An Asian Studies Center Symposium

The U.S. Response to Possible North Korean Aggression

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The U.S. Response to Possible North Korean Aggression

Dr. Edwin J. Feulner, Jr. Good morning, ladies and gentlemen. I'm Ed Feulner, President of The Heritage Foundation, and it is a pleasure to welcome you and to welcome our very distinguished panel.

It is perhaps the single most important national security issue facing the United States, and indeed, the world: How do we respond to the nuclear and conventional military threats posed by North Korea?

The gravity of this crisis is indeed reflected by the stature of the guests who have agreed to join us today. As we have so often in the past, a grateful nation continues to value their counsel.

Caspar Weinberger, a truly great American, was the architect of Ronald Reagan's victory in the Cold War. General Robert RisCassi, who I am most pleased to welcome, is the most recent commander of American forces in South Korea. Selig Harrison, of the Carnegie Endowment for International Peace, and our own Daryl Plunk, whom I also am very pleased to welcome, are two of the most respected and quoted American experts on Korea today.

And to lead this stellar panel I have called upon my dear friend, colleague, and co-founder of our Asian Studies Center, Richard Allen, a frequent visitor and businessman with interests in Korea. As Ronald Reagan's first National Security Adviser, Dick worked with Cap Weinberger to create the foundation for the Reagan victory over communism. Dick's counsel on Asian political and economic affairs is now sought widely, and The Heritage Foundation is very proud that Dick has served for twelve years as the Chairman of our Asian Studies Center.

He is to no small degree responsible for the growing success of our Asian Studies program. Along with our Center's Director, Seth Cropsey, and his team of Policy Analysts, we consider ourselves fortunate to benefit from Dick Allen's continued counsel as we seek solutions to the crisis in Korea.

Let me now turn the program over to Mr. Allen.

Richard Allen: It is indeed fitting that this event will be the capstone of our activities of the Asian Studies Center for this calendar year. The goals of the Asian Studies Center parallel the basic objectives of The Heritage Foundation: to provide timely analysis and recommendations on matters of interest and importance to the domestic and foreign policy interest of the United States. The Asian Studies Center is a division of The Heritage Foundation that focuses intensely on all matters pertaining to United States affairs in the Pacific Basin, with particular emphasis on security and economics.

There are many ways to address the subject of this morning's topic. One is to consider a very unfortunate headline that appeared in the *Washington Post* on Sunday suggesting that "trepidation" is at the root of United States policy toward Korea. If I were sitting in Pyongyang reading this headline in the *Washington Post,* I would probably react with amusement or with great satisfaction. According to the large dictionary that sits near my desk, trepidation comes from the Latin word "trepidatio," meaning "to hurry or tremble with alarm, tremulous alarm, agitation or perturbation, ut-

ter dread, trembling of the limbs as in paralytic afflictions, or a vibratory movement." I trust that we will not be afflicted with vibratory movements this morning. I hope that our policy will not, either.

There is misunderstanding and confusion with respect to the U.S. policy toward Korea because we do not know exactly what it is. Our purpose today is to try to analyze the policy and to prepare some recommendations and options for response.

We also may be faced with a slight mismatch of our own views to those of our allies in the Republic of Korea, primarily because some have observed that we are being too alarmist and that we shouldn't take the North Koreans so seriously. We are driven by headlines, like the one I just mentioned, "Trepidation is the Basis for U.S. Policy." We are also driven by statements, such as the one made by President Clinton on November 7th, that North Korea will not be allowed to have a nuclear weapon, and the admission on the 12th of December by Secretary of Defense Les Aspin that the North Koreans may indeed have such a weapon. *USA Today* reported the next day, "The North Korean Situation Is Not Getting Worse." *The New York Times* reported, "Koreans May Hold a Nuclear Device." The *Washington Post* reported, "North Korea is Not Trying to Build More Nuclear Bombs, Aspin Says." The *Washington Times* reported, "North Korea May Have a Bomb." *The Wall Street Journal*, "South Korea Says U.S. Over-reacts to North Korean Nuclear Arms Effort."

