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As Prepared

Good afternoon. Thank you for the introduction and for the invitation to participate in this important event.

Like many of you, my views on -- and my approach to -- North Korea are shaped by background and experiences. My academic focus -- at least since my year abroad as an undergraduate a long time ago -- has been on International Relations, with an emphasis on the realist school of the discipline. And today, I am here in my private capacity of Senior Scholar at the National Institute for Public Policy.

Before I left government last month, my focus -- for the past decade -- was on proliferation of weapons of mass destruction and what the United States must do to deter and defend against WMD threats from rogue states such as Iran -- and from terrorists who would not hesitate to use a nuclear weapon against an American city causing deaths and devastation orders of magnitude greater than 9-11.

Understandably then, my approach to North Korea is from the perspective of a proliferation threat. And it is from this perspective that I will address the prospects for a negotiated end to the North's nuclear program.

My starting point is that it is essential to do all we can to make diplomacy successful. But we must do this with our eyes open and fashion our posture not on a foundation of hope, but on experience.

And experience would not suggest optimism but rather deep skepticism. Just look at the record:

- North Korea -- for good reason -- has been called the world's number one proliferator. It has a record of selling ballistic missiles and missile technologies to any customer willing to pay. Most disturbingly, North Korean officials have suggested they may be

willing to provide nuclear capabilities – presumably fissile material and even weapons -- to third parties.

- North Korea is a direct threat. It maintains one of the largest conventional armies and – while I am speculating – I believe one of the largest chemical and biological arsenals in existence. Most disturbing, it is also a nuclear threat to the U.S. and our friends and allies in the region.
- North Korea maintains and expands these conventional and WMD capabilities at great cost to its people who – with the exception of the small ruling elite – are the first and foremost victims of the regime. I certainly do not have to tell many in this room of the nature of this regime. In this regard, I have no doubt I could learn from you – of the repression, the starvation and deprivation.
- And we must remember how the regime operates beyond its borders – its blackmail of neighbors, its abduction of innocent children on the streets and beaches of Japan, its involvement in money laundering, currency counterfeiting, and drug smuggling.

We must also keep in mind North Korea's record on nuclear talks. Put simply, North Korea has violated every commitment – legal and political -- it has made to forego and abandon its nuclear weapons programs. It violated the Nuclear Nonproliferation Treaty that it joined as a non-nuclear weapon state. It violated its IAEA safeguards obligations. It violated the North South agreement and, of course, it violated the 1994 Agreed Framework.

Again, this is not an argument to abandon negotiations but to approach negotiations with North Korea on its nuclear program with the clear understanding that we must make Pyongyang choose between retaining its nuclear program and receiving assistance from the outside. Over the years, the regime may have come to the conclusion – based on its experiences with the United States and others -- that it can have it both ways.

Perhaps for this reason, the regime today remains more than willing to pretend to give up its nuclear program (perhaps through another freeze of the reactor and reprocessing) in exchange for massive energy and other assistance. That result, of course, if that were the end point, would mean that Pyongyang would have less plutonium for nuclear weapons –

undeniably a good thing. But it would also result in prolonging the life of the regime and the nuclear threat.

It was this logic that established the conditions set by the Bush Administration early on for an acceptable negotiated outcome – complete, verifiable and irreversible elimination of all of North Korea’s nuclear weapons, materials and programs.

It was also previous experience that provided the rationale for the defensive measures that the Administration has taken with others to protect ourselves from the threat and -- at the same time -- reinforce the prospects for the success of diplomacy.

In my view, it is only by pursuing a comprehensive approach -- combining defensive measures with diplomacy – that we have any chance, however small, of achieving the de-nuclearization that North Korea says it is willing to undertake. So I will focus on these two elements -- diplomacy and defensive measures -- and how they relate.

But first – it may be of interest to this audience -- let me say a few words about another proliferator -- Libya – a country that did make the strategic choice to abandon its nuclear weapons program and allow the complete and verifiable removal of its program.

As I think back on the Libya experience, it is fair to say that at the outset of our secret contacts my level of skepticism that Tripoli would actually give up its nuclear program was extremely high – almost as high as it is today with North Korea. But the President wanted to test the proposition that we might succeed – and we did -- in what most consider a major intelligence and policy success story.

All proliferation cases are unique and there are many differences between Libya and North Korea. But there are also some possible parallels.

