

KEDO and North Korea

by John Quigley

Speaking in Brussels to the European Institute for Asian Studies on 2nd April, the Executive Director of KEDO, H.E. Charles Kartman, said North Korea has embarked upon a process of meaningful economic change, even if this was not as significant as the West would like it to be. Suggestions that the country might be facing imminent collapse were wrong in 1994 and, probably, are wrong now. To help resolve the nuclear question, KEDO was developed as a multilateral organisation to include the United States but also key Asian partners. As an organisation, KEDO operates by consensus and, as such, does not negotiate over policy considerations, only on operational specifics.

Outlining the background to the creation of the Korean Peninsula Energy Development Organisation, Ambassador Kartman noted that relations between North Korea and the United States, after the Korean War, were at a standstill. No effort was made to engage with Pyongyang and the state-of-war continued. By 1988, however, the United States and South Korea began a series of small initiatives trying to establish limited political contact with Pyongyang, through counsellors in Beijing. This process was interrupted following the disclosure that North Korea possessed a nuclear reprocessing facility, with the possible primary purpose of the production of plutonium. In effect, the policy of neglect had to be overhauled to take account of events and was replaced with a policy of eliminating the North's nuclear programme.

In strategic terms, the United States believed that a nuclear North Korea threatened the military balance, affecting not just South Korea but also even Japan. The potential for proliferation of nuclear weapons or technology to other States and non-State actors, was also a significant worry. To try to address US concerns, the Under Secretary of State for Political Affairs, Arnold Kanter, met with Kim Yong Sun, a high ranking Workers' Party official in New York. Kanter emphasised that if the North pursued a nuclear policy this could lead to isolation and eventually confrontation. The carrot was a process of normalisation leading to economic benefits. In return, the North offered to reduce the size of its military forces, if the US reciprocated on the peninsula. This should have started a rich dialogue, Ambassador Kartman said, as the elements of agreement were present. But, 1992 was an election year in the US and the proposals were not followed up, by either side.

The new US administration was not interested in foreign affairs yet the threat from the North became even more pronounced. In an effort to begin an authorised process of negotiation, the United States went down the United Nations route but with the stick of possible sanctions. In the end, the UN adopted a Resolution calling for all sides to begin talks but it seemed that only the US would have sufficient credibility to conduct the negotiations. President Clinton did not want to become involved but his hand was forced once Pyongyang removed nuclear fuel from a reactor. Former President Jimmy Carter went to North Korea, a move that was not welcomed in the White House, and succeeded in securing a compromise that the North would halt nuclear production if the United States did not pursue sanctions through the UN. The resumption of talks, at this moment, led to the negotiations for the 1994 Agreed Framework.

Hindsight suggests, Ambassador Kartman said, that the US and North Korea were negotiating over two completely different objectives. The US was focussed on the issue of nuclear weapons only and did not address either US-North Korea relations in a wider context nor the role of the US in a regional setting. In contrast, North Korea attempted to play the nuclear card in order to secure guarantees about their own security. In general, it became apparent that the US lacked sufficient intelligence about the North Korean regime. The resulting Agreed Framework addressed Washington's needs profusely but contained only one sentence on normalisation of relations. The emergence of KEDO through the Agreed Framework allowed the Clinton Administration to forget about the terms contained in the agreement. The North Koreans had some justification for suggesting that the US was not acting seriously.

As KEDO began its work on the east coast of North Korea, Pyongyang started to test the limits of the terms outlined in the Agreed Framework. Submarine intrusions into the South, insertion of commandos and missile flights over Japan seemed to be a policy to test international reaction. As the US Congress questioned the value of the Framework and KEDO, President Clinton appointed William Perry to review the US White Paper on North Korea. Perry concluded that the US should focus upon the threats to the US national interest namely, the North's nuclear programme and the long-range missile programme. However, Perry stated that, in turn, the US had to be serious about offering normalisation. In a visit to North Korea Perry said that a policy of pursuing nuclear weapons would force the US into containment and the isolation of the North or, Pyongyang could pursue normalisation, which would lead to benefits from the US. In other words, Ambassador Kartman said, exactly what Jimmy Carter had offered six years previously. With the US now offering humanitarian aid, the level of US-North Korea contact was unprecedented.