Well, with this as a basic backdrop, we are indeed very privileged to have these speakers with us today. Selig Harrison is a man who probably single-handedly had one of the greatest influences on the shaping of this debate. After many years of observation of the scene in Asia as a *Washington Post* bureau chief stationed in Tokyo, he joined the Carnegie Endowment in 1974, and has been known as a person who makes early predictions which, more often than not, are correct. So, Sig Harrison has probably also learned a lesson in Washington — the everlasting rule that I discovered after some years — that it is certainly wrong to be right too early in this town. And if you are too far ahead of the pack, then indeed you are going to have a great deal of difficulty. Mr. Harrison, as everyone knows, has been to North Korea, has interviewed Kim Il-Sung, has written five books, and is a man of great distinction. We at The Heritage Foundation have attended a number of the interesting and ground-breaking seminars that Sig Harrison has organized at Carnegie, and we are very grateful for that, as well.

Daryl Plunk is my colleague at the Asian Studies Center here, and also a business colleague. Daryl is one of the most frequent commentators in the United States on Korean affairs, writing for such publications as *The New York Times, The Wall Street Journal, Far Eastern Economic Review, The Washington Times* and *The International Herald Tribune*. He has contributed to books and seminars, and is daily consumed with the events in Korea. He has also been the principal analyst at The Heritage Foundation over a long period of time on security and other issues pertaining to Korea.

We are especially delighted to welcome for the first time to The Heritage Foundation General Robert RisCassi, who is fresh from his duty in Korea. He has had a distinguished military career of 35 years, thirty significant assignments in the United States Army. Less than six months away from his job as Commander in Chief of the United Nations Command, Commander of the Combined Forces in Korea, and Commander of U.S. forces in Korea, we are particularly eager to hear his observations, because they are first-hand. He also served in Korea in 1958 and 1959. General RisCassi has also been the Vice Chief of Staff and the Director of the Joint Staff and Director of Plans and Operations for the Joint Staff.

To introduce our other speaker, I am going to ask Seth Cropsey, the Director of our Asian Studies Center, who shares as much reverence for this august individual as I do, to come and introduce him.

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Seth Cropsey: I, too, would like to welcome all of our guests to this conference sponsored by the Asian Studies Center. I have the privilege this morning to introduce Caspar Weinberger. This compares favorably with the honor I had to work for him at the Defense Department during President Reagan's Administration, where I realized that Mr. Weinberger is the closest thing that we will ever see to Winston Churchill. Like Churchill, he served his country as a young man in a war fought a long way from home. Like Churchill, he returned, stood for office in the legislature, and wrote on a wide range of subjects for a large and enthusiastic audience. Like Churchill, he was called upon by the national leadership to fill the office which is our equivalent of Chancellor of the Exchequer, that is Director of the Office of Management and Budget. Like Churchill, Mr. Weinberger superintended the defenses of his country, and marshalled its resources in vanquishing an evil empire whose remaining and most venomous outpost is the subject of this morning's discussion, and whose totalitarian doctrine and sheer criminality equal anything to which Hitler ever aspired. Like Churchill, Mr. Weinberger received high honors from both the United States and the British Sovereign for his service. Like Churchill, he is a genuine public man whose understanding of his nation's great principles has been the source of his honorable ambition and his successful career.

Unlike Churchill, however, Mr. Weinberger is a modest and self-effacing gentleman who I trust will forgive me if he finds this introduction, as well as my public expression of gratitude for his continuing personal kindness, excessive. Let me assure you, there is absolutely no excess in these remarks, except perhaps for the length, which I will now abbreviate. I am honored to introduce Cap Weinberger.

Caspar Weinberger: I would like to say just a few things about some of the difficulties that we now face. And I agree with Ed Feulner completely about the seriousness of the situation. I agree also with Dick Allen's indication that it is going to be very difficult to predict what policies will actually emerge from the Administration, because I think we are watching the development of policy change from week to week, perhaps Sunday morning to Sunday morning. Ronald Reagan used to say that more policy was made on Sunday morning than at any other time in Washington, and sometimes we have to watch for that to see what is happening. But it is a little bit difficult when three policies are enunciated in three different broadcast networks. We do, however, have to commend the President for his statement that an attack on South Korea is an attack on all of us, in the approved NATO fashion, and that the importance of our working with South Korea to preserve its sovereignty and its independence has not diminished at all from the 1950s.

