent their exchanges overseas.

²⁷ Cameron Stewart, “Dirty secrets of the Soprano state” *The Australian* (March 11, 2006). The Sopranos is an American TV show about a mafia family.

²⁸ Jong-Heon Lee “Analysis: N. Korea's reliance on China” UPI. Available at: <http://www.upi.com/InternationalIntelligence/view.php?StoryID=20060213-062742-1321r> (accessed on March 30, 2006).

²⁹ Donald Kirk, “Back from China, Kim Jong Il Eyes Ally’s Success – and Largess” *The Christian Science Monitor* (January 19, 2006). Available at: <http://www.csmonitor.com/2006/0119/p04s01-woap.html?s=widedp> (accessed on March 30, 2006).

³⁰ Representative James A. Leach (R-IA), Capitol Hill “Hearing of the Asia and the Pacific Subcommittee of the House International Relations Committee. Subject: East Asia in Transition: Opportunities and Challenges for the United States.”

³¹ “US expert pessimistic about six-nation nuclear talks' future” (Yonhap News Agency April 7, 2006) Interview with Peter Beck, the North East Asia Project Director of the International Crisis Group, April 6, 2007.

³²

Todd Walters, op.cit.

³³ “Sandwiched between the intransigence of the two chief negotiators, China would also like to see a more flexible and practical U.S. policy toward North Korea instead of a take-it-or-leave-it proposal. If not, Beijing will not be able to exercise the leadership that Washington hopes will roll back North Korea's nuclear weapons program.” Anne Wu, “What China Whispers to North Korea” *The Washington Quarterly*, Vol. 28, No. 2, Spring 2005.

³⁴ “Libya Profile” *Nuclear Threat Initiative* (NTI) Available at: http://www.nti.org/e_research/profiles/Libya/3939.html#fn6 (accessed on March 30, 2006).

³⁵ For details on South Korean military reforms, See B. B. Bell, Commander, United Nations Command, Fiscal 2007 Budget: Department of Defense, Committee on Senate Armed Services, *Congressional Quarterly, Inc.* (March 7, 2006)

³⁶ Michael E. O'Hanlon, “A ‘Master Plan’ to Deal With North Korea,” *Brookings Policy Brief* No. 114 (January 2003). <http://www.brookings.edu/comm/policybriefs/pb114.htm>

³⁷

Bruce Klingner “China shock for South Korea,” *Asian Times On line* September 11, 2004. Available at: <http://www.atimes.com/atimes/korea/FI11Dg03.html> (accessed on March 30, 2006).

³⁸ Bruce Klingner, *Ibid.*

³⁹ See Dingli Shen, “Iran's Nuclear Ambitions Test China's Wisdom” *The Washington Quarterly* Vol. 29, No. 2 Spring 2006. China cannot afford higher oil prices as a result of tensions with Iran. While sharing US concerns about the dangers of the Iranian nuclear program, Beijing cannot accept a confrontational approach toward Iran. Here, it appears that the US may need to find a way to engage more directly with both Iran and North Korea, with the concerted backing of China, Russia, Japan and the Europeans.

⁴⁰ Ted Galen Carpenter, “Options for Dealing with North Korea” *Foreign Policy Briefing*” No. 73 January 6, 2006. Available at: <http://www.cato.org/pubs/fpbriefs/fpb73.pdf> (Accessed March 30, 2006).

⁴¹ See Hall Gardner, *American Global Strategy and the ‘War on Terrorism’* (Burlington, VT: Ashgate, 2006), Chapter 4.

⁴² On rising tensions in Asia, see Hall Gardner, *Ibid*, Chapter 6. See also Colin Robinson and Rear Admiral (Ret.) Stephen H. Baker “Stand-off with North Korea: War Scenarios and Consequences” Center for Defense Information (June 26, 2003). For a theoretical discussion on possibilities of major power war in Asia, see Aaron L. Friedberg, “The Future of U.S.-China Relations; Is Conflict Inevitable?,” *International Security*, Fall 2005.

⁴³ “A North Korea alienated from China would allow the U.S. military to ignore the Korean peninsula in any conflict with China over Taiwan.... If there is a confrontation with Taiwan and the (U.S. Navy's) 7th Fleet, what value then can North Korea have? Minimal value if it collapses,” said Professor Shi Yinhong of Beijing's Renmin University. “So it is not denuclearization that is China's number one goal. Number one is peace on the Korean peninsula.” ” See Jim Landers “China in a delicate position regarding future of long time ally North Korea” *The Dallas Morning News* (January 6, 2006). Available at: <http://www.miami.com/mld/miamiherald/13555490.htm> (Accessed March 30, 2006).

⁴⁴ In January 2003, then-Minister of State for Defense Shigeru Ishiba, in his testimony before the Japanese House of Representatives Budget Committee, made an unprecedented explicit reference to Tokyo's use of pre-emptive military force: “We will consider the start [of a military attack] if [Pyongyang] expresses an intention to demolish Tokyo and starts fuelling its missiles to realize that.” John S. Park, “Inside Multilateralism: The Six-Party Talks” *The Washington Quarterly* Vol. 28, No. 4 (Autumn 2005).