

Disarmament Diplomacy with North Korea

Overview

Diplomatic efforts to deal with North Korea's programmes to acquire nuclear weapons and develop its ballistic missile capabilities have, over nearly 25 years, witnessed both success and failure. During this period, four different approaches have been tried. Firstly, beginning in the 1980s, the US led efforts to employ pressures and inducements to convince North Korea to adhere to the 1968 Treaty on the Non-proliferation of Nuclear Weapons (the nuclear Non-proliferation Treaty, or NPT) and accept International Atomic Energy Agency (IAEA) inspection of its nuclear facilities and materials. In December 1985, North Korea acceded to the NPT and, after significant prevarication, accepted international inspections in April 1992. However, implementation of the inspection agreement collapsed when North Korea refused to cooperate with the IAEA to verify plutonium production prior to 1992, a situation compounded when Pyongyang threatened to withdraw from the NPT in March 1993.

Secondly, in December 1991, North and South Korea reached agreement on a bilateral 'denuclearisation' agreement that included restrictions on nuclear activities beyond those specified in the NPT. But this agreement was never implemented due to disagreements between Seoul and Pyongyang over the number and type of bilateral inspections necessary to verify it. The North–South agreement remained a dead letter until it was officially renounced by Pyongyang in May 2003.

Thirdly, following North Korea's threat to withdraw from the NPT in March 1993, the US and North Korea in October 1994 concluded a bilateral agreement known as the Agreed Framework. The Agreed Framework called for an ambitious undertaking to freeze and eventually dismantle North Korea's plutonium production facilities and account for its plutonium stocks in exchange for interim supplies of heavy fuel oil and an alternative nuclear energy project, as well as improved bilateral relations with Washington. For nearly a decade, the Agreed Framework froze North Korean production of additional plutonium, but it did not end North Korea's efforts to acquire nuclear weapons. Following public revelations in October 2002 that North Korea was pursuing a secret programme to produce weapons-grade uranium, the Agreed Framework collapsed amid diplomatic acrimony. North Korea revived its plutonium production facilities in December 2002 and withdrew from the NPT in January 2003, arguing that it had already given the requisite 90-day notice when it announced its original intent to withdraw in March 1993.

Finally, since the collapse of the Agreed Framework, the US has promoted a fourth effort to deal with the North Korean nuclear issue – through Six Party Talks between the US, Russia, China, Japan, and North and South Korea. These are intended to secure a multilateral agreement for North Korea to abandon its nuclear weapons programme in exchange for security assurances and political and economic benefits. The outcome of the Six Party Talks is uncertain.

Early pressure and engagement (1980–92)

In 1980, US intelligence detected the construction of a new research reactor at North Korea's Yongbyon Nuclear Research Centre, which US experts concluded could be designed to produce plutonium for a nuclear weapons programme. At the time, Washington responded by urging the Soviet Union to convince North Korea to join the NPT and allow IAEA inspections. Despite their Cold War rivalry, Washington and Moscow maintained regular talks on non-proliferation issues in order to coordinate policies and share intelligence on proliferation threats. Following Moscow's intervention, Pyongyang acceded to the NPT on 12 December 1985. In return, Moscow promised to sell North Korea four light water reactors (LWRs) for the generation of nuclear energy.

While North Korea's accession to the NPT was seen in Washington as a victory for its strategy of applying indirect pressure through Moscow, celebrations proved premature. Under the terms of the NPT, Pyongyang was – within 18 months – required to ratify and implement a 'full-scope safeguards' agreement with the IAEA. This required North Korea to declare all nuclear materials and facilities in the country to the IAEA and allow the agency's inspectors to verify that these were being used for peaceful purposes. However, Pyongyang found a variety of reasons to procrastinate. At first, North Korea blamed the IAEA, which had sent the wrong documentation to Pyongyang and did not discover its mistake for 18 months. Later, Pyongyang sent messages through Moscow to the effect that a reduction of tension in the US–North Korean relationship would 'facilitate' Pyongyang's completion of a safeguards agreement. But Washington refused to accept any linkage between the status of bilateral US–North Korean relations and North Korea's compliance with legal obligations under the NPT. Publicly, North Korea denied that it possessed any undeclared nuclear facilities and frequently charged that US nuclear weapons stationed in South Korea posed a grave threat to its country.

In the meantime, North Korea proceeded with its indigenous nuclear programme. The new reactor, now

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known as the 5MW(e) graphite-moderated reactor, began operations in 1986. By the end of the decade, construction had begun on an even larger reactor – now known as the 50MW(e) graphite-moderated reactor – with significantly greater capacity to produce plutonium. In addition, North Korea had completed a number of new facilities at Yongbyon, one of which, some US experts believed, might be a reprocessing plant for separating plutonium from irradiated fuel rods. Concerned by these advances, the incoming administration of President George H.W. Bush decided to pursue a more activist policy, offering to improve relations with Pyongyang if it fulfilled its NPT safeguards commitments and refrained from pursuing enrichment and reprocessing technologies. At the same time, Washington adopted a balanced policy of promoting improvements in North–South relations while maintaining a strong military deterrent on the Peninsula.

During the summer of 1990 and spring of 1991, Washington’s attention was focused on ejecting Iraqi forces from Kuwait, and little effort was made to implement a new policy towards North Korea. Towards the end of 1991, however, the collapse of the Soviet Union weakened North Korea’s strategic position by depriving it of a source of aid and political support, and created an opening for US diplomatic efforts to resolve the North Korean nuclear issue. On 27 September 1991, President Bush announced that all land- and sea-based US tactical nuclear weapons would be removed from overseas locations. This included all US nuclear weapons in South Korea. Although the announcement was primarily intended to achieve a parallel withdrawal of Soviet tactical nuclear weapons, it also gave Pyongyang an opportunity to declare that the nuclear threat from US forces in South Korea was removed. Following the Bush initiative, South Korean President Roh Tae Woo declared that his country was nuclear-free and proposed talks with Pyongyang to establish a nuclear-free zone on the entire Korean Peninsula. On 31 December 1991, Seoul and Pyongyang announced the North–South Denuclearization Declaration (NSDD), which banned the development and possession of nuclear weapons as well as enrichment and reprocessing facilities, and called for a North–South inspection regime to verify the agreement. In private, Washington had advised Seoul on the substance of the NSDD. Many in Washington saw this regional approach as a means of overcoming limitations in the NPT (which did not ban reprocessing and enrichment), as well as bolstering an IAEA

inspection system that had failed to detect Iraq’s massive clandestine nuclear weapons programme before the 1991 Gulf War.

By early 1992, there was a parallel breakthrough on the IAEA safeguards impasse. In January 1992, during a visit to Seoul by President Bush, the United States and South Korea pledged to suspend their annual *Team Spirit* military exercise on the condition that North Korea concluded its inspection agreement with the IAEA. Later that month, at an historic meeting between US Under Secretary of State Arnold Kanter and North Korean Party Secretary Kim Young Sun, Washington additionally offered to improve bilateral relations if Pyongyang fulfilled its non-proliferation obligations. On 30 January 1992, North Korea signed its full-scope safeguards agreement with the IAEA, which entered into force on 10 April 1992. In March, IAEA Director General Hans Blix was taken on a tour of the previously undeclared nuclear facilities at Yongbyon, and in May formal IAEA inspections got underway to verify the accuracy of North Korea’s initial declaration of nuclear facilities and materials.

Prior to the IAEA inspections, Washington’s knowledge of Yongbyon was largely limited to analysis gleaned from satellite intelligence, and there were many uncertainties about the status and capabilities of the facilities being monitored. The initial IAEA inspections revealed that the North Korean programme was more advanced than the US had previously assessed. In particular, North Korea declared to the IAEA that it had shut down the 5MW(e) reactor for a few months in 1989–90 to remove a few hundred damaged fuel rods, some of which it had reprocessed to recover a small amount of plutonium. Over the summer of 1992, IAEA analysis of samples taken at the reprocessing facilities suggested that North Korea had produced more plutonium than it had declared, although the sample analysis could not determine the amount. Adding to suspicions, the US detected apparent North Korean efforts to conceal from the IAEA two underground sites, which could contain waste from undeclared reprocessing. Analysing the operational history of the 5MW(e) reactor – as well as a small Soviet-supplied research reactor at Yongbyon – US experts calculated that before 1992, North Korea could have discharged and reprocessed enough additional spent fuel to extract plutonium for one or possibly two nuclear weapons. This assessment represented a worst case scenario. To determine the actual amount of undeclared plutonium, the IAEA would need to measure this nuclear waste, presumably stored at the two suspect nuclear waste sites.

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Towards the end of 1992, tensions increased between the IAEA and Pyongyang as the agency sought access to the suspect waste sites, and North Korea responded that the sites were 'military-related' and beyond the IAEA's jurisdiction. North–South relations also deteriorated as negotiations to implement the NSDD stalled over the type and frequency of inspections that North Korea would accept. In October 1992, the United States and South Korea announced that they would continue preparations for the 1993 *Team Spirit* exercise in the absence of progress on the bilateral inspection regime. Washington subsequently rejected North Korean requests for another high-level meeting, until progress was made in implementing North Korea's IAEA safeguards agreement and the NSDD.

Eruption of the North Korean nuclear crisis

As President Bill Clinton took office in January 1993 and South President Kim Young Sam took office in February, both new administrations inherited an impending nuclear crisis with North Korea. Having exhausted all voluntary measures to gain access to the suspect waste sites, the IAEA made a formal request in late January 1993 for a 'special inspection', invoking a provision in the safeguards agreement that allowed the IAEA to seek access to any site it believed was necessary to verify safeguards. When further consultations with North Korea failed to produce any progress, a special meeting of the IAEA Board of Governors was held in late February, at which the US displayed satellite imagery showing the suspect nuclear waste sites. Despite their reluctance to confront North Korea, Russia and China joined the US and other countries in adopting a unanimous Board of Governors Resolution on 25 February 1993, giving North Korea a deadline of one month to comply with its safeguards obligations. By coincidence, the *Team Spirit* exercise also began in February.