There is, I think, a very considerable amount of concern about our capabilities to respond, and General RisCassi is certainly going to be able to deal with that far more ably than I can, and probably than most people. But we do have to look at the numbers, and they are a bit disturbing. There are at least one million North Koreans who are heavily armed, most of whom are quite close to the DMZ. There are about 650,000 South Koreans who are very well armed, very well trained, and extremely good fighters. And there are about 36,000 American forces there.

I recall a meeting that I had with—and this is not to drop a leader or anything into the proceedings, but it struck me at the time as interesting and perhaps significant—Deng Xiaoping on one of the visits I made to the People's Republic of China when I was in office. He spent a lot of time trying to convince me that the North Koreans were very worried because the South Koreans had such an overwhelming military advantage on their side. I had just come from a meeting of the Security Consultative Group in South Korea and had most of the figures and numbers, and it did not sound like that to me. Quite the contrary. I pointed this out to Deng Xiaoping, but he was convinced that what we were doing was very provocative because we kept such large numbers of heavily armed forces so close to the DMZ. I thought the situation was exactly the reverse and still think so.

I think we have to worry a great deal about the frame of mind of North Korea. Kim Il-Sung is not what we would call a person who is basically responsible in terms of worrying about the peace of the world or the future of the world. He is a leader who presides over one of the worst economies of the world. He is also a leader who presides over a country that is, I think, increasingly isolated by reason of the basic changes in policy which, though never announced, have unquestionably taken place in China, and certainly in the Soviet Union. This morning it is not entirely clear precisely what is going to be the policy of the former Soviet Union, but in any event, as of now I do think that there is no real support there for — nor an interest in — supporting North Korea in any of its adventures.

As this isolation and sense of isolation develops, and as their economy worsens — although that hardly seems to be possible — you have a classic situation for their going to war. And that is, I think, one of the principal worries. We do have a great deal of concern about the degree of progress that has been made in North Korea on nuclear capability, and I think it would be only safe to assume that they are either very close to having a nuclear weapon, or actually do have one. And I agree that the Secretary of Defense's statement that they probably do have one was treated with somewhat less excitement than the press has done on other events that didn't seem to be quite as exciting. North Korea is a source of very considerable concern, and it is a situation for which we would obviously have to be prepared.

The topic of our meeting this morning is basically our possible responses to any North Korean aggression. I am going to try and broaden that just a little bit and talk about some of the responses that have been made thus far to this possible aggression, and also respond to another point some in the Administration are making, namely, that things are not getting worse. I think that is correct, but I don't think it is very comforting, because the numbers have not changed, the location of the North Korean forces has not changed, and their threatening rhetoric, as well as their worsening economic situation, and their increasing isolation, hasn't changed. So, I think it is right to say things aren't getting worse, but that doesn't convey quite the fact that current conditions are very bad indeed.

The North has a very large, very well-trained, very well-equipped force sitting on the DMZ against a numerically inferior South Korean force—and while I certainly would agree that one doesn't measure military capability only by numbers, there is in fact a great disparity in numbers. You do have a response by us that thus far has seemed to me to be inadequate, until President Clinton made his statement a few weeks ago about North Korea not being permitted to have nuclear weapons. I don't know if that is still current or not, or his statement that an attack by North Korea on South Korea would be considered an attack on us, and indeed on the free world everywhere. It seems to me that it is a correct statement, that it is the position we should be taking. But then, within a few days after that, we find all kinds of attempts to make sure that North Korea understands we are basically a very friendly people.

We have an offer on the table to them which I think is totally misplaced: to cancel the "Team Spirit" exercise on the grounds that, yes, maybe it is provocative. It did not seemed provocative to me during the years we held it regularly when I was in office. It seemed absolutely vital to me that we have the training and the experience and the practice of working together with our South Korean allies, and that we continue to do that on the scale that has been involved in those exercises in the past. We also have made a great many other offers to the North which seem to me to be quite inadequate in protecting our interests—offers, for example, that if North Korea would do what it promised to do years ago in permitting inspections, we would call off this exercise and we would possibly even remove some of the forces from the close contact along the DMZ, and other things that sound much more like appeasement to me than the kind of measured response that a situation of this seriousness requires.

