



# **The North Korean Crisis\***

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**T**hrough inept handling of the North Korean nuclear issue, the United States is risking the paramount position that it has maintained in East Asia since World War II and since fighting costly wars in Korea and Vietnam to rebuff communist aggrandizement. Obsessed with terrorism, Iraq, and now tyranny, the Bush administration has failed to deal effectively with the North Korean crisis. This grave mistake could cost the United States its alliances and its pre-eminence in Asia, which are vital to America's interests in the twenty-first century.

## **Strategic Implications of the Korean Crisis**

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Washington's handling of the North Korean issue has put the United States at serious odds with all of its allies and partners in the region—South Korea, Japan, China, and Russia. All have repeatedly urged the United States to pursue serious negotiations with the Democratic People's Republic of Korea (DPRK), but U.S. performance has not matched their hopes or expectations.

China deserves great credit for having persuaded the United States and the DPRK to come to the negotiating table three times. Exasperated with U.S. intransigence, China has openly pressured the DPRK from 2002 on to accept the U.S. demands for a multilateral format and has been embarrassed since by U.S. ideologically driven rigidity. All of our friends are profoundly disturbed by Washington's inflexibility.

Washington's slightly more forthcoming presentation at the third-round June 2004 six-party talks was welcome, but it apparently stemmed from domestic political considerations and was a cosmetic response to the complaints of Asian capitals about U.S. inflexibility more than an epiphany on the part of the Bush administration. Neither North Korea nor our allies consider the U.S. proposal adequate, as it demands that the DPRK reveal and give up its nuclear facilities as a condition for beginning negotiations of all other issues. The United States has used the six-party talks only to perpetuate stalemate. Pyongyang's bombshell announcement on February 10, 2005, that North Korea has manufactured nuclear weapons is a stunning policy failure for the Bush administration.

## **Korean Anti-Americanism Rising**

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Most affected has been South Korea, one of America's closest allies for 50 years. President Bush stunned South Koreans and all of our Asian friends by including North Korea in the "axis of evil" in his state of the union speech in January 2002.

The alarming rise of anti-Americanism in South Korea stems from deeply diverging threat perceptions in Seoul and Washington. Many South Koreans have concluded that Washington is insensitive to Korean goals and that the Bush administration's ineffectual dealing with North

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Korea is blocking hopes for North–South reconciliation. Criticism of American arrogance and unilateralism played a significant role in the election in 2001 of human rights lawyer Roh Moo Hyun as South Korea’s president. He and his young South Korean supporters favor the rapid expansion of engagements with the North and oppose Washington’s hard-line approach.

Polls consistently indicate that a majority of South Koreans, particularly the young, see the United States as more dangerous than North Korea based on the presumption that the United States might attack North Korea. In contrast, China is seen as more constructive.

Nationalism and democracy are on the march in South Korea.

## The Koizumi–Bush Partnership

Japan’s Prime Minister Koizumi has staked his legacy on close cooperation with the Bush administration. He has broadened the interpretation of the participation of Japan’s Self-Defense Forces in external contingencies and sent some 1,000 noncombatant humanitarian Self-Defense personnel to Iraq. Tokyo is increasingly committed to joining Bush’s “missile defense initiative.”

Prime Minister Koizumi has generally sided with the harder approach of Washington, but last August even he joined South Korea, China, and Russia in urging the United States to negotiate more flexibly with the DPRK. In response, President Bush peremptorily rejected Prime Minister Koizumi’s personal appeal.

## The Broader Asian Context

Clumsy, uncoordinated actions by the United States that have exacerbated the Korean crisis have raised legitimate questions in Tokyo, Beijing, and Seoul about Washington’s judgment.

None of the surrounding powers wants a nuclear-armed Korea, North or South. China and South Korea are acutely concerned about the col-

lapse of North Korea’s economy, which could create dangerous instability that would ramify beyond their borders.

If the outcome of this crisis is a nuclear-armed North Korea, South Korea, Japan, China, and Russia will all blame the United States for having refused to talk seriously with Pyongyang. South Korea, Taiwan, and even Japan might reconsider a nuclear option.

## The North Korean Crisis

One point should be absolutely clear: Kim Jong Il is a ruthless despot—but that is not the point. The question is whether U.S. policies are serving American and our allies’ interests, and it is clear that they are not.

Kim Jong Il appears to have learned a great deal during his long tutelage by his father, Kim Il Sung. Contrary to earlier CIA assessments, he appears to be a coherent leader capable of perceptive strategic analysis. He has steered an impoverished country with both verve and comparative strategic success, considering the weak situation he inherited in 1994.

The collapse in 1991 of North Korea’s life-support system from the Soviet Union and the elimination of the special friendship price support from China precipitated an existential crisis in North Korea second only to the devastation of North Korea by U.S.-led UN forces and the humiliating retreat of Kim Il Sung’s forces to the Yalu River in late 1950.

