



Testimony by Charles Kartman, Special Envoy for the Korean Peace Process and U.S. Representative to KEDO Before House Committee on International Relations

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This Administration, working closely with our allies in the region, the Republic of Korea and Japan, along with Congress, over the past five years has hammered out a policy that seeks to address the perplexing and difficult problems we face with North Korea -- including holding North Korean nuclear activities in check and curtailing its destabilizing missile program.

We all recognize that North Korea remains a potential threat to peace and stability in northeast Asia. Its proliferation activities contribute to instability in other areas as well, particularly South Asia and the Persian Gulf. Our policy toward North Korea, with the Agreed Framework as its centerpiece, recognizes that the principal problems of the Korean Peninsula must be solved by North and South Korea, that it is in our interest to support them, and that we can also engage the DPRK through dialogue on issues of key concern. This is a policy that is not based on trust or confidence in the North Korean regime. On the contrary, it reflects a sober judgment of how best to contain the threat of North Korea's nuclear program and other destabilizing activities such as missile development. Although it is a difficult task, we are convinced that we can achieve our objectives best by carefully engaging the North Korean regime, not by isolating it. This is a view that is also shared by our allies in the region, including the Republic of Korea.

Through engagement, in 1994 we concluded with the DPRK the Agreed Framework to deal with the DPRK's nuclear program. The Agreed Framework also provides a means to engage North Korea on other key concerns such as terrorism, MIA remains, and missile activities. In late 1997, we formally began the Four Party Peace Talks, a process designed to bring North Korea to the table to discuss concrete tension reduction steps and to replace the 1953 Armistice with a genuine peace treaty. At this moment, however, results are mixed.

We have briefed concerned members and staff about North Korea's suspect underground construction, its August 31 launch of a new, longer-range missile, Pyongyang's implementation of the Agreed Framework, and the results of our recent talks with the North Koreans. Congress is aware of the dilemmas that confront us, both with regard to relations with the DPRK and with regard to funding KEDO: How do we change North Korean behavior without seeming to "reward" them for their transgressions? I would like briefly to review our approach.

Working to resolve the nuclear problem with North Korea has never been easy. After difficult negotiations, the U.S. and North Korea agreed in 1994 that, in exchange for the verified shut-down and eventual dismantlement of North Korea's graphite-moderated reactors and related reprocessing facilities, North Korea would be provided with two proliferation-resistant, light-water reactors. We also agreed to provide North Korea heavy fuel oil until completion of the first of the two LWRs. Although we had sought to interest the North Koreans in conventional power plants as a substitute for their graphite-moderated reactors, they insisted on nuclear reactors.

When this Administration first approached Congress for HFO funding, our expectation was that 30 million dollars per year would be enough, and that the international community would make up any difference between that amount and the total HFO cost. We are disappointed that, despite our best efforts, and generous support particularly from the EU and Australia, we have not been able to persuade enough others to make substantial contributions. Money is now dangerously short, and we must find a way for KEDO to deliver on our Agreed Framework commitments. Otherwise -- putting aside technical legal arguments -- the United States and our allies would lose irretrievably our best means of ending, however slowly and painfully, North Korea's program to develop and proliferate weapons of mass destruction. We would provide Pyongyang with a clear pretext for reneging on its Agreed Framework commitments, and the resulting collapse of the Agreed Framework would move us back to the crisis days of 1993-94 -- or worse.

Despite our continued frustration and alarm over North Korean actions -- which have varied in our view from aggressive and provocative to puzzling and inconsistent -- we and our allies will always be dealing with the North from a position of political, economic and military superiority. As such, we remain convinced that firm and steadfast use of KEDO and the other channels it has opened to us is the best way to obtain the results we seek with respect to North Korea both in the short and long term.

While we are hopeful that the resumption of dialogues with North Korea on missiles, terrorism, the Four Party talks, and the suspect underground construction will each result in concrete results, we firmly believe that the Agreed Framework must continue to be the centerpiece of U.S. policy toward the DPRK for some time to come. Though not perfect, the Agreed Framework is still the only viable alternative we have that has a chance to keep North Korea's nuclear activities in check and keep the North engaged on other matters.

Without the Agreed Framework, North Korea would already have produced a sizeable amount of weapons-grade plutonium. We have prevented that for close to four years, and we are committed to ensuring that this remains the case for the

future. This is without doubt in the interest of the U.S. and our friends and allies in and beyond the region.

We are clearly better off with the North Korean nuclear facilities at Yongbyon shut down. To cite specifics: those nuclear facilities are under IAEA monitoring; Pyongyang has agreed as a result of this past round of negotiations to can its remaining spent fuel, and there is a team on its way there now for that purpose; and the DPRK is not reprocessing nuclear fuel. In other words, a dangerous program at Yongbyon is frozen and under monitoring. We have made it crystal clear to the North Koreans that we expect them to continue to live up to these obligations under the Agreed Framework. In New York, I also made it clear to them that our suspicions about their underground construction must be resolved and that access will be essential to doing so.

What we also seek in our present dealings with the DPRK is to avoid a return to the circumstances of 1993-94, when tensions between North Korea, its neighbors, the United States and the international community were dangerously high. To return to that state now would be particularly debilitating as Asia seeks to recover from its financial crisis. We will continue to look for ways to reduce tensions on the Korean Peninsula, but we will also continue to be firm and deliberate with the North. Together the Administration and the Congress can go a long way toward eliminating North Korea's ability to threaten its neighbors and to export that threat to other parts of the world.

There is no question that much depends on North Korean intentions and behavior. I have no illusions about dealing with the North Koreans. The outcome of any negotiations with such a regime, whether demonstrably meager or potentially positive, must be viewed with skepticism until implementation is confirmed. Progress can be achieved only a step at a time.

On a parallel but separate track, the U.S. Government has responded generously in pledging food assistance to meet an acute humanitarian need in North Korea. On September 21, the U.S. Government committed to provide an additional 300,000 metric tons of surplus U.S. wheat in response to the World Food Program's current appeal for North Korea. Our policy has been, and continues to be, not to link this assistance to our broader political concerns. By all accounts, our assistance has had a significant positive effect on the health and nutrition of those vulnerable groups it targets, especially North Korean children. I have stressed to the DPRK that adequate monitoring is a requirement for additional food assistance. While the current monitoring arrangement is far from ideal, we are confident that our assistance has reached those for whom it was intended and that there have been no significant diversions. The monitoring arrangements have been improving, and we will continue to press for greater access.

With your support and that of your colleagues, we can make a difference on the Korean Peninsula and can do our part to limit North Korea's destabilizing behavior. We must do so with toughness and integrity – and with a clear vision of the consequences of failure. We must keep North Korea in the Agreed Framework. To do that, we must honor our own commitments undertaken in the Agreed Framework, and specifically provide heavy fuel oil to the DPRK through

KEDO as promised. The Congress and the Administration must, despite the frustrations we have encountered, do that together.