While North Korea did not provide a clear answer to the scenario outlined by William Perry, the US did secure agreement to enter an underground nuclear facility and a moratorium on long range missile testing. These conditions proved enough for the first North-South Summit to take place in June 2000 with Seoul believing they could do business with Kim Jong-il. Subsequently, Kim Jong-il sent an envoy to Washington, Marshall Jo Myong Rok. As such, the US believed that he spoke for President Kim but there was speculation whether there was a difference in North Korean opinion between the military and the politicians. Marshall Jo Myong Rok wanted to deliver a letter to Clinton about the prospects of a deal to end the North's long range missile programme. The offer was very significant, Ambassador Kartman said, but hinged upon the deal being finalised between Clinton and Kim. In an effort to find out more about the North Korean leader, Madeline Albright went to Pyongyang, a visit which made significant progress. There was very little time left in the Clinton Administration and some believed that the issue did not warrant the attention of the US President. The prospect of a deal was a very important lead but much important work remained before it could be finalised.

KEDO was established with a mandate to build two light water reactors and to deliver 500m tonnes of fuel oil until the first reactor was operational. In turn, North Korea had to cease all nuclear weapons programmes. The commitment was intended to be a high hurdle, Ambassador Kartman said, and part of a two pronged diplomatic approach. From its beginning in 1995, KEDO has worked to build up a working

relationship with Pyongyang based on trust and co-operation. To terminate the project, therefore, would be seen as ending this part of the diplomatic initiative. In the end, the process was suspended, rather than risk destroying the long relationship build since 1995.

The future of KEDO or, indeed, the six party talks, is uncertain. The building of the light water reactors has stopped but the initiative is still on the table for further negotiation. It is a possibility that the reactors could be replaced with another initiative. If the present crisis can be resolved, then there will still be a role for KEDO, not least in helping to implement whatever new agreement emerges. Acting as discussant, EIAS Research Fellow, Dr Axel Berkofsky, raised two issues from Ambassador Kartman's presentation. Firstly, the state of US-North Korea relations today is very similar to that faced in the early 1990's; isolation or the prospect of economic benefits leading to normalisation. Secondly, the current Bush Administration at the start of his Presidency but particularly after 11th September 2001, seemed to offer only the prospect of isolation for Pyongyang. This was a major departure from the negotiations that President Clinton pursued, albeit reluctantly at times.

Responding to questions, Ambassador Kartman said George W. Bush did seem interested in a 'bold proposal' with a willingness to put the prospect of economic benefits on the table in exchange for concessions from the North. However, the events of 11th September changed the worldview of the US Administration and, in particular, the top echelons that there could no longer be a quid pro quo in international relations. KEDO was established as a multi lateral organisation with a complementary aim of involving South Korea more in peninsula affairs and regional issues. The USA is only one of four voices on the KEDO Executive Board. Decisions are made by consensus and it is a matter of debate whether the governments or, indeed, Europe, makes sufficient use of the expertise and relationship KEDO has built up.

James Foster, Deputy Chief of US Mission, noted that North Korea seemed to be interested in developing its own security and promoting some measure of regional stability. In contrast, the US is focussed solely on the nuclear question. However, there are question marks over the viability of the North Korean government and it seems that Beijing could be the key. China has to be interested in the stability of the Pyongyang regime as its collapse would have significant consequences for the China-North Korean border. Osamu Hayakawa, Mission of Japan to the EU, commented that the Pyongyang regime had concerns about the possibility of a US-led strike against North Korea. However, with the United States bogged down in Iraq, perhaps the North believes it can play a waiting game. It could be suggested that the Agreed Framework offered too much carrot to the North and not enough stick. Bram Brands, European Commission, recalled that the three-party talks were described as a complete disaster. China continues to participate, however, and the last round was believed to be vaguely promising. What explains the ongoing Chinese interest and determination to remain involved?

In reply, Ambassador Kartman recalled that in 1994, there was every expectation that the Northern regime would collapse imminently. It would be foolish, therefore, to continue predicting the collapse today. Clearly, the North is concerned about

sovereignty issues and the survival of the regime itself. In economic terms, the North has not always been a basket case and Kim Jong-il has launched a small process of economic reform which can be described as the single most important policy shift by the President in his reign. The Agreed Framework has a number of flaws, not least the process of monitoring the North's compliance. Equally, at the time, the US did not clearly understand the normalisation issue and the Republican dominated Congress chose to focus only on the nuclear question. The six party process should be continued in order to reach a diplomatic solution. China plays an important role as convenor but, with a less commanding US role in East Asia currently, we can expect that Washington will move to ensure China does not dominate the process. ■

See also:

EurAsia Bulletin

Vol. 7 No. 8&9 Aug-September 2003

“Japan-North Korea: one year after the Summit”

Vol. 7 No. 5 May 2003

“EU-DPRK relations”

Vol. 7 No. 4 April 2003

“North Korea-US talks in Beijing”

Vol. 7 No. 3 March 2003

“EU and ASEAN address Korean tension”