After the collapse of the Soviet Union and the emergence of an ideologically and financially bankrupt Russia, Kim Il Sung decided to attempt to balance the DPRK’s relationship with its sole remaining ideological ally, China, with a new relationship with the United States. In typical Korean fashion, he provoked a crisis by threatening to withdraw from the Nuclear Nonproliferation Treaty. The crisis was resolved by the intervention of former President Carter and Kim Il Sung days before Kim Il Sung’s death.

Kim Jong Il seized the lifeline of the Carter–

Kim Il Sung initiative that led to the conclusion of the U.S.–DPRK Agreed Framework in October 1994. Through the framework Pyongyang agreed to seek to achieve its security and continued existence based on ending hostility and moving toward a new, normalized relationship with Washington.

Through the prism of the new U.S.–DPRK relationship, Pyongyang would achieve new relationships with Seoul and Tokyo. Both were seen as pawns in the larger dynamic between China and the United States, but both could provide substantial economic means for overcoming the DPRK's dire economic straits.

Pyongyang also would seek to strengthen its relationship with China to ensure economic and political support and noninterference in North Korea's internal affairs and to enhance a relationship with the rising global power on its border. Despite these factors, Pyongyang remains wary of Beijing's ultimate intentions.

By 1997–1998, Pyongyang chafed at the lack of progress in normalizing U.S.–DPRK relations, a commitment in the Agreed Framework. Dissatisfaction with the U.S. connection and the felicitous offer by Pakistan's A.Q. Khan in 1998 to trade missile technology for highly enriched uranium technology led Kim Jong Il ostensibly to hedge his bets, even though doing so violated the Agreed Framework and the North–South agreement of 1991.

This possible violation notwithstanding, the Agreed Framework froze the existing North Korean reactor, precluded the reprocessing of 8,000 spent fuel rods from 1994 to 2002, and kept North Korea from having fuel theoretically for perhaps 50 nuclear weapons.

President Bush's reflexive hostility toward North Korea shocked Kim. The president's refusal to talk directly to Pyongyang; threatening, hostile comments by the Bush administration about "regime change" in Pyongyang; the inclusion of North Korea in Bush's "axis of evil"; and the U.S. strategic position paper of September 2002 suggesting the use of nuclear weapons to maintain U.S. hegemony led Kim to conclude that

Bush intended to destroy his regime, as the administration did in Iraq, and accelerated Kim's efforts to achieve a nuclear breakout.

Kim noted that the Bush administration had invaded Iraq because of its supposed efforts to build nuclear weapons but had not yet attacked Iran or North Korea, both of which were much closer than Iraq to achieving a nuclear breakout. Kim also noted frequent comments by the Pentagon and influential figures that a military attack on North Korea was not an option because of the devastation it would cause in South Korea. The lesson was clear: Pyongyang should accelerate its efforts to develop its "nuclear deterrent."

Washington, unwisely, for ideological convenience, used suspicions in late 2002 of the highly enriched uranium project to abrogate the Agreed Framework (throwing the baby out with the bath water), opening the way for Pyongyang to resume its nuclear activities at Yongbyon and reprocess the 8,000 spent fuel rods canned and under the watch of the International Atomic Energy Agency (IAEA), as required by the Agreed Framework.

Whereas President Clinton had drawn a redline governing what would happen if Pyongyang reprocessed the fuel rods, President Bush blithely ignored Pyongyang's crossing of that threshold. Bush suggested a new redline: forbidding the export of any nuclear materials or technology. The suggestion, in effect, invited North Korea not only to build highly enriched uranium facilities but also to reprocess the 8,000 spent fuel rods. The actual reprocessing likely provided sufficient plutonium fuel for six more nuclear weapons—a gift of the "tough" Bush presidency. President Bush and South Korea's President Roh announced in March 2002 that North Korea would not be allowed to have nuclear weapons—a commitment that has meant nothing.

Under Chinese pressure, Pyongyang humored the Bush administration in its insistence on six-party talks, preserving the administration's "ideological purity," but the *pro forma* talks did nothing to stop Pyongyang's efforts "to expand its nuclear deterrent." Washington rejected North Korean proposals for freezing temporarily its

acknowledged nuclear activities. Its response implicitly invited North Korea to continue its nuclear buildup.

## Economic Changes

After two visits to China, Kim Jong Il became convinced that a modification of internal economic policies was essential for North Korea's survival and recovery.

Beginning in July 2002, Pyongyang announced a modest (and continuing) modification of DPRK economic policies. Pricing has been liberalized, selective salaries doubled, and government-supplied rations ended for many. After meeting quotas, farmers are now allowed to sell in rapidly expanding local markets.