On 12 March 1993, in the face of mounting international pressure, North Korea suddenly announced that it intended to withdraw from the NPT, invoking a clause in the Treaty that allows a party to pull out in consideration of its 'supreme interests' after giving 90 days notice. Pyongyang said it was being forced to withdraw because of US military threats as well as efforts to manipulate the IAEA to gain access to military sites. But North Korea also suggested that it would reconsider withdrawal if 'the United States stops its nuclear threats against our country and the IAEA returns to the principles of independence and impartiality'. Surprised by North Korea's

announcement, Washington responded in two ways. Firstly, the US sought to increase diplomatic pressure and threaten sanctions if North Korea did not back down. The US secured a 25 March 1993 IAEA Resolution that condemned North Korea and reported its violation of the NPT to the United Nations Security Council (UNSC). Secondly, the US decided to engage in direct talks with North Korea, calculating that diplomatic pressure and the threat of sanctions would not be sufficient to disarm Pyongyang. Moreover, other key players, like China, Russia, South Korea and Japan, made it clear that they would not support tougher measures unless Washington first tried to resolve the issue through dialogue with Pyongyang.

Both approaches were combined in UNSC Resolution 825, adopted on 11 May 1993, which called on North Korea to retract its threat to renounce the NPT and to honour its safeguards obligations, and urged 'interested states' to facilitate a solution. To obtain Russian and Chinese support for the resolution, as well as the backing of South Korea and Japan, Washington said that it was prepared to begin talks with North Korea and asked Beijing to pass a private message to Pyongyang that the US was willing to meet after the resolution passed. From Washington's perspective, the resolution provided helpful political cover to begin bilateral efforts with Pyongyang at the request of the international community, without appearing to reward North Korea's threats.

On the basis of Resolution 825, the US and North Korea entered into 17 months of difficult negotiations, which eventually produced the October 1994 Agreed Framework. Ambassador Robert Gallucci led the US team, an interagency delegation representing the National Security Council, the Departments of State and Defense, and the Joint Chiefs of Staff, while Vice Foreign Minister Kang Sok Ju headed a North Korean team from the Ministry of Foreign Affairs. Major rounds of talks were held in June 1993, July 1993, July 1994, August 1994, and September–October 1994. In these meetings, the two sides laid out their formal positions in large plenary sessions, usually reading from prepared scripts. The real negotiating was done in scores of smaller and less cumbersome informal sessions. In these, the heads of delegations, or smaller groups of experts, could explore possible compromises and draft language for the joint communiqués issued at the end of each round, and also negotiate the language of the Agreed Framework itself. In between official rounds, officials from Washington and North Korean officials from Pyongyang's UN mission held scores of

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meetings in New York (known as the 'New York channel'). Throughout the talks, the US remained in close contact with South Korea and Japan, usually briefing delegations from Seoul and Tokyo at the end of every day of talks with the North Koreans. The US team also made frequent trips to Seoul and Tokyo to consult with senior officials, as well as visiting Beijing, Moscow, and other capitals to seek support for US negotiating positions.

The first round of bilateral talks, held in New York in mid-June 1993, succeeded in 'suspending' North Korea's announced withdrawal from the NPT, which meant that IAEA inspectors would continue to monitor North Korea's nuclear activities while the talks proceeded. As a condition for the talks, Washington demanded that North Korea accept limits on its nuclear programme, such as refraining from additional reprocessing, while the talks were underway. In return, the US agreed to a joint document with North Korea pledging principles of non-aggression and non-interference – drawn from the United Nations Charter – which would govern the bilateral relationship. In the discussions, North Korea indicated it would remain a party to the NPT and fulfill its safeguards obligations if the US removed its 'nuclear threat' and ensured that the IAEA applied safeguards 'impartially', which, Pyongyang explained, meant withdrawing its request for special inspections of the suspect waste sites.

However, in the second round – held in Geneva in July 1993 – North Korea unveiled a more ambitious proposal to abandon its plutonium production programme in return for the provision of a light water reactor (LWR) project by the United States. This proposal was attractive to Washington because implementing it would prevent North Korea from accumulating a stockpile of separated plutonium under IAEA safeguards, as it was legally allowed to do under the NPT. With such a stockpile of separated plutonium, North Korea could 'break out' from the NPT and fabricate nuclear weapons in short order. Safeguards on the LWR project and provisions to remove its spent fuel from North Korea could guard against the danger that North Korea would be able to secretly extract plutonium from the LWR spent fuel. Nonetheless, the proposal had several drawbacks. Even if North Korea eschewed further plutonium production, there remained the issue of undeclared plutonium produced prior to 1992, potentially enough for one or two bombs. Moreover, the cost and practicality of the proposed LWR project were daunting. Clearly, the US could only undertake such a

project with massive investment by other countries, such as South Korea and Japan. In the July meeting's joint communiqué, the United States agreed to 'consider' the introduction of new reactors into North Korea, and the two sides agreed to meet again in September. Before then, at US insistence, North Korea was required to begin talks with the IAEA to arrange for new inspections of Yongbyon and with South Korea on implementation of the NSDD.

Ultimately, the US effort to simultaneously move ahead on three separate tracks (US–North Korea, North Korea–South Korea, and IAEA–North Korea) proved unworkable, and the planned September 1993 round of bilateral talks between Washington and Pyongyang had to be postponed. Finally, after numerous meetings in New York, US and North Korean representatives reached agreement on a package of four steps scheduled to take place on Tuesday, 1 March 1993 – dubbed 'Super Tuesday'. Under the agreement, North Korea would allow the IAEA to conduct an inspection at Yongbyon to ensure the 'continuity of safeguards'; North and South Korea would agree to exchange special envoys; the US and South Korea would announce cancellation of the 1994 *Team Spirit* exercise; and the US and North Korea would announce dates for the third round of talks. The 'Super Tuesday' deal collapsed, however, when North Korea refused to allow the IAEA to complete inspections at Yongbyon, and plans for a meeting of North–South envoys before the next round of US–North Korea talks fell apart, with mutual recriminations between Seoul and Pyongyang. Washington responded by cancelling the scheduled US–North Korea talks and renewing *Team Spirit* planning with Seoul. In May 1994, North Korea publicly warned that it intended to unload the nearly 8,000 spent fuel rods from the 5MW(e) reactor as a 'safety measure'. Despite US objections, North Korea proceeded to carry out its threat in June, unloading the spent fuel and refusing to allow the IAEA to record the location of the individual fuel rods in the core, thus destroying one of the key technical means for measuring the operational history of the reactor and determining total plutonium production. More ominously, removal of the 8,000 rods was the first step towards possible reprocessing, which could have begun a few months later once the rods – placed in a storage pond near the 5MW(e) reactor – had cooled down. According to IAEA estimates, the 8,000 rods contained about 25–30 kilograms (kg) of plutonium, notionally enough for a few simple fission-type nuclear weapons.

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June 1994 marked the highpoint of tensions. When North Korea unloaded the 5MW(e) reactor in the face of US protests, Washington made preparations to seek UNSC sanctions, although the support of China and Russia was uncertain. In the event that agreement could not be reached in New York, Washington consulted with Seoul and Tokyo about imposing ad hoc sanctions, such as cutting off remittances from Korean immigrants in Japan. Since Pyongyang had declared that it would consider imposition of UNSC sanctions to be an 'act of war,' the US Department of Defense presented plans to President Clinton to quickly reinforce US forces on the Peninsula. A pre-emptive strike to destroy the Yongbyon reprocessing plant was also under consideration. Into this gathering storm, former President Jimmy Carter travelled to Pyongyang in June for direct talks with North Korean leader, Chairman Kim Il Sung. Kim promised Carter that IAEA inspectors would be allowed to remain in North Korea to monitor nuclear activities. Washington 'interpreted' Kim's commitment to include a pledge not to reload the 5MW(e) with fresh fuel nor to reprocess the 8,000 spent fuel rods, and Pyongyang consented to these conditions as a basis for resuming negotiations. Chairman Kim Il Sung also agreed to a proposal relayed by Carter from South Korean President Kim Young Sam to hold the first-ever North-South summit.

Birth of the Agreed Framework

Once this 'freeze' was established, the United States and North Korea returned to the negotiating table in Geneva in July, but the talks were interrupted on 8 July 1994 by the death of Chairman Kim Il Sung. Following a mourning period, Kim Il Sung's son, Kim Jong Il, emerged as the new leader of North Korea, and the negotiations carried on with lengthy drafting sessions in August and September-October, finally culminating in the conclusion of the Agreed Framework on 21 October 1994. During these final negotiations, two issues emerged as deal-breakers. Firstly, the North Koreans strongly resisted the implementation of special inspections, which would have required them to reveal their existing plutonium cache. The North Korean negotiator, Kang Sok Ju, was fond of describing what unenviable fate would await him if he returned home having accepted special inspections. Secondly, North-South relations sharply deteriorated after the death of Kim Il Sung, in part because Pyongyang thought that South Korean President Kim Young Sam showed disrespect to the dead leader. As a result,

Pyongyang strongly opposed any effort to improve North-South relations as part of the agreement. For his part, unable to salvage a North-South summit, Kim Young Sam tried to delay a US-North Korea deal and link any agreement to progress on the North-South front. In order to ensure that Seoul would be a key player in any nuclear deal, Kim Young Sam pledged that his country would build and largely fund the LWR project in North Korea, which would be based on a power reactor developed by the South Korean nuclear industry, originally derived from an American design. In contrast to Seoul, Tokyo was generally comfortable with the outlines of the deal, although there was some nervousness about costs (Japan had pledged to be the second largest funder of the LWR project after South Korea).

Both issues – special inspections and North-South relations – were not resolved until the eleventh hour. In a private meeting with Ambassador Gallucci, Kang Sok Ju offered for the first time to accept special inspections, but only once a major part of the light water reactors had been completed. On the basis of this suggestion, experts from both sides worked out details to tie the scheduling of full-scope safeguards implementation – including special inspections – to the completion of a 'significant portion' of the LWR project (This was defined in a Confidential Minute to the Agreed Framework as the point at which the major non-nuclear components of the first LWR unit were completed, but before the delivery of key nuclear components.) Initially, President Kim Young Sam was publicly opposed to this compromise, but eventually came on board when the US was able to secure North Korean agreement to include references to North-South dialogue and NSDD implementation in the Agreed Framework. North Korea understood that the LWR project would consist of 'South Korean type' reactors, but – for reasons of face – they asked that this not be made explicit in the Agreed Framework. Later, the type of reactor would emerge as a major stumbling block in efforts to implement the Agreed Framework.

