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AS TENSIONS MOUNT IN KOREA, CLINTON DECLARES SUCCESS... AND CONGRESS IS STUCK WITH THE BILL

(Updating *Backgrounder Update* No. 273, "Warning to North Korea: Stop Provocations and Talk Peace with South Korea," April 12, 1996)

Tensions between North and South Korea have risen even higher since the communist regime in Pyongyang sent a spy submarine into South Korean waters last September. Washington and Seoul pressured North Korea to make amends for the hostile act, but Pyongyang's recent statement of "regret" fell far short of the mark. While the Clinton Administration—eager to get its two-year old political agreement with the North back on track—welcomed the statement as acceptable, a lingering problem for President Clinton will be the fact that North Korea has not made it clear that it will engage in serious peace talks with Seoul as mandated by the U.S.-North Korea deal inked in Geneva.

The baseline of Clinton Administration policy toward the belligerent communist regime in North Korea is the Agreed Framework signed between the U.S. and the North on October 21, 1994. At that time, Pyongyang was threatening to continue producing even more weapons-grade plutonium than it already possessed, thereby making itself a fledgling nuclear power.

President Clinton's Geneva deal was heralded as the successful end to the North Korean nuclear crisis and the beginning of a process of North-South reconciliation that would reduce the very high level of tensions on the Korean peninsula. As part of the deal, North Korea promised to "engage in North-South dialogue, as this Agreed Framework will help create an atmosphere that promotes such dialogue." In a January 31, 1995, speech at The Heritage Foundation, Deputy Assistant Secretary of State Thomas Hubbard said that Pyongyang's violation of this pledge would be "a deal breaker." The North is obligated "to engage in serious and substantive dialogue with the South." Otherwise, the deal eventually will "break down." The agreement with Washington can succeed, Hubbard concluded, only if there exists "a climate of civility and pragmatic cooperation between North and South."

Two years after the Clinton Administration set these standards, serious dialogue between the two sides has yet to happen. Furthermore, the North repeatedly has engaged in provocative behavior that has caused tensions on the Peninsula to rise to their highest level in years. The discovery of the North Korean spy submarine in the South's waters last September, and the landing of the vessel's armed commando unit in southern territory, resulted in clashes that left 37 dead, including a dozen South Koreans. This act of aggression seriously undermined relations between Pyongyang and Seoul, and has serious implications for the U.S. There are 37,000 American troops stationed in South Korea—a presence on the Peninsula that costs the American taxpayer more than \$2 billion annually. Seoul, however, has lost confidence in Washington's

judgment, and many South Koreans openly regard President Clinton's flexible "engagement" policies toward the North as appeasement.

The Clinton Administration has said that Pyongyang's refusal to engage in serious peace talks with Seoul is a "deal breaker." Yet it continues to ask the American people to support its call for Congress to appropriate around \$30 million per year to provide for benefits pledged by the U.S. under the Agreed Framework. It is time for the Administration to press the North to live up to its side of the bargain.

The Geneva Deal: Plenty of Carrots

In the early months of his first term, President Clinton's foreign policy advisors spoke of using a "carrot and stick" approach in dealing with a menacing North Korea. Negotiated in an effort to stop the North's nuclear weapons program, the October 1994 Agreed Framework offered benefits to the North that included gradual improvement of trade and political ties with Washington, a \$50 million per year fuel oil supply, and construction of two nuclear reactors valued at about \$5 billion. Washington is working with about a dozen allies to raise money to support the deal, while Seoul has pledged to pick up most of the tab. In return, the North has agreed to freeze its current nuclear program and thus prevent the amassing of more weapons-grade plutonium.