Pyongyang has cynically taken advantage of South Korean proposals to energize North Korea's economy, for example, by investing in the promising Kaesong economic zone, but nothing has been demanded or given in return. The ultimate results of these economic policies are not clear yet but will be carefully circumscribed to avoid destabilizing North Korea politically.

## Kim Jong Il's Own Assessment

Kim Jong Il must assess his strategic accomplishments based on the following facts.

- He has parlayed an extremely weak hand into a reasonably satisfactory strategic game.
  - Washington, in denial of reality, is on the defensive with its allies for failing to offer a significant proposal for the resolution of the nuclear issue. President Bush has been unable or unwilling to overrule his belligerent lieutenants, starting with Vice President Cheney.
  - China is disgruntled with Wash-
- ton but continues to promote the six-party talks. The rise of China as a regional and global power and Washington's preoccupation with Iraq, its lack of leadership, and its outsourcing of Korea policy to China are steadily undermining its international influence in Asia to China's benefit.
  - The U.S.–South Korea alliance has been seriously damaged by Washington's hard-line policies. Bush's arrogant and unilateral policies will continue to arouse anti-Americanism in South Korea. This estrangement likely will lead to a rupture of the alliance and leave North–South reconciliation under China's auspices.
  - Tokyo's toeing the U.S. hard line and its military buildup will reinforce animosities in the region, especially with China and South Korea. As U.S. influence weakens and Japan's military buildup continues, a more nationalistic Tokyo will emerge.
  - Beijing will dominate the mainland East Asia strategic scene and the future of North–South Korean reunification. China might have the power to force the end of the DPRK's nuclear weapons aspirations, but Pyongyang anticipates that it will settle for hegemony over the Korean Peninsula after extracting commitments from Pyongyang to constrain its nuclear program.
  - The hope of reunification and inheriting the North's program will encourage Seoul's eventual acquiescence, assuming that North Korea's dependence on the South's economic contributions

will restrain the North even if it possesses nuclear weapons.

- The Bush administration has already accepted, in effect, the reality of a nuclear-armed North Korea. There is no other rational explanation for its refusal to negotiate.
- Washington's stance has encouraged enhancement of the DPRK's nuclear deterrent.

But the commitment that Kim Jong Il made to China's leaders in his three visits to China, including last April, that North Korea would abandon its nuclear programs if Washington ended its hostile policy toward the DPRK remains.

The cost of a settlement has risen precipitously with each failure of Washington to negotiate seriously.

Kim Jong Il likely takes considerable satisfaction from outmaneuvering the Bush administration.

## Pyongyang's "Bombshell"

Pyongyang's announcement on February 10, 2005, that it was "suspending participation in the six-party talks because of U.S. hostility" and that North Korea had manufactured nuclear bombs exposed the hollowness of the Bush administration's policy toward North Korea. In the eyes of North Koreans and many Americans, the emperor indeed has no clothes. The Bush administration has been in deep denial regarding North Korea's nuclear activities and is deluding itself to think that China and South Korea are going to join Washington in pressuring North Korea to end its chase of nuclear weapons.

Unfortunately, the pattern exposed is clear. The Bush administration believes that diplomacy is only coercion, not a mutually negotiated resolution of problems. Before the invasion of Iraq, Washington kept insisting it was giving diplomacy a chance to work in the United Nations and that

there was no "war plan" on the president's desk. But it was all too clear what was going on; in fact, the United States was moving to invade Iraq regardless of UN inspections or whether the United Nations passed another resolution supporting the U.S. position. Washington had made its choice.

The U.S. handling of Iran's nuclear ambitions bears ominous resemblance to the prelude to the invasion of Iraq. Rhetoric has been building steadily. Iran has become the number one threat, according to Vice President Cheney. It has changed from being an "authoritarian" to a "totalitarian state," according to Secretary of State Condoleezza Rice. There is no plan for military action "at this point in time," she claimed. Washington has treated the efforts of France, Germany, and Britain to rein in Iran's nuclear ambitions with the same skeptical disdain it showered on the United Nations before the Iraq invasion.

North Korea was supposed to wait in line for its turn, presumably after Iran, but Pyongyang has turned the tables on Washington. For Kim Jong Il, U.S. policy was exposed by Condoleezza Rice's inclusion of North Korea in her neat bag of "outposts of tyranny." Bush's nomination of radical hard-liner John Bolton to become U.S. ambassador to the United Nations is contemptuous of the United Nations and accentuates the policy of confrontation with North Korea and Iran.

We had better get serious. There are three options.