Throughout the negotiations, China and Russia were active on the sidelines and behind the scenes. Publicly, China supported the establishment of a nuclear-free Korean Peninsula through peaceful dialogue. Privately, Chinese officials said they had little influence over Pyongyang and urged the US to resolve the dispute through bilateral negotiations with North Korea. After the Agreed Framework was concluded, however, some Chinese officials claimed that they had helped to pressure North Korea into an agreement by warning

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Pyongyang not to count on Chinese protection if the negotiations collapsed and Washington sought UNSC sanctions. Russia's role was relatively marginal. Because of its own economic difficulties, which forced an end to its assistance to North Korea, Moscow was thought to have limited influence with Pyongyang. In addition, some important elements of the Russian government resented the Agreed Framework, because they believed the LWR project had replaced Russia's earlier agreement to sell power reactors to North Korea.

Under the terms of the Agreed Framework and the Confidential Minute, North Korea immediately froze its 'graphite moderated reactors and related facilities' (the operational 5MW(e) reactor and the 50MW(e) and 200MW(e) reactors under construction, along with the fuel fabrication facility, and the reprocessing plant), which were placed under IAEA monitoring. In return, the US gave assurances – backed by a Presidential letter – that the US would 'organize under its leadership an international consortium to finance and supply the LWR project' and provide interim heavy fuel oil (HFO) supplies to North Korea for heating and electricity production. The timing and size of these HFO shipments were calibrated to the notional electrical output from the graphite-moderated reactors that North Korea was freezing, reaching a level of 500,000 tons of HFO annually after one year.

The Agreed Framework was structured to require North Korean disarmament in stages, linked to progress in the supply of the LWR project, which consisted of two 1,000MW(e) units to be completed by a 'target date of 2003'. In the first stage, North Korea froze additional plutonium production, but retained a residual nuclear weapons capability (i.e. whatever plutonium it had produced before 1992) until a 'significant portion' of the LWR project was completed, estimated to be at least four to five years away. At that point, North Korea was required to come into full compliance with its safeguards agreement with the IAEA, 'including taking all steps deemed necessary by the IAEA'. Only after the IAEA had completed its verification would shipment of key nuclear components for the LWR project begin. Thus, the Agreed Framework did not require immediate North Korean compliance to account for plutonium produced prior to 1992 – the issue that had sparked the crisis in the first place. To critics, the Agreed Framework undermined the NPT regime because it allowed North

Korea to remain in violation of its safeguards obligations and to retain a small amount of undeclared plutonium, perhaps enough for one or two nuclear weapons. To its supporters, the Agreed Framework accepted a delay in North Korean compliance with safeguards in exchange for achieving a freeze on North Korea's plutonium production programme which, if left unhindered, could have produced much larger quantities of plutonium – even under IAEA safeguards.

At further stages of the LWR project, North Korea was required to take additional steps to dismantle its nuclear capabilities. When the first unit of the LWR project was completed, the removal from North Korea of the 8,000 spent fuel rods (containing 25–30kg of plutonium) from the 5MW(e) reactor would also be completed. In the meantime, the US agreed to work with North Korean technicians to stabilise the rods in the spent fuel pond at Yongbyon, to ensure safe storage. Finally, the dismantlement of North Korean graphite-moderated reactors and related facilities would be finished on the completion of the second LWR reactor unit. Thus, the Agreed Framework set up two simultaneous and linked set of actions: as the LWR project was constructed, North Korea's plutonium production facilities would be dismantled, and vice versa.

In addition to these specific nuclear disarmament provisions, the Agreed Framework included more general language calling for steps to improve economic and political relations between Washington and Pyongyang. Within three months, the US promised to 'reduce barriers to trade and investment' and the two sides agreed to open liaison offices in each other's capitals and eventually upgrade bilateral relations to the ambassadorial level 'as progress is made on issues of concern to both sides.' The US also agreed to 'provide formal assurances to the DPRK [Democratic People's Republic of Korea – North Korea's official name], against the threat or use of nuclear weapons by the US' – although US negotiators explained that these assurances would not be provided until North Korea was verified as a non-nuclear weapons state by complying with its IAEA safeguards agreement under the NPT.

From Washington's perspective, the Agreed Framework's political and economic provisions were designed to build up incentives for Pyongyang to sacrifice its residual nuclear weapons capability once a

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Disarmament Stages in the 1994 Agreed Framework

Stage One: The Nuclear Freeze

The US will undertake to make international arrangements for the provision of a LWR project (consisting of two 1,000MW(e) units) to North Korea by a target date of 2003 and to provide heavy fuel oil to North Korea for heating and electricity production, to offset the energy foregone due to the freeze of North Korea's graphite-moderated reactors and related facilities, pending completion of the first LWR unit. North Korea will freeze its graphite-moderated reactors and related facilities and provide full cooperation to IAEA to monitor the freeze. The freeze will consist of no refuelling or operation of the 5MW(e) reactor, freezing construction of the 50MW(e) and 200MW(e) reactors, foregoing reprocessing, ceasing activities at the reprocessing plant and ceasing operation of the fuel fabrication plant. North Korea will not construct any new graphite-moderated reactors or related facilities.

Stage Two: Implementation of Full-scope Safeguards

When a 'significant portion' of the LWR project is completed, but before delivery of key nuclear components, North Korea will come into full compliance with its safeguards agreement, including permitting the IAEA access to additional sites and information deemed necessary by the IAEA to verify the accuracy and completeness of North Korea's initial report on all nuclear material in North Korea.

Stage Three: Removal of Spent Fuel

When delivery of key nuclear components for the first LWR unit begins, the transfer of 5MW(e) spent fuel from North Korea will begin, and transfer of the fuel will be completed when the first LWR unit is completed. In the meantime, following discussions with the US, North Korea will select and begin to implement a method of spent fuel storage that permits transfer of the fuel.

Stage Four: Dismantlement of Facilities

When the first LWR unit is completed, North Korea will begin dismantling its graphite-moderated reactors and related facilities, and the dismantlement will be completed when the second unit of the LWR project is completed.

Source: The Agreed Framework and Confidential Minute

'significant portion' of the LWR project was completed, rather than run the risk that the Agreed Framework would collapse if North Korea refused to cooperate with the IAEA in accounting for its pre-1992 plutonium production. Critics feared that the momentum of the LWR project would increase pressure on the IAEA to give North Korea a clean bill of health in order to keep the project alive and avoid a costly interruption. Some US officials believed the North Korean regime was likely to collapse before the LWR project could ever be completed, whereas critics argued that the assistance provided to North Korea under the Agreed Framework would help to prop up the regime.

Implementation of the Agreed Framework (1994–97)

The Agreed Framework required many moving parts, and implementation proved to be complicated and often difficult. Within a few months, the IAEA installed equipment and established a year-round inspector presence at Yongbyon to verify that North Korea's plutonium production facilities were frozen, while Washington quickly arranged for the initial delivery of 50,000 tonnes of heavy fuel oil. By January 1995, American and North Korean technical experts reached agreement to store the 8,000 spent fuel rods in stainless steel cans at the Yongbyon spent fuel pond, although it would take five years to complete the canning process due to various technical difficulties. In March 1995, the US, South Korea, and Japan formed an international consortium called the Korean Peninsula Energy Development Organization (KEDO) to provide annual deliveries of 500,000 tons of HFO to North Korea and implement the multi-billion dollar LWR project. To help pay for HFO deliveries, which turned out to be more expensive than anticipated, the US had to gather contributions from Australia, Canada, Finland, New Zealand, Indonesia, Chile, Argentina and others. In September 1997, the European Union (EU) joined as a voting member of the Executive Board in exchange for a substantial multiple-year contribution.

Working out the details of the LWR project required a series of difficult negotiations with North Korea. These became enmeshed in North–South tensions as Pyongyang sought to substitute a reactor from another country instead of South Korea. In the end, North Korea accepted the 'South Korean-type' reactor, and an LWR Supply Agreement between North Korea and KEDO specifying the details of the project was completed in December 1995. Even then, implementation of the LWR project moved only slowly, with disagreements over such issues as wages for

North Korean labourers working on the project and the communications and transportation links between the construction site (at Sinpo) and South Korea. In late 1996, just as the LWR project was gathering steam, an incident involving a North Korean miniature submarine, which foundered off South Korea's coast and was presumed to have been involved in espionage activities, abruptly halted the project and set it back by months. Because of these delays, the project fell behind in a schedule that envisaged completion by the 'target date' of 2003, and Pyongyang began to demand 'compensation' for the delay.

Aside from the delays in implementing the LWR project, difficulties emerged in carrying out the Agreed Framework's political provisions. Pyongyang complained that Washington did not fulfill the Agreed Framework's provisions for reducing economic sanctions, and negotiations to establish diplomatic liaison offices in Pyongyang and Washington broke down over the issue of whether the US could transit the Demilitarised Zone (DMZ) separating North and South Korea with diplomatic pouches. In April 1996, Washington launched a proposal for Four Party Talks – between the US, South Korea, North Korea and China – to discuss proposals for introducing confidence-building measures on the Peninsula and establishing a formal peace treaty to replace the 1953 armistice in place since the Korean War. But little progress was made in several rounds of talks. North–South relations also remained prickly. In 1997, at the end of his term, South Korean President Kim Young Sam made a new effort to engineer a North–South summit, but he was rebuffed by Pyongyang. Relations between North and South Korea did not turn for the better until the December 1997 election of President Kim Dae Jung, who instituted a 'sunshine policy', featuring heavy emphasis on inducements, to improve relations with Pyongyang.