- Like North Korea, the Libyan regime was a long-term sponsor of terror. In fact on this score, Libya may surpass North Korea in its established record of terrorist killings, including Pan Am 103. As I had reservations to fly on 103 the day it was bombed, and only rearranged my flight because of a late change in my schedule, I can

assure you that I never lost site of whom I was dealing with on the other side of the table.

- Like North Korea, the Libyan regime had a long record of repression at home, denying its citizens the most basic human rights. On this score, Libya does not come close to the totalitarianism of North Korea.
- And like North Korea, the Libyan regime had violated every commitment it had made not to develop nuclear weapons, including its obligations under the NPT and its IAEA safeguards agreements. In this category, it's pretty much a tie between Libya and North Korea – with each scoring a perfect 100%.

So what were the principal motives of Colonel Qaddafi that led him to conclude that he had to give up his nuclear program? To answer this question it is useful to look first at the chronology of events:

Elaborate on Timeline:

- March 2003: Initial Libyan approach while forces are flowing to Iraq
- April through September: Little progress
- October 2003: Interdiction of *BBC China*
- October-early December: Intel teams on the ground in Libya
- 16 December: Policy discussions
- 19 December: Public announcements

Elaborate on Motives:

- Sanctions: Billions but dilapidated; end isolation
- Fear of U.S. attack: Next on the target list
- Interdiction of *BBC China* under PSI
- Legacy: Normalcy
- Cooperation on counter terrorism: Fear of Islamic fundamentalism

But which of these motivations -- evident in the Libya experience -- apply to North Korea?

Concern over Islamic fundamentalism clearly does not apply.

It is also clear that the North Korean leadership is not trying to become a normal nation. This is a leadership that cannot open up and retain its absolute power.

For the same reason, the regime in Pyongyang does not seek to end its isolation or join the international community. To integrate into this community is the last thing the leadership wants -- as it would almost certainly mean its demise. And, while they are a lot of things, the regime leaders are not stupid. They survive because of isolation. The regime is the successor of the despotic hermit kingdom.

And for the same reason, I doubt that Pyongyang is motivated by a concern for its legacy. That is simply not part of the equation.

But two of the motives may well apply – although perhaps not in the same way as with Libya.

North Korea is concerned that the United States, working with others, such as in the PSI context -- or with China on freezing assets or blocking financial transactions -- can disrupt the North's activities. It now knows from the BDA and other experiences that its illicit activities have been exposed and are vulnerable. It knows from experience that its two-way traffic -- WMD and missile programs-- in and out of North Korea is susceptible to detection and interdiction.

Pyongyang also respects the military capabilities of the United States and our allies. It has seen the power of the U.S. military in the quick defeat of Iraq's military forces and in other circumstances. It is this capability that likely has deterred the North from using force in the past to achieve its aims.

But are these tools sufficient to persuade or compel the North to abandon its nuclear weapons programs? On their own, the answer is likely no. So we must combine these tools with others that were less apparent in the Libya case. Here, the role of North Korea's neighbors becomes key. This was the premise of the Six Party approach which was intended to put pressure on the regime from the other regional states, especially China.

In the last several months the Bush Administration has entered a new stage in the long effort to end the North Korean nuclear and missile threat. While recognizing that North Korea has cheated on every agreement it has made in the past to end its nuclear programs, the other five parties believe that the new course of action may hold promise.

On February 13, the Six Parties – the United States, Japan, China, Russia, South Korea and North Korea – agreed on “Initial Actions” to implement their Joint Statement of September 2005. In the Joint Statement, North Korea reaffirmed its commitment to abandon its nuclear weapons and all nuclear programs; in exchange, the other parties would provide it substantial benefits, including economic and energy assistance, normalization of relations, and the prospect of a peace treaty formally ending the Korean War after more than 50 years.

It took 17 months for the Six Parties to agree on “Initial Actions” to implement the Joint Statement. During that period, North Korea – far from demonstrating its commitment to denuclearization and peaceful, productive relations with its neighbors – defied the international community by launching seven ballistic missiles in July, and conducting a nuclear weapons test in October. February’s agreement -- whose initial 60-day terms have not been met -- is, therefore, just the first step in what will at best be a long, difficult process.