## Options

1. We can pursue Bush-style diplomacy, ratchet up pressure, and escalate rhetoric aggressively in an attempt to change the regime in Pyongyang. South Korea, China, and Russia will not join such an undertaking. If we pursue this path, which administration radicals espouse, there will be a grave risk of war. With 11,000 long-range artillery pieces, North Korea could destroy Seoul; kill an estimated million South Koreans, Americans, and Japanese; and wreck South

Korea's economy and endanger Japan's.

This approach is irrational, but it still appeals to Bush administration radicals. With the crisis in Iraq stretching our regular and reserve forces to exhaustion, we have few forces to deploy in a possible conflict in Korea.

2. As a second option, the Bush administration can continue its approach of not dealing seriously with the North Korean threat. If it does so, Washington will be condemned by all of our friends in Northeast Asia for failure to manage this very serious threat.

If it pursues either of these options, the United States will lose the strategic struggle for preeminence that is gaining speed in Northeast Asia. China would assume that role by default. South Korea is moving steadily into China's sphere of influence. Its trade with China has surpassed that with the United States (so has Japan's). South Korea's political and security affinity for Beijing is becoming increasingly apparent, especially against the backdrop of growing disenchantment with Washington. Beijing could assume responsibility for Korean matters, managing a nuclear-armed Korea while securing the acquiescence of Koreans beholden to China for the resolution of security issues in Northeast Asia and Korean reunification under Beijing's, not Washington's, leadership.

The Bush administration has, in effect, subcontracted American responsibilities for resolving the Korean crisis to Beijing.

3. As a third option, the United States could exercise its historic leadership to negotiate a settlement with North Korea and lead the six-party talks to construct a durable framework for peace and prosperity in Northeast Asia.

## **Conclusion: New Strategic Directions**

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We need a new strategic direction. A more realistic strategy could promote a more promising environment for American influence in East

Asia and perhaps avoid the dismal options described.

America's focus on terrorism and Iraq and now tyranny needs to be balanced by renewed engagement in dealing with other strategic and economic issues. President Bush should break the deadlock in his administration and give full authority to an empowered special envoy to pursue bilaterally and with flexibility a comprehensive solution to the nuclear issues related to North Korea. We need former Defense Secretary Bill Perry to work the magic that he performed in 1998.

The president is responsible for the national security interests of the United States, and as long as he lets radical conservatives exercise a veto, he is risking the national security interests of America and its allies as well as the future strategic orientation of East Asia. The president can no longer outsource American national interests in East Asia to Beijing. Washington must engage North Korea directly and forge a solution.

Despite many signs to the contrary, Kim Jong Il may still be willing to eliminate North Korea's nuclear arsenal and facilities in exchange for the end of American hostility, obtaining security guarantees, gaining access to economic support from the rest of the world—particularly South Korea and Japan—and a steady movement toward normalized relations with the United States.

Kim Jong Il has repeatedly claimed that North Korea seeks a solution that would eliminate its nuclear weapons programs in exchange for ending U.S. hostility. Given the stakes, the United States would be irresponsible not to test Kim's real intentions by serious negotiations.

The price will be high, especially in light of Pyongyang's February 10 announcement, but that is the result of the Bush administration's failure thus far to deal with reality.

The key nuclear issue with North Korea must be negotiated in talks between the United States and the Democratic People's Republic of Korea because Pyongyang regards only the United States as a threat to its national security. China's Foreign Minister Li Zhaoxing has questioned the

validity of the U.S. intelligence recently provided to Chinese President Hu Jintao by special envoy Michael Green in a briefing on the suspected highly enriched uranium project. Li also noted that the United States must negotiate the nuclear issue directly with North Korea, contradicting what President Bush said in the third presidential debate.

Such bilateral negotiations should be undertaken in the context of the format established for the six-party talks. After resolving the nuclear and missile issues, the participants in the six-party talks, as the principal organization for building a peaceful and prosperous Northeast Asia, could construct a comprehensive resolution of problems that affect the region.

America's vital interests and long-term strategic position in East Asia are at risk. President Bush's denial of the crisis in North Korea gravely endangers our future in East Asia. To protect our

national interests, he should change course to resolve this issue.

### ***About the Author***

Desaix Anderson, a 35-year veteran of the U.S. Foreign Service, spent most of his career working on Asian issues. He was the first envoy to the Socialist Republic of Vietnam following the establishment of U.S. diplomatic relations. He served in various diplomatic capacities, including positions in Nepal, Vietnam, Taipei, Tokyo, and Thailand and as the principal deputy assistant secretary of state for East Asia and the Pacific and covered Japan, Korea, China, and Mongolia (1989–1992). He has taught contemporary Asian political economies and Asian security issues at the Woodrow Wilson School of International Affairs at Princeton University.

The Board of Trustees and members of the National Committee on American Foreign Policy mourn the death of Saul Bellow, the acclaimed, Nobel prize-winning American writer who served on our Board of Advisers for many years. We extend our deepest sympathy to his family.