Another difficult issue at this time concerned US efforts to restrain North Korean missile exports and missile development. During the Agreed Framework negotiations, Ambassador Gallucci had warned Kang Sok Ju that North Korean missile exports to Iran would damage prospects for improving ties with Washington, and North Korea apparently responded by delaying an impending shipment of *No-dong* missiles to Iran. By 1995, however, *No-dong* exports to Iran had begun, and the US pressed North Korea to begin missile talks. The first round was held in April 1996, followed by a second round in June 1997. In these talks, the US sought limits on both North Korean missile exports and indigenous development. North Korea refused to

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discuss its indigenous missile programme, which it said was linked to broader security issues on the Peninsula, including the presence of US forces. At the same time, North Korea said it would end exports in exchange for cash 'compensation' for lost revenues. While ruling out cash, the US side offered to take additional steps to improve bilateral relations and lift additional economic sanctions if North Korea ended missile exports.

The Agreed Framework in crisis (1998–2000)

In Washington, criticism of the Agreed Framework became involved in partisan politics. After the Republican Party gained control of Congress in the November 1994 mid-term elections, the Clinton administration was unable to secure strong political support for the agreement, resulting in annual battles over funding for KEDO. Congress also imposed requirements for various Presidential certifications as a condition for the US providing funding to KEDO for HFO deliveries. Congressional criticism of the Agreed Framework peaked in summer 1998 because of two developments. Firstly, in early August, the *New York Times* broke a story that North Korea was building a vast underground facility at Kumchang-ri, which US intelligence believed was intended to house a secret plutonium production reactor and reprocessing facility. Evidence for this assessment was too circumstantial and premature for a firm conclusion because construction was still at an early stage. Nonetheless, it was credible to US analysts and officials that North Korea would seek to develop an alternative source of fissile material in order to maintain its nuclear weapons capability even after the Agreed Framework required North Korea to declare any plutonium it had produced before 1992. Congress had been briefed about the Kumchang-ri site prior to the press leak, but the publicity provided political ammunition to critics of the Agreed Framework and increased pressure on the administration to prove in definite terms that North Korea was complying with the deal.

Secondly, North Korea's launch of a *Taepo-dong* missile on 31 August 1998 (which overflew Japan) highlighted concerns that North Korea was attempting to develop long-range missiles that could threaten the US. Through satellite intelligence, Washington had detected preparations for the *Taepo-dong* launch, and strongly warned Pyongyang not to proceed, but to no avail. Pyongyang asserted that the *Taepo-dong* launch was a satellite launch-attempt in celebration of Kim Jong Il's ascension to power. In Washington, the *Taepo-dong*

launch, coming on the heels of the Kumchang-ri allegations, provoked strong Congressional opposition to the administration's North Korea policy and threatened to cut off US funding for KEDO. In addition, the launch increased political pressure on the administration to proceed with rapid development and deployment of a national missile defense shield, even if it required withdrawal from the 1972 Anti-Ballistic Missile (ABM) Treaty, a move opposed by the White House.

In response to the Kumchang-ri revelations and the *Taepo-dong* launch, Washington took several steps. Firstly, the US began negotiations with North Korea to obtain access to the Kumchang-ri site in order to determine whether it was actually a secret nuclear facility. In March 1999, after several rounds of talks, North Korea agreed to a US 'visit' to the underground site in exchange for additional US food assistance to North Korea. When the US team visited the site in May 1999, they found a vast series of underground tunnels and rooms, although the dimensions and configuration of the underground site could not house a reactor and reprocessing facility. The real purpose of the site remains unknown. Secondly, in response to the *Taepo-dong* launch, Washington warned Pyongyang that additional missile tests would jeopardise US support for the Agreed Framework and humanitarian food shipments. Going a step further, Japan temporarily suspended funding for KEDO and the LWR project. In September 1999, following several rounds of negotiations between North Korean and US diplomats, Pyongyang agreed to a moratorium on additional long-range missile tests, which covered both the *No-dong* and *Taepo-dong* missiles, in exchange for the US lifting a number of economic sanctions. North Korea's acceptance of the moratorium may have been encouraged by pressure from China and Russia, who feared that additional missile tests would further stimulate US efforts to develop missile defences, which they opposed.

Finally, in November 1998, the White House asked former Secretary of Defense William Perry to conduct a comprehensive review of US policy towards North Korea and make recommendations for improvements, fulfilling a Congressional requirement for such a review. In October 1999, Secretary Perry released his report, recommending that the US offer to normalise relations with North Korea and lift economic sanctions if North Korea agreed to freeze and eventually dismantle its long-range missile force and end missile exports. In essence, the 'Perry Report' proposed an Agreed Framework for missiles, with some additional measures to deal with North Korea's nuclear programme. If the

'It was credible to US analysts and officials that North Korea would seek to develop an alternative source of fissile material in order to maintain its nuclear weapons capability'

North did not accept that path, the report recommended that the United States and its allies should take other steps 'to ensure their security and contain the threat.'

The almost missile deal

After the release of the 'Perry Report', Washington urged Pyongyang to begin serious negotiations on resolving the missile issue while the Clinton administration was still in office, but Pyongyang bided its time and focused energies on other efforts, including the historic summit in Pyongyang between Chairman Kim Jong Il and President Kim Dae Jung in June 2000. Little progress was made in another round of missile talks in July 2000. In the talks, US negotiators suggested that other countries could provide satellite launch services to North Korea if it agreed to forgo further development of long-range missiles, but Pyongyang continued to link its indigenous missile programme to broader security issues. Concerning missile exports, North Korean negotiators maintained their requirement for cash compensation, but began to hint that other forms of compensation might be considered.

Towards the end of the Clinton administration, North Korea proposed a grand bargain on missiles. In July 2000, during a visit to Pyongyang by Russian President Vladimir Putin, Kim Jong Il floated a proposal for a comprehensive missile deal that would include guaranteed North Korean access to international launches for its satellites in exchange for limits on North Korea's missile development. Initially, Washington was sceptical of the North Korean proposal, but further details emerged during the visit of North Korean Vice Marshall Cho Myong Rok to Washington in September 2000. This was followed one month later by a visit to Pyongyang by Secretary of State Madeleine Albright who travelled in pursuit of a potential missile deal. According to Chairman Kim Jong Il, North Korea would freeze the development, production, deployment, and testing of missiles over 500km range if the US guaranteed that other countries would launch a few North Korean civilian satellites every year at no cost. In addition, North Korea proposed to end all missile and missile-related exports in exchange for compensation in unspecified goods rather than cash. From Pyongyang's standpoint, the missile deal was linked to broader steps to improve US–North Korea relations, including a visit by President Clinton to Pyongyang and establishment of diplomatic relations.

Before agreeing to any visit by President Clinton, however, Washington sought to clarify the North

Korean proposal. Missile experts from the two sides met in Malaysia in November 2000. During these discussions, agreement was reached on several key issues. North Korean negotiators agreed that the ban on missile exports would be comprehensive, including missiles themselves, missile components, materials, equipment, and technology. North Korea also agreed that any satellites it provided for launch under the agreement would be purely civilian and that safeguards would be instituted to ensure that North Korea would not obtain access to missile technology in connection with launches of its satellites by other countries.

But a number of key issues remained unresolved. Firstly, the type of missile covered by the freeze was unclear. North Korean diplomats agreed that their proposal banned further development and production of *No-dong* and *Taepo-dong*-type missiles, but they were not prepared to include possible *Scud* variants with a range over 500km. The US proposed a more restrictive threshold defined by the Missile Technology Control Regime – namely, missiles capable of delivering a warhead of 500kg to 300km – but North Korean negotiators argued that limits on its *Scud* forces could only be considered in the context of broader security issues on the Korean Peninsula. In essence, North Korea sought to exempt its *Scud* missile force from the freeze.

Secondly, the disposition of existing missiles covered by the freeze was not resolved. The US proposed that North Korea agree to eliminate its existing *No-dong* and *Taepo-dong* missiles and production facilities, but North Korean negotiators said they had no instructions on this issue. Privately, however, the North Koreans hinted that they could consider gradual elimination of *No-dong* and *Taepo-dong* missiles over an extended period of time in exchange for unspecified compensation. Thirdly, both sides recognised that verification and monitoring procedures would need to be specified in detail. North Korean officials agreed to the concept that some 'cooperative' measures would be necessary to verify a missile agreement, yet they strongly opposed on-site 'inspections'. But again, in private, North Korean officials hinted that they might accept 'visits' to missile facilities in the context of converting these facilities to civilian use. Finally, the type and size of the compensation package to end missile exports was not agreed. Although North Korean officials suggested that food or oil would be welcome, there was no agreement on the amount and nature of compensation.

Although none of these outstanding issues appeared insurmountable, the Clinton administration ran out of negotiating time. North Korea promised that all issues

'According to Chairman Kim Jong Il, North Korea would freeze the development, production, deployment, and testing of missiles over 500km range'

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could be resolved once the two presidents sat down together in Pyongyang, but the White House was not willing to risk such a controversial visit without prior agreement on key issues. This tactical standoff, combined with the delayed outcome of the US presidential elections and President Clinton's focus on Middle Eastern peace negotiations in his final months in office, doomed the effort to complete a US–North Korea missile deal.

A broad agenda and bold approach

The administration of President George W. Bush that took office in January 2001 had divergent views on North Korea. Many incoming officials saw the Agreed Framework as paying blackmail to prop up a rogue regime that could not be trusted to honour its commitments. Rather than reward Pyongyang for its bad behaviour, these officials argued, the US should adopt a strategy of containment and isolation, hoping to hasten the collapse of the North Korean regime and remove the problem at its roots. Other officials, however, argued that the Agreed Framework had succeeded in freezing North Korean plutonium production since 1994, and they supported further diplomatic efforts to limit North Korea's nuclear and missile programmes. These divergent views were on display during the March 2001 visit of South Korean President Kim Dae Jung, who sought Washington's endorsement for his 'sunshine policy' of engagement with North Korea. While Secretary of State Colin Powell initially indicated that Washington intended to continue the missile talks begun by the Clinton administration, President Bush publicly expressed scepticism about the value of engagement with North Korea in a difficult meeting with President Kim Dae Jung. Subsequently, Secretary Powell clarified that any resumption of negotiations with Pyongyang would require completion of an overall review of US policy towards North Korea.