However, the Clinton Administration backed down on its earlier insistence that Pyongyang immediately allow for a full accounting of the plutonium it produced in the past. Inspection of its fuel storage sites, which the North is obliged to allow under other international treaty obligations, has been delayed for years to come. In the meantime, the North may be constructing nuclear bombs secretly with the enriched fuel it currently possesses. Even the Clinton Administration admits that the U.S. would have no way to detect such a covert program. The North is pleased with the Geneva deal since it offers lucrative benefits yet allows it to keep its nuclear card until just before projected completion of the reactors—a process that, even under the best circumstances, will take years.

Under the Agreed Framework, the North promised to engage in dialogue with the South and to make progress toward tension reduction. Since then, Pyongyang has refused to do so, and tensions on the Peninsula have risen. The North's million-man army maintains its forward deployment. North Korea has a growing missile arsenal which is capable of striking all parts of South Korea. Its large stockpiles of chemical weapons are also of grave concern to U.S. military commanders.

Where Are the Sticks?

Seoul understandably was outraged by the bloody North Korean submarine incident last September, declaring that until Pyongyang clearly apologized and pledged to begin peace talks, it would refuse to cooperate with the U.S.-conceived plan to construct the expensive reactors for the North. Washington quickly convened a series of 11 bilateral talks with North Korean officials in an effort to keep its foreign policy "success" afloat.

On December 29, Pyongyang issued a brief, ambiguous statement expressing "deep regret" over the incident that had "caused tragic loss of human life." The statement was not addressed specifically to the South, however, and conspicuously failed to acknowledge North Korea's responsibility for the deaths. The next day, Seoul reacted by returning the remains of 24 North Korean commandos killed in the conflict; in response to this gesture, North Korea released an official statement calling Seoul "the enemy murderer" and adding that "we have taken back the bodies from the enemy after parleying with their masters [the U.S.]" "This means that the South Korean authorities admitted and apologized for their inhuman crimes," Pyongyang declared. In other words, what Washington calls an acceptable apology was painted by the North as an indictment of Seoul's culpability.

The Clinton Administration claims it also has achieved progress on talks between the North and South. Last April, the U.S. and South Korea proposed four-party talks involving Washington, Beijing, Seoul, and Pyongyang. North Korea has refused to accept the idea. Under international pressure in the wake of the submarine incident, Pyongyang has agreed to the Clinton Administration's request that it participate in a "briefing" on what the formal talks would be about; it has not said, however, that it would engage in the proposed formal dialogue. In fact, when South Korean President Kim Young Sam recently expressed hope that peace talks would convene, the North condemned him as a "traitor" incapable of promoting reconciliation.

This has every marking of a classic North Korean delay tactic. There are clear indications that the North's participation in a briefing will be followed by a reversion to its "no dialogue" stance. Yet the Clinton Administration is moving swiftly to reward Pyongyang's latest actions. America's economic embargo will be eased by allowing some U.S. companies to engage in barter trade with the North, and Administration sources say Washington will consider giving further U.S. humanitarian assistance to Pyongyang.

The Future Course

To continue funding America's share of the Agreed Framework costs, the Clinton Administration will seek around \$30 million from Congress this year. As legislators consider this request, they should examine the October 1996 General Accounting Office report on the Geneva deal. The GAO study, requested by Senator Frank Murkowski (R-AK), an experienced Asia policy hand, characterizes the Geneva deal as a "non-binding political agreement" that is not enforceable under either U.S. or international law. It further notes that, in contrast to a formal treaty, the deal is constructed so that the Administration is not required to seek congressional approval. Thus, the North Korean deal "can have the effect of pressuring the Congress to appropriate moneys to implement an agreement with which it had little involvement." The phrase "no involvement" would be a more accurate characterization.

Current U.S. policy tolerates hostile and uncooperative North Korean behavior and does very little to pursue the most serious national security threats facing the U.S. in Korea. In this year's budget deliberations, Congress should press the Clinton Administration to deliver swiftly on its pledge—made more than two years ago—to achieve an unequivocal agreement by North Korea both to restart substantive and direct peace talks with the South and to make rapid progress toward reducing tensions on the Korean Peninsula.

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