

Turning the Tide with North Korea

DR. GLORIA C. DUFFY President and CEO

It is often said that economic sanctions don't work well in diplomacy. Usually they fail to compel a country to abandon behavior that threatens the international community. But in the case of North Korea's nuclear program, recent indications contradict that conventional wisdom.

Following North Korea's October 9, 2006, nuclear test, with the United Nations' backing the U.S. and other countries applied strict economic and financial sanctions against North Korea, including freezing its funds in foreign banks and banning shipping to and from the North. Then five countries – China, the U.S., Japan, South Korea and Russia – negotiated with North Korea to roll back its nuclear weapons program, offering carrots like a supply of fuel oil to power the country's electrical grid, as well as lifting the sanctions.

In a February 13, 2007, agreement, the North Koreans agreed to a three-stage process to end their nuclear program, beginning by shutting down their main reactor facility at Yongbyon within 60 days, then providing full disclosure on the facility and its activities, and finally dismantling it over time. At this writing, the April 14 deadline for the reactor shutdown looms, with the North Koreans waiting for the release of \$25 million in frozen assets from the Banco Delta Asia in Macau, which they were promised in return.

A group of senior South Korean officials, visiting San Francisco in early April, described how the recent economic sanctions created a chokehold on the fragile North Korean economy, forcing the Pyongyang government to reckon with international pressure. In this case, it was the universality of the pressure that apparently made the sanctions work. China played a key role, as it has throughout the process with North Korea, threatening to cut off the flow of its trade with North Korea, the most important trading relationship for North Korea.

The South Korean officials report that not only has North Korea made concessions on its nuclear program, but it has much less appetite now for selling nuclear weapons technology abroad, one of the main U.S. concerns about its nuclear activities. South Korean officials warn, however, that the timetable for implementing the full agreement, especially the dismantlement of the Yongbyon facility, is as yet undefined.

Assuming that the pact with North Korea is fulfilled, this raises the question of whether U.S. policy over the past five years created an unnecessary detour in dealing with the difficult government of Kim Jong Il. In 2001, the Bush administration rejected the



Photo by Amanda Leung

Clinton administration's 1994 Agreed Framework with North Korea, which bound North Korea to freeze construction and operation of nuclear reactors producing material for weapons. The Bush administration cited North Korean violation of the agreement, and later labeled North Korea part of the "Axis of Evil." North Korea then formally abandoned the Agreed Framework, closed its nuclear facilities to international inspection, withdrew from the Non-Proliferation Treaty and proceeded with its nuclear development until it was able to conduct the 2006 test.

The February 13, 2007, agreement bears a strong resemblance to the 1994 Agreed Framework. The Bush administration criticized the 1994 agreement for not obtaining dismantlement of the Yongbyon facility, but while incorporating that goal, the 2007 agreement still leaves the timetable and method for accomplishing dismantlement hazy. Years went by while we looked for a better deal, and North Korea became a nuclear weapons state. If the North Koreans violated the 1994 agreement, why would they refrain from violating the similar agreement that has now been negotiated? Whether the North Korea issue has been handled effectively by the Clinton and Bush administrations is an important matter of U.S. strategy and policy that the candidates should debate in the upcoming presidential campaign.

However this history is interpreted, this latest go-round with the North Koreans has led to some positive developments. If the new agreement is fully implemented, it could lead to the dismantling of North Korea's key nuclear facility. Remarkable unanimity in the international community, including China, and continuing Chinese leadership of the six-party talks, made the new agreement possible. A free trade pact has just been signed between the United States and South Korea that should benefit both economies.

The world took note when athletes from North and South Korea marched together at opening ceremonies for the 2000 Olympics. The North Korean and South Korean governments are now planning a joint team for the 2008 Olympics – a further step toward collaboration. Even if staged, a current YouTube video of North Korean and South Korean guards break dancing together at their posts gives the flavor of a more positive tone for the future on the Korean Peninsula. Let us hope that this forward progress in social, economic and cultural areas will provide enough positive momentum to ensure that, this time around, the agreement to stop North Korea's nuclear program will be fully implemented. Ω