On 6 June 2001, the Bush administration issued a policy statement on North Korea that reflected a compromise among different views. On the one hand, the US committed itself to continuing support for the Agreed Framework – including funding for heavy fuel oil (HFO) deliveries – as long as North Korea upheld its end of the bargain. In fact, the Bush administration obtained Congressional support for a significant expansion in funding for HFO to \$90 million in fiscal year 2002. On the other hand, Washington stated that any future negotiations should pursue a 'broad agenda', including 'improved implementation of the Agreed Framework relating to North Korea's nuclear activities;

verifiable constraints on North Korea's missile programs and a ban on its missile exports; and a less threatening conventional military posture.' In return for North Korean actions on the 'broad agenda', Washington said that it would 'expand our efforts to help the North Korean people, ease sanctions, and take other political steps.' In the meantime, the US would continue to provide humanitarian food assistance to North Korea, and offered to resume discussions 'without condition.'

In response to Washington's decision not to resume negotiations for a stand-alone missile deal, Pyongyang rebuffed repeated US offers to hold bilateral talks and tried to solicit international support for its proposed missile agreement. In May, Kim Jong Il told a visiting delegation from the EU that North Korea would extend its missile test moratorium until at least 2003, and even suggested that Europe might play a role in negotiations to limit North Korea's missile programme. In August, Kim Jong Il travelled to Moscow for meetings with President Putin, seeking to enlist his support to revive missile talks. Washington, however, continued to insist on a broad agenda as a basis for resuming bilateral talks – a stance which critics feared would paralyse negotiations.

The terrorist attacks of 11 September 2001 further complicated prospects for US–North Korea negotiations. In Washington, the attacks galvanised fears of a new threat posed by the combination of international terrorism and the proliferation of weapons of mass destruction (WMD), focused in the first instance on 'rogue regimes' which support terrorism and pursue WMD. Even though North Korea has not been associated with terrorism for many years, it was included in the 'axis of evil' pronounced by President Bush in his State of the Union address of January 2002. Pyongyang, already suspicious of Washington's intentions, declared that the speech demonstrated that Washington was determined to 'stifle' its regime. Even after the President's speech, however, Secretary Powell stressed that the US was still prepared to resume discussions with Pyongyang. The 'axis of evil' speech also created alarm in South Korea, which feared that US hostility towards North Korea would increase tensions on the Peninsula and sour North–South relations. Seeking to maintain solidarity with Seoul, President Bush avoided criticism of North Korea and, during his visit to South Korea in late February 2002, said that the US had no intention of invading North Korea.

In late April 2002, North Korea finally agreed to resume bilateral discussions. In preparation for the

'The administration of President George W. Bush that took office in January 2001 had divergent views on North Korea' ... 'The terrorist attacks of 11 September 2001 further complicated prospects for US–North Korea negotiations'

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talks, Washington prepared a 'bold approach' to offer North Korea substantial economic and political benefits if it completely gave up WMD and missiles, withdrew conventional forces from near the demilitarised zone with South Korea, and improved human rights. Even more than the earlier 'broad agenda', the 'bold approach' was intended to test Pyongyang's willingness to accept a quick, comprehensive resolution of outstanding issues, although many in Washington were sceptical that North Korea would agree to such a dramatic proposal. In any event, following a clash between North and South Korean naval forces in late June, Washington cancelled a trip to Pyongyang, planned for Assistant Secretary of State for East Asian and Pacific Affairs James Kelly on 10 July, to present this new proposal. By late July, Pyongyang had expressed regret over the loss of life in the naval incident and sought to reschedule the meeting with the US.

The enrichment bombshell

Around the time that Washington cancelled the Kelly visit, the US intelligence community issued a secret assessment concluding that North Korea had embarked on a clandestine programme to produce weapons-grade uranium with gas centrifuge technology that it had obtained from Pakistan in exchange for *No-dong* missiles. Although little was known about the programme, the CIA provisionally assessed that North Korea was constructing a plant that could produce enough weapons-grade uranium for two or more nuclear weapons per year when fully operational, which could be by 'mid-decade'. Initially, Washington was divided on how to react to the discovery that North Korea was in violation of the Agreed Framework and the NSDD and most likely the NPT as well. However, after the surprisingly successful summit between Japanese Prime Minister Junichiro Koizumi and Chairman Kim Jong Il in Pyongyang on 17 September, the US felt compelled to confront North Korea before Tokyo concluded any agreement with Pyongyang to normalise relations and provide economic assistance.

On 4–5 October 2002, Assistant Secretary Kelly travelled to Pyongyang to meet Vice Foreign Minister Kang Sok Ju and other North Korean officials. In the initial meeting, Kelly outlined Washington's 'bold approach', but said that the US could not improve relations until North Korea dismantled its clandestine uranium enrichment programme. According to American accounts, North Korean officials initially denied the accusations and reminded the US of the

earlier Kumchang-ri incident, in which Washington had falsely accused North Korea of building a secret underground reactor. But in the following day of meetings, US officials said later, Kang angrily acknowledged the enrichment programme, and he said it was justified by the Bush administration's threats and hostility. Kelly pointed out that North Korea had begun the enrichment programme several years before President Bush took office.

North Korea's 'acknowledgement' that it was pursuing a secret enrichment programme took Washington by surprise. Some US officials saw it as another example of 'confession diplomacy', like Kim Jong Il's personal admission to Prime Minister Koizumi that North Korea had abducted Japanese citizens in the 1970s and 1980s. For others, it was a brazen act of North Korean defiance. With many US officials already sceptical about the wisdom and morality of the Agreed Framework, North Korea's admission strengthened the case for renouncing the Agreed Framework and resisting North Korean 'blackmail'. Washington was determined not to 'reward' Pyongyang's actions by offering fresh incentives to abandon its enrichment programme, which was already banned under existing agreements. At the same time, with its energies fully focused on the mounting diplomatic and potential military campaign against Iraq, Washington had little enthusiasm for a confrontation with Pyongyang that would divert attention away from Iraq and complicate relations with South Korea and Japan, who were wary of pushing North Korea into desperate actions.

As a result, Washington's initial reactions were cautious: to pressure Pyongyang but not provoke a crisis. On 16 October, Washington announced that North Korea had 'acknowledged' that it was pursuing a clandestine enrichment programme in violation of the Agreed Framework and other agreements and called on the North to 'eliminate its nuclear weapons program in a verifiable manner'. At the same time, Washington emphasised that it sought a 'peaceful resolution of the situation' in close consultation with South Korea and Japan, and held out the prospect of discussing economic and political measures to 'improve the lives of the North Korean people' if the North complied with its nuclear obligations. Washington demanded that North Korea abandon its nuclear weapons programme as a basis for any further bilateral discussions on improved relations.

North Korea responded to the US announcement with a Foreign Ministry statement on 25 October 2002. Pyongyang complained that the US had produced 'no

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evidence' that it was breaking the Agreed Framework and instead accused the US of violating the deal by failing to deliver the LWR project on time and provide formal assurances against the threat or use of nuclear weapons. Pyongyang rejected Washington's proposal that it disarm as a condition for talks, but offered to negotiate a settlement on three conditions: 'Firstly, if the U.S. recognizes the DPRK's sovereignty, secondly, if it assures the DPRK of non-aggression and thirdly, if the U.S. does not hinder the economic development of the DPRK.'

Just as it had nearly a decade earlier when North Korea first threatened to withdraw from the NPT, the US sought to mobilise international political and economic pressure against North Korea. In the meantime, however, Seoul's position had fundamentally changed. Anxious to preserve his 'sunshine policy', President Kim Dae Jung refused to make South Korean humanitarian assistance and economic cooperation dependent on North Korea dismantling its nuclear weapons programme. This issue, with strong anti-US overtones, became enmeshed in the South Korean presidential elections. Tokyo was more willing to support US efforts, especially since North Korea's admissions over the abduction issue had inflamed Japanese public opinion. In late October, Japan informed North Korea that normalisation would depend on resolution of the nuclear issue, which quickly led to a breakdown in normalisation talks between the two nations.

The most immediate issue confronting the allies was what to do about KEDO. With North Korea in violation of the Agreed Framework, Washington pressed for a 'suspension' of KEDO activities, starting with HFO shipments (which were largely financed by America). Seoul and Tokyo, however, were concerned that Pyongyang would retaliate by resuming nuclear activities frozen under the Agreed Framework, and argued that KEDO should continue oil shipments until its current funds ran out in January 2003. In a compromise, the KEDO Executive Board announced on 14 November that the November oil shipment – then en route to North Korea – would be delivered, but that additional shipments would be suspended, starting in December. To reassure Seoul and Tokyo, the White House issued a statement on 15 November, welcoming KEDO's decision and reiterating that 'the United States has no intention of invading North Korea'. Instead, Washington said North Korea could 'benefit from participation in the international community' if it 'completely and visibly' eliminated its nuclear weapons programme.

Death of the Agreed Framework

At the time of the KEDO decision, Washington expressed confidence that North Korea was too weak and isolated to retaliate for the suspension of HFO supplies, and that it would be forced by international pressure and the threat of sanctions to dismantle its nuclear weapons programme. Pyongyang's initial response seemed to bear out Washington's prediction. In an official statement on 21 November, Pyongyang repeated accusations that Washington was violating the Agreed Framework, mixing these reproaches with renewed offers to negotiate a solution of the nuclear issue based on a 'non-aggression' pact with the US. On 12 December, however, just as it seemed that the danger of retaliation had passed, Pyongyang announced that it was restarting its 5MW(e) reactor and resuming construction of the larger 50MW(e) and 200MW(e) reactors. At the same time Pyongyang also suggested it would consider a 'refreeze' of the reactors 'depending on the attitude of the U.S.'. In the meantime, North Korea began to load fresh fuel into the 5MW(e) reactor, in view of IAEA inspectors at the site.