In my view, if that process is to have any chance of success, the Six Parties must continue to insist on the full implementation of North Korea’s September 2005 commitments. Nothing short of the complete, verifiable and irreversible dismantlement of all its nuclear-related facilities, activities and holdings should be acceptable.

In my view, the other Five Parties must withhold significant economic and political benefits from North Korea until its denuclearization is complete and verified. Even more important, we must fully implement the sanctions and other provisions of UN Security Council Resolution 1718 – passed in the wake of North Korea’s nuclear test – until North Korea complies by ending all WMD and ballistic missile programs and proliferation.

Finally, the United States and others must continue to prevent and defend against North Korean proliferation through other defensive measures, including interdictions of WMD and missile cargoes, cutting off financial

support to proliferation, deploying effective defenses against all ranges of ballistic missiles, and rapid creation and operation of a radiation detection architecture at regional seaports, airfields and land border crossings used for North Korean trade.

We must continue to make very clear to North Korea, as we did for Libya, that it has a choice. It can denuclearize and gain the corresponding political and economic benefits. Or it can continue its nuclear and missile programs, at great cost to the regime, with little ability to continue to subsidize its WMD domestic programs through proliferation-related sales, or to gain outside assistance from proliferation networks or other rogue states.

We must avoid the mistakes of the past, when we blurred the message sent to North Korea, and it took full advantage. In 1993, Pyongyang gave notice of its intent to withdraw from the Nuclear Nonproliferation Treaty. In response, the United States negotiated the October 1994 Agreed Framework.

In that document, North Korea agreed to remain in the NPT, to dismantle its plutonium-producing reactors, and reaffirmed that it would forego nuclear weapons, enrichment and reprocessing. But in the near-term, it would only freeze the nuclear facilities at Yongbyon and Taechon, while the United States and its partners provided heavy fuel oil and began the construction of two light-water reactors.

Dismantlement would come only when those reactors were completed. And, importantly, there was no timeline or verification provided for the prohibition on nuclear weapons, enrichment or reprocessing.

Over the next several years, the United States, Japan, South Korea and the European Union invested huge sums to provide fuel oil to North Korea and begin light-water reactor construction. Meanwhile, North Korea froze plutonium production -- but it also worked on clandestine uranium enrichment and nuclear weapons.

The United States and our partners decided to end heavy fuel oil deliveries in late 2002, after the enrichment effort was revealed. Over the next few months, North Korea expelled the IAEA inspectors, announced its withdrawal from the NPT and IAEA safeguards, and resumed operations at Yongbyong.

In short, the Agreed Framework cost North Korea little. It continued clandestine nuclear weapons activities and was able quickly – as we have seen -- to resume its overt programs. Moreover, the Agreed Framework made no effort whatsoever to constrain North Korea's ballistic missile programs, which now threaten its regional neighbors, as well as the United States, and – through North Korean missile sales to states like Iran – to many other states in regions vital to U.S. interests.

The lessons of the Agreed Framework are clear. Unless and until North Korea fulfills its commitments, we must deny it both benefits and the ability to proliferate or obtain outside help for its weapons programs.

Further, its denuclearization must be complete and verified; that will not be easy, but we can never again accept North Korean words as compliance.

Most fundamental, we must maintain and strengthen our security alliances in the region, to leave no doubt about our commitments in the face of North Korea threats. In that regard, for our own and our allies' security, we must not forget the importance of defending against North Korea's ballistic missile programs, even as we focus on the nuclear effort.

Finally, the United States, our partners in the Six-Party Talks, in the Proliferation Security Initiative, and in the United Nations must end any North Korean illusions that its nuclear and missile programs are an issue between it and the United States; they are, instead, an issue between it and the international community.

In conclusion, I believe the Bush Administration strategy for dealing with proliferation threats – announced in 2002 -- remains correct -- to treat proliferation as a security threat that requires a comprehensive approach, bringing all instruments of national power to bear -- intelligence, scientific, economic, military, and diplomatic.

The national strategy is also clear that there are no silver bullets and that even if we apply all of our tools for prevention, we will not always succeed. We must recognize that, at the end of the day, we may not succeed in dissuading Pyongyang and Teheran to give up their nuclear and missile programs. The programs of both of these countries go back many years and, despite what they may say, is there any real indication that either will abandon their nuclear and missile programs? We must therefore protect

ourselves -- the U.S. and our allies -- by deploying the capabilities needed for deterrence and defense.

Thank you.