Although Washington did not anticipate North Korea's decision to 'unfreeze' its graphite-moderated reactors, the announcement was seen as a relatively cautious move – intended to increase political pressure on Washington, rather than precipitate a full-blown crisis. As a practical matter, restarting the 5MW(e) reactor did not present an immediate threat because the facility could not produce a significant amount of additional plutonium for at least a year, and the larger 50MW(e) and 200MW(e) reactors could not be completed for several years at best. While calling North Korea's decision 'unacceptable', Washington took no immediate action, as it awaited the outcome of South Korea's presidential elections between the Millennium Democratic Party candidate, Roh Moo Hyun, who supported Kim Dae Jung's Sunshine Policy, and Grand National Party candidate, Lee Hoi Chang, who advocated a tougher policy towards Pyongyang. From Washington's perspective, the election of Lee would strengthen its hand against North Korea, but the narrow victory of Roh on 19 December, partly on a wave of anti-American feeling, may have given Pyongyang a sense that it was in a stronger position to exploit differences between Washington and Seoul and play more of its nuclear cards.

On 22 December 2002, North Korea moved to completely unfreeze its plutonium production facilities by ordering the IAEA to remove surveillance cameras and seals on the 5MW(e) reactor, the spent fuel storage

'With North Korea in violation of the Agreed Framework, Washington pressed for a 'suspension' of KEDO activities'

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pond and the reprocessing facility. This was followed, on 27 December, by the expulsion of the inspectors themselves. The removal of equipment and inspectors denied any real-time capability to monitor North Korean nuclear activities at Yongbyon. More significantly, North Korea also announced on 27 December that it would soon complete preparations to resume operations at the reprocessing facility. This, according to Pyongyang, was a safety step necessary to handle spent fuel from its newly unfrozen reactors. The implicit threat, however, was to extract the estimated 25–30kg of plutonium contained in the 8,000 spent fuel rods removed from the 5MW(e) reactor in 1994 – enough for a few nuclear weapons.

By the end of December, the Agreed Framework was essentially dead. Washington, however, remained determined not to let North Korean brinkmanship distract it from dealing with Iraq or force it to negotiate under North Korean duress. In response to the end of the freeze, the US and its allies agreed on a cautiously worded resolution passed by the IAEA Board of Governors on 6 January 2003. This called on North Korea to allow the return of inspectors and restoration of monitoring equipment, and hinted that the IAEA would otherwise report North Korean non-compliance to the UNSC. The resolution was advertised as a ‘last chance’ for North Korea to restore the freeze. At the same time, Washington offered a small diplomatic concession in a trilateral US–South Korea–Japan statement issued on 7 January. In the statement, Washington eased its previous refusal to meet with North Korea until Pyongyang abandoned its nuclear weapons programme, saying ‘the United States is willing to talk to North Korea about how it will meet its obligations to the international community’. As US officials explained, this meant that Washington was willing to meet with Pyongyang to hear how it intended to dismantle its nuclear weapons programme.

North Korea, however, did not find this offer attractive. Perhaps encouraged by Washington’s focus on Iraq, Pyongyang escalated further. In response to the IAEA Board of Governors resolution, Pyongyang formally withdrew from the NPT on 10 January, to free itself, North Korea explained, from any safeguards obligations. Although the Treaty requires a 90-day notice before withdrawal can take effect, Pyongyang argued that it had already given the required notice in March 1993, when it had originally declared its intent to withdraw. In an effort to minimise international condemnation, Pyongyang offered the reassurance that ‘Though we pull out of the Treaty, we have no intention

to produce nuclear weapons and our nuclear activities at this stage will be confined only to peaceful purposes such as production of electricity’. Echoing its statement of ten years earlier, Pyongyang blamed its decision on the actions of the US and IAEA and offered to demonstrate that its nuclear programme was peaceful ‘if the US drops its hostile policy to stifle the DPRK and stops its nuclear threat to the DPRK’. Unlike 1993, however, North Korea proposed that its nuclear facilities be inspected by US experts, rather than the IAEA.

After North Korea’s withdrawal from the NPT, Washington sought to contain further tit-for-tat escalation. As its troops began to mobilise in the Persian Gulf for *Operation Iraqi Freedom*, the US could not afford another crisis. In order to contain the confrontation with North Korea, the US proposed to begin negotiations in a multilateral rather than bilateral context. From Washington’s perspective, multilateral talks would avoid any appearance that North Korea’s ‘blackmail’ had forced Washington into direct negotiations, and the US hoped to enlist the involvement of additional parties to increase pressure on North Korea to dismantle its nuclear programme and honour any new agreement. In late January, the US privately offered to meet North Korea in ‘5 plus 5’ multilateral talks involving the permanent UNSC members (the US, Russia, China, the UK and France) plus South Korea, Japan, North Korea, Australia and the EU. But Pyongyang insisted it would only accept direct bilateral negotiations with Washington. For the same reason that Washington found multilateral talks attractive, Pyongyang feared that any additional participants would naturally side with the US against North Korea.

Tensions increased in February. On 5 February, North Korea announced that it was ‘now putting the operation of its nuclear facilities for the production of electricity on a normal footing after their restart’, apparently referring to the start-up of the 5MW(e) reactor. In addition, satellite imagery detected increased heavy vehicle activity at the Yongbyon spent fuel storage facility, presumably moving some of the 8,000 spent fuel rods to the reprocessing facility or to another storage facility less vulnerable to military attack. On 12 February, the IAEA Board of Governors convened a special meeting and formally found North Korea in violation of its NPT safeguards obligations and reported the matter to the UNSC, in theory setting the stage for action by the Security Council (although permanent members China and Russia continued to regard this as provocative). In response to indications that North Korea might be

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planning to start reprocessing, Washington decided to deploy additional bombers and stealth aircraft to the region. Although Washington had not decided to risk a pre-emptive strike on the North Korean reprocessing facility, the move was seen as useful psychological warfare against Pyongyang, which believed that such a strike was under consideration. When press reports appeared in early February that the US was putting long-range bombers on alert for possible deployment in the Korean theatre, Pyongyang publicly warned that it might launch a pre-emptive strike of its own if the US built up threatening forces. In a dangerous incident on 1 March 2003, four North Korean fighters harassed an American RC-135 reconnaissance plane over international waters. In early March, in connection with the *Foal Eagle* US-South Korea military exercise, the US deployed 24 long-range bombers to Guam and a small number of F-117A stealth aircraft to South Korea.

China steps in

In the midst of these rising tensions, Secretary Powell visited Beijing in late February and suggested that China seek to persuade North Korea to agree to five party talks involving the US, China, Japan, and North and South Korea. For Beijing, the stalemate and rising tensions presented both a threat and an opportunity. Initially, Beijing had reacted to the breakdown of the Agreed Framework as it had to North Korea's threat to withdraw from the NPT in 1993. Publicly, Beijing advocated support for a nuclear-free Korean Peninsula achieved through peaceful dialogue; privately, Chinese officials minimised their influence with Pyongyang and urged the US to solve the dispute directly with North Korea. With tensions rising in early 2003, however, China apparently decided that it needed to play a more active role to avoid the risks of instability and confrontation on its doorstep. At all costs, it wanted to avoid a situation in which North Korea's regime might collapse under US and other pressure (leaving China to bear many of the economic and political consequences of the resulting vacuum) or in which a general war on the Peninsula might be provoked. Additionally, Beijing feared that tensions on the Peninsula – and provocative nuclear actions by Pyongyang – might provide a strong rationale for Japan to substantially develop its defence capabilities, possibly including the development of a Japanese nuclear deterrent. At the same time, China may have seen an opportunity to improve its diplomatic position in the region and strengthen relations with the US, which were improving after the 11 September terrorist attacks. From Beijing's perspective, the more indispensable China

became to resolving the North Korea threat, the more it could influence US policy on Taiwan, the primary foreign policy issue on China's agenda.

In early March, Chinese Vice Premier Qian Qichen travelled to Pyongyang for talks with Kim Jong Il, and proposed a compromise three party (US–China–North Korea) formula as an alternative to the US proposal for five party talks, suggesting that direct talks between the US and North Korea could take place on the margins of the meeting hosted in Beijing. Reportedly, Chinese oil supplies to North Korea were temporarily interrupted for 'technical reasons' to encourage Pyongyang to accept the Chinese compromise. At the same time, to avoid antagonising North Korea, China, along with Russia, blocked any action by the Security Council on 9 April. On 12 April, Pyongyang announced that it would not 'stick to any particular dialogue format' for negotiations to resolve the nuclear issue, signalling that it was prepared to accept the Chinese proposal. To reinforce its bargaining leverage before the talks, North Korea announced on 18 April that 'we are successfully reprocessing more than 8,000 spent fuel rods at the final phase' although US intelligence did not detect any indications that reprocessing had begun. While Washington was reluctant to drop the participation of South Korea and Japan, it felt it could not afford to antagonise Beijing by rejecting its compromise offer and, after consulting with Seoul and Tokyo, who both concurred, Washington agreed.

The Three Party Talks, held in Beijing on 24–25 April 2003 went badly. Pyongyang proposed a new agreement, in which the US and North Korea would take simultaneous steps in a series of stages, eventually leading to the dismantlement of North Korea's nuclear weapons programme. In the first stage, North Korea would declare its intent to abandon its nuclear weapons programme, while KEDO resumed oil shipments. In the second stage, North Korea would allow resumed inspections of its nuclear facilities, and Washington would sign a non-aggression pact with Pyongyang. In the third stage, missile issues would be dealt with once political relations between Pyongyang and Washington and Tokyo were normalised. Finally, and only once the light water reactor project was completed, North Korea would dismantle its nuclear capability.

For Washington, the North Korean proposal was totally unacceptable, and the US delegation, headed by Assistant Secretary Kelly, reiterated the US position that North Korea must disarm 'completely irreversibly, and verifiably' before receiving any political or economic benefits. Aside from these substantive

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differences, the US delegation was under strict instructions not to meet bilaterally with the North Korean side, while the North Koreans came to Beijing expecting a formal bilateral meeting with the US. In the end, the head of the North Korean delegation, Li Gun (a relatively junior official) had to find an informal opportunity to warn Kelly that North Korea already had nuclear weapons, had completed reprocessing the fuel rods and might take additional actions if no agreement was reached. The talks ended one day early.

After the breakdown of the April meeting, Washington and Pyongyang hardened their positions. In early May, the US decided that any future talks should be expanded to include South Korea and Japan, and the administration began to develop plans to strengthen international efforts to interdict shipments of proliferation-related goods, primarily directed against North Korea, which resulted in President Bush's announcement of the Proliferation Security Initiative on 31 May 2003. For its part, Pyongyang 'nullified' the North-South Denuclearization Declaration on 12 May, just as South Korean President Roh was coming to Washington for his initial meeting with President Bush. More ominously, US intelligence detected some indications in May and June that North Korea had begun reprocessing the spent fuel rods, suggesting that North Korea might be carrying out the private warnings it had conveyed to US diplomats on the eve of the Three Party Talks in April.

In July 2003, North Korean diplomats told American officials privately that they had completed reprocessing the 8,000 fuel rods, although US intelligence could not independently verify this claim. Most US analysts thought that North Korea probably carried out some limited reprocessing operations at the Yongbyon facility in May and June, perhaps enough for a weapon or two, but had stopped short of reprocessing the entire 8,000 rods. Perhaps, observers speculated, North Korea ran into technical difficulties, or had limited reprocessing in response to strong private warnings from Washington and Beijing that reprocessing would scuttle chances for negotiations. Alternatively, US detection capabilities were too weak to confirm that North Korea had indeed completed reprocessing the spent fuel on hand.

Behind the scenes, China sought to find a formula for multilateral talks, while continuing to protect Pyongyang from international pressure. In early July, China and Russia again blocked action by the UN Security Council, arguing that any statement from the Council criticising Pyongyang could disrupt delicate efforts to resume

multilateral talks. At the end of July, after working through several different formulations, China finally orchestrated a compromise. Korea agreed to accept Six Party Talks (involving the US, South Korea, North Korea, China, Japan and Russia), and the US agreed to accept a bilateral US-North Korea meeting on the margins of the multilateral meeting. Reportedly, Beijing helped to secure Pyongyang's acceptance of the compromise with the inducement of extra food and oil deliveries.

In the first round of the Six Party Talks, held in Beijing on 27–29 August 2003, the heads of both the US and North Korean delegations, Assistant Secretary Kelly and Deputy Foreign Minister Kim Yong Il, held a very short bilateral meeting, but the wider talks produced little progress on substance. North Korea reiterated its April proposal for simultaneous steps eventually leading to disarmament, and hinted that it could accept a freeze on its nuclear activities as a first step towards disarmament. At same time, North Korea denied US accusations that it had an enrichment programme and reportedly threatened to declare its nuclear weapons status and conduct a nuclear test if no solution was reached. Privately, North Korean officials explained that Kelly had 'misunderstood' Kang's statements in October 2002. They also expressed disappointment that the US did not suggest a counter-offer to North Korea's April 2003 proposal, but US officials maintained that their presentation included the concept that North Korean disarmament could take place in a series of stages, therefore signalling that the US might be prepared to provide some inducements even before 'complete, irreversible, and verifiable' disarmament was achieved.

The first round of Six Party Talks ended without being able to reach agreement on a joint communiqué, but Beijing issued a chairman's statement, which it said reflected general principles that all the parties agreed for resolving the nuclear dispute. Among these, Beijing said, the parties agreed on a peaceful settlement to achieve a nuclear-free Korean Peninsula that addresses North Korea's security concerns through 'stages and through synchronous or parallel implementation in a just and reasonable manner'. China also announced that all parties agreed to hold another round of Six Party Talks as soon as possible. Hoping to schedule these for mid-October, China sought to mediate agreement on a draft 'statement of principles' that could be announced at the conclusion of the next round of talks. The object of this statement would be to create an overall political framework for the talks and build confidence and a sense of continuity.

'On 2 October 2003, North Korea publicly announced it had successfully finished reprocessing the spent fuel rods and was using the resulting plutonium to increase its "nuclear deterrent force"'

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However, sensing that Washington was eager to resume talks, North Korea declared that it saw no value in any more Six Party Talks, perhaps playing hardball to raise the price for agreeing to another round. On 2 October 2003, North Korea publicly announced it had successfully finished reprocessing the spent fuel rods and was using the resulting plutonium to increase its 'nuclear deterrent force'. The US was still uncertain whether North Korea's claim was accurate and, in the absence of inspectors on the ground, had no way of determining whether any separated plutonium had been fabricated into nuclear weapons. Nonetheless, some diplomatic progress was made. On 19 October, in a meeting with Chinese President Hu Jintao on the margins of an Asia-Pacific Economic Cooperation (APEC) summit in Bangkok, President Bush indicated that the US was prepared to join a multilateral written security guarantee to North Korea, if North Korea agreed to abandon its nuclear weapons programme. On 25 October, Pyongyang announced that it was prepared to consider 'written assurances of non-aggression' in place of a US-North Korea non-aggression treaty, as part of a 'simultaneous package solution' to the nuclear issue. On 4 November, KEDO formally 'suspended' construction of the LWR project for one year. This decision was long anticipated, but North Korea took no retaliation – beyond vowing that it would not allow any of the equipment or materials at the site to be removed.

Reaching agreement on a draft Six Party communiqué, however, proved difficult, as China sought to host another round of talks in mid-December. In early December, the US rejected a Chinese draft, which it thought was too generous to North Korea, and floated its own text, supported by South Korea and Japan, calling for 'coordinated steps', in lieu of North Korea's formula for 'simultaneous actions'. In response to the trilateral US-South Korean-Japanese draft, Pyongyang announced on 9 December that 'if the U.S. is concerned about the phraseology of simultaneous actions, we can accept an expression favored by the U.S. as long as there is no change in its content'. At the same time, however, Pyongyang said that it rejected US demands to disarm in exchange for 'written security assurances', arguing that it would only provide a 'word-for-word' commitment to disarm in exchange for security assurances. Pyongyang continued to insist that it would disarm in gradual stages, with benefits at every stage. On 9 December, North Korea also made public the details of its proposal, saying it would freeze all of its nuclear activities in exchange for the US lifting economic sanctions, removing

North Korea from the list of state sponsors of terrorism and resuming KEDO oil shipments. It was unclear, however, what activities would be covered by the freeze (in particular whether the enrichment programme was covered) and how it would be verified. In any event, Washington made clear that its near-term objective is dismantlement, not a freeze and that it was not prepared to 'reward' North Korea for restoring a freeze that it had broken in the first place. At the end of 2003, agreement could not be reached on a joint Six Party communiqué, although efforts continue to hold another round in 2004.

What future for the Six Party Talks?

The future of the Six Party Talks is uncertain. One possible scenario is that they will produce a new bargain to replace the Agreed Framework, requiring North Korea to disarm 'verifiably, completely, and irreversibly' in exchange for security assurances and political and economic benefits. All parties appear to accept the principle that any agreement will involve a staged or sequenced approach of simultaneous or coordinated steps, in which North Korea would disarm in a series of steps over a period of time, while the US and its allies take reciprocal steps at each stage along the way. North Korean disarmament steps could include accounting for plutonium produced prior to 1992, removing any spent fuel or separated plutonium from the country, dismantling the 5MW(e) reactor and destroying equipment and materials associated with the enrichment programme. Steps by the other parties could include a written security assurance, political normalisation of relations between Washington and Pyongyang, the lifting of economic sanctions, and providing various forms of economic and energy assistance.

In practice, however, working out the details of any sequenced series of steps appears very difficult to achieve over the next year, given the level of mistrust among the parties – especially between Washington and Pyongyang – and fundamental differences over issues of timing, sequencing and verification. As in the 1993–94 negotiations, North Korea has offered to accept a freeze of some sort, but not to give up its nuclear assets for the time being. In Pyongyang's view, it cannot afford to risk total disarmament while it still fears that Washington harbours ambitions to 'stifle' or 'strangulate' the regime. North Korean officials point to the fate of Saddam Hussein as an object lesson for why the regime needs to retain its nuclear deterrent. On the other side, the US appears willing to accept disarmament in stages, but not an agreement that allows North Korea to retain its nuclear capability for any period of time. In

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Washington's view this would repeat the mistake of the Agreed Framework, leaving the US and its allies vulnerable to North Korean nuclear 'blackmail' in the future. As a result, negotiations for a sequenced solution are likely to run into difficulties as North Korea seeks to preserve as many of its nuclear assets as possible for as long as possible – in exchange for maximum benefits – while Washington tries to 'front-load' any agreement with near-term disarmament steps, while minimising benefits for the North until complete disarmament has been achieved.

Verification will also be a major stumbling block. Given its suspicion over North Korea's intentions, reinforced by Pyongyang's violation of the Agreed Framework and other agreements, Washington and other parties will insist on much more intrusive verification measures, which are certain to be strongly resisted by the secretive North Korean state. Reportedly, Washington, supported by Seoul and Tokyo, envisions teams of national experts, drawn from the Six Parties, with a mandate to conduct challenging inspections throughout North Korea. Even if the inspectors truly limit their search to suspect nuclear-related facilities and materials, they are bound to stumble across other secret military facilities, which, from Pyongyang's standpoint, would jeopardise its non-nuclear deterrent. Perhaps the only way to avoid extensive challenge inspections is for North Korea to take the initiative and volunteer information and allow access to secret facilities associated with its nuclear facilities.

Finally, procedural issues remain an obstacle. On paper, both the US and North Korea have accepted Six Party talks as the venue for negotiating an agreement, but underlying differences remain sharp. North Korea views the Six Party Talks as a political cover for intensive bilateral talks with the US, while Washington remains fundamentally resistant to serious bilateral negotiations with Pyongyang. Although the Six Party Talks have certain advantages for formalising multilateral security assurances and an assistance package, they are bound to be an unwieldy mechanism for give-and-take negotiations. Pyongyang hopes that Washington will agree to expert-level bilateral talks to hammer out the details of a sequenced approach, but Washington does not seem inclined at this stage to be drawn into such an approach.

If a diplomatic solution is not likely soon, a second possibility is that the talks will collapse. Washington could declare an end to diplomatic efforts and seek to impose international economic and political sanctions against North Korea, with the support of China, Russia,

South Korea and Japan. Always unpredictable, North Korea could carry out threats to conduct a missile test or a nuclear test or take some other action in an effort to increase pressure on the US to make concessions. For a variety of strategic and tactical reasons, however, all the participants in the Six Party Talks want to keep the negotiations alive for the time being and avoid the complications and risks of a breakdown. Despite its scepticism about North Korea's intentions, Washington cannot enlist support from key regional powers, or action by the UNSC to increase political and economic pressure on North Korea, unless it first demonstrates that Pyongyang has rejected a 'fair and reasonable' diplomatic solution. In any event, a confrontation with North Korea would strain US relations with its allies and China and further stretch US military forces, already burdened with a seemingly lengthy occupation of Iraq. Despite its threats, Pyongyang recognises that provocative actions intended to precipitate a crisis and wring concessions out of Washington would risk alienating China and facilitate US efforts to mobilise support for international sanctions and isolation that could cut off the foreign assistance vital for the regime's survival.

The third possibility is that the talks continue for the time being without a breakthrough or a breakdown. In this scenario, neither Washington nor Pyongyang are prepared to make fundamental compromises in their respective positions, and each believes the other is constrained from forcing the issue. Washington believes that China can keep Pyongyang under control with the threat of ending assistance if North Korea misbehaves. Pyongyang calculates that Washington's focus on other issues, like Iraq, and pressure from other parties to keep the talks alive, will prevent Washington from walking out of the talks. As long as it continues to receive necessary outside assistance, Pyongyang may be content with protracted negotiations, while it awaits the outcome of the November 2004 US presidential elections. As long as North Korea does not force its hand, Washington may be content with a drawn out diplomatic process, so it can attend to more pressing and less divisive matters. While the other parties to the Six Party process would vastly prefer a solution, they are willing to settle for protracted talks that avoid a confrontation for the time being.

In such a scenario, compromise language could be found on a general set of principles to be issued at a future round of Six Party Talks, stressing joint commitment to achieve a nuclear-free Korean Peninsula and addressing security concerns and needs for economic development in the region. Further meetings

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could focus on how to implement these principles – a complex and difficult set of issues that is likely to require many rounds of discussions. Another difficult issue will be establishing the terms and conditions for restoring a freeze on North Korea’s nuclear activities, so that North Korea cannot take advantage of protracted talks to enhance its nuclear capabilities. North Korea has proposed a freeze, but the critical details of what activities would be covered by the freeze and how it would be verified need to be determined. In theory, a freeze on the 5MW(e) reactor and on reprocessing could be monitored by the return of national or international inspectors to Yongbyon. Such inspectors could also account for any additional plutonium that North Korea might have separated in the meantime to verify that the raw separated plutonium had not been fabricated into nuclear weapons components. However, once the plutonium has been extracted from the spent fuel, it can be converted into nuclear weapons parts fairly easily and quickly. A preferable option would be to remove the plutonium to a third country for safe storage – an option that Pyongyang is not likely to find attractive. In any event, from Washington’s perspective, a freeze that is limited to the plutonium programme – while allowing North Korea to proceed with its clandestine uranium enrichment efforts is no freeze at all since North Korea might be able to complete an enrichment facility and begin production of weapons-grade uranium even while plutonium production is frozen. If Pyongyang agreed to include uranium enrichment in the freeze, verification would be very challenging. Even if North Korea acknowledged the programme and volunteered unprecedented transparency, including access to plans, materials and sites, it will take considerable effort to determine whether everything has been declared and inspected, given the dearth of knowledge about the programme. A continuation of the Six Party Talks, as well as the intense bilateral diplomacy surrounding the formal meetings, is critical to begin to make incremental progress towards resolving these many complex and difficult issues, if a final agreement is to be reached.

Conclusion

For nearly 25 years, various diplomatic efforts have been underway to deal with the North Korean nuclear issue, whether to prevent North Korea from acquiring nuclear weapons or to disarm its assumed nuclear weapons capability. At different times, the instruments to achieve these objectives have included an international treaty (the NPT), a regional nuclear-free zone (the NSDD) and a bilateral agreement between the US and North Korea (the Agreed Framework). In the end, none of these diplomatic efforts and agreements have been fully successful, although, in different degrees, they have helped to delay or constrain – sometimes very significantly – North Korea’s nuclear weapons efforts. The current diplomatic

effort involves a fourth variation – a Six Party multilateral agreement or perhaps a package of bilateral agreements stitched together in an overall multilateral framework. As with previous efforts, the future success or failure of the Six Party Talks is uncertain.

In crafting their approaches to the nuclear issue, the US and other powers have struggled to come to grips with Pyongyang’s ultimate intentions. For years, North Korea watchers have debated whether Pyongyang views nuclear weapons as indispensable to the regime’s survival and therefore non-negotiable, or whether it sees its nuclear assets as a bargaining chip to be traded away for political and economic benefits necessary to sustaining the regime. The historical record suggests that the answer is both, and the emphasis that Pyongyang places on one or the other varies with domestic conditions and external circumstances.

On the one hand, the time and energy that North Korea has invested in developing its nuclear weapons capability, allied to its willingness to repeatedly violate nuclear agreements, strongly suggests that North Korean leaders deeply believe that some kind of nuclear hedge – or at least the appearance of a credible nuclear hedge – is essential to regime survival. Pyongyang sees itself as a besieged and beleaguered state, surrounded by more powerful enemies, untrustworthy allies, and a spectacularly successful southern competitor. In this view, if North Korea is ever going to reform itself and survive in the long run, it must find respite from external pressures and perceived threats. For such a state, nuclear weapons are the ultimate defence. As long as outside powers believe that it has a nuclear deterrent they are – in Pyongyang’s view – more likely to leave North Korea alone and less likely to pursue hostile policies that could provoke a confrontation in which such weapons are used.

On the other hand, North Korea has demonstrated that it does respond to international inducements and pressures to limit its nuclear programme. In the past, Soviet diplomacy, backed by promises of nuclear power assistance, persuaded North Korea to join the NPT, and US diplomatic efforts convinced North Korea to implement IAEA inspections. Later, Washington and Pyongyang negotiated a complex bilateral agreement that froze North Korea’s plutonium production facilities and established a process for the eventual elimination of these facilities. With a combination of carrots and sticks, Washington convinced Pyongyang to open up a secret underground facility and to accept a moratorium on long-range missile tests. Even when North Korea has created a crisis – by threatening to withdraw from the NPT, threatening to reprocess nuclear material, or threatening to test missiles – it typically has sought to leave the door open for a diplomatic exit. In short, diplomatic efforts in the past have constrained, but not eliminated North Korea’s nuclear capabilities.

Nuclear diplomacy timeline (1980–2003)

1980

The US detects construction of a new reactor at the Yongbyon Nuclear Research Centre.

12 December 1985

North Korea accedes to the Treaty on the Non-Proliferation of Nuclear Weapons (the nuclear Non-Proliferation Treaty or NPT).

13 March 1987

North Korea accedes to the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (the Biological Weapons Convention, or BWC).

27 September 1991

President George H.W. Bush announces that US tactical nuclear weapons would be removed from overseas locations, including South Korea.

31 December 1991

North and South Korea conclude the North–South Denuclearization Declaration (NSDD).

30 January 1992

North Korea signs a full-scope safeguards agreement with the International Atomic Energy Agency (IAEA). The agreement enters into force on 10 April 1992.

26 May 1992

IAEA inspections begin. Sample analysis suggests that more plutonium has been produced than has been declared; the US detects apparent efforts to conceal underground waste sites.

11 February 1993

The IAEA formally requests special inspection of suspect waste sites.

25 February 1993

The IAEA Board of Governors gives North Korea a one-month deadline to accept special inspections.

12 March 1993

North Korea announces its intention to withdraw from the NPT.

1 April 1993

The IAEA Board of Governors reports North Korea's violation of the NPT to the UN Security Council (UNSC).

11 May 1993

The UNSC adopts Resolution 825. This leads to negotiations between the US and North Korea.

29 May 1993

North Korea tests a *No-dong* missile.

21 October 1994

The US and North Korea sign the Agreed Framework.

9 March 1995

The US, South Korea and Japan establish the Korean Peninsula Energy Development Organization (KEDO).

15 December 1995

KEDO and North Korea conclude the Light-Water Reactor (LWR) supply agreement.

19 December 1997

Kim Dae Jung wins the South Korean elections, and institutes the 'sunshine policy'.

17 August 1998

Press reports note suspect nuclear facility at Kumchang-ri.

31 August 1998

North Korea launches a *Taepo-dong* missile.

17 March 1999

North Korea agrees to a US visit to Kumchang-ri in May. The visit shows that the underground structure is not intended for nuclear-related uses.

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Nuclear diplomacy timeline (1980–2003) continued

7--12 September 1999

North Korea agrees to a moratorium on further long-range missile tests.

6 June 2001

The Bush administration of President George W. Bush publishes its 'broad agenda' policy towards North Korea.

16 October 2002

The US announces North Korea's clandestine enrichment programme.

14 November 2002

KEDO suspends further oil shipments to North Korea.

12 December 2002

North Korea announces the restart of its 5MW(e) reactor.

19 December 2002

Roh Moo Hyun wins the South Korean elections and promises to continue his predecessor's 'sunshine policy'.

27 December 2002

North Korea expels IAEA inspectors and announces that it will soon complete preparations to resume operations at the reprocessing facility.

6 January 2003

The IAEA Board of Governors calls on North Korea to allow the return of inspectors.

10 January 2003

North Korea announces its withdrawal from the NPT.

12 February 2003

The IAEA Board of Governors reports North Korea's NPT violation to the UNSC.

18 April 2003

North Korea announces that it is in the final phase of successfully reprocessing more than 8,000 spent fuel rods.

24–25 April 2003

Three Party Talks, between the US, China and North Korea are held in Beijing.

27–29 August 2003

The first round of Six Party Talks (between the US, Russia, China, Japan, and North and South Korea) are held in Beijing.

2 October 2003

North Korea publicly announces that it has successfully finished reprocessing the 8,000 spent fuel rods and is using the resulting plutonium to increase its 'nuclear deterrent force'.

19 October 2003

President George W. Bush indicates that the US is prepared to give written security assurances to North Korea in exchange for complete, verifiable, and irreversible disarmament.

4 November 2003

KEDO formally suspends construction of the LWR project for one year.

9 December 2003

North Korea announces a proposal for a nuclear freeze.