I think that what we really need to do is to go back to the statement President Clinton made, reiterate that that is our policy, and not make a lot of offers to try to please the unpleaseable North Koreans. There is nothing you could really offer that is going to please them. And it seems to me that when you look back through their record, and when you look at the way they react to things they don't like, and the way they try to change those kinds of conditions, there is a great deal to worry about.

Our actual response if they should attack? It seems to me that it has to be very clear and very simple, and I don't think there are any alternatives. It is a rather chilling and horrible conclusion, but I think we have to consider what things would be like if they attacked successfully. That really is one of the major tests. If they attack successfully, from North Korea into South Korea, you would have first of all a very powerful, basically renegade country in a strategically vital position. This would affect all our friends in the region most adversely. Also, their leader is correctly described by the adjectives that I and others used a few moments ago, but his son and successor is considerably worse. Again, they would feel no responsibility to the civilized world nor be subject to any restraints imposed by any kind of world condemnation. You would have them then occupying the whole Peninsula that is extremely important strategically, and in a position in which they could move in many different directions. But much worse than that, you would have a public statement to the world that the United States has reverted to policies of several years ago when we were motivated primarily by —and I am afraid trepidation is probably close to being the right word—the desire to avoid anything that sounded as if it might be an unpopular policy domestically.

And when we add to that a growing lack of our own capability I find it rather frightening. I think the reductions that have been made in our defense— and this will come to no surprise to most of you—have been much too steep, much too deep, much too hasty, and much too neglectful of the kind of force that we actually will need in this kind of world ahead. And so it seems to me that if we allowed a North Korean attack to go unchallenged, we would be moving in a direction that would say to the world that America again was as weak as we appeared to be when a few ruffians throwing some rocks on the docks of Haiti sent our ships back home when we were down there embarked upon a policy of which I personally didn't particularly approve; but since it was our policy we certainly should not have been defeated by that kind of a response.

That kind of a statement to the world is a very dangerous thing, because it is similar to repeated statements of that kind which led to World War II and could lead to a great deal more aggression. If we did not make the kind of response that is required — and that President Clinton said would be made a few weeks ago that I hope is still the policy — we would have a statement to the world that America was not only no longer a super power, not so much in capabilities, but in resolve, decisiveness and willingness to fulfill the role of the super power, which requires that the peace of the world must be secured by the countries that have the capabilities to do so.

I will also finally add just two quick words here. I would hope that, first of all, we would realize that we must be seen as the kind of country that has both the capability and the resolve and the willingness to fulfill that role of leadership which the great good fortunes of nature have bestowed upon us. And I would very much hope that we would not feel that we had to stay attached to the current god of multilateralism which seems to me to be one of the more frightening and unhappy policies of this Administration—to the extent that you can identify any foreign policy of the Administration. They seem to say that in any crisis, we would say, "Yes, we might help, and certainly we couldn't allow anything bad to happen, but of course the whole thing would have to be decided by the United Nations first, and of course we would have to have our forces under a United Nations command" (that would not be led, I am afraid, by anyone as capable as General RisCassi). And we would accept, on a day-to-day basis, the kind of United Nations control that seems to be one of the goals of Mr. Boutros Boutros-Ghali.

He seems to me to want to have actual command of these United Nations peacekeeping forces. I think that is very unfortunate, primarily because more and more the U.N. peacekeeping forces are in areas where there is no peace, and where it is not in any sense the kind of operation for which the United Nations is in any way qualified to handle. In the past, the United Nations' actions have been placed under the hands of active military commanders of the principal contributing nations. That was true in the Korean War and in Operation Desert Storm.

So I would hope that we would maintain our capability to respond. I hope we would maintain our leadership. And I hope we would realize that, without any question, an invasion from North Korea into South Korea would bring into operation all of those six principles that I tried to develop when I was in office as a guide and set of criteria as to when it would be proper for us to commit American forces to combat abroad.

I think if that is literally and completely understood, the chances of our having to respond to aggression are greatly diminished. And if it is not understood, if there is a fuzziness, if there is more talk of our "waiting for a consensus to develop," more use of multilateralism, and a moving back and forth in the way that unfortunately we have seen the Administration do on almost every foreign policy, and indeed some domestic policy issues, then we will indeed encourage Pyongyang, and we would be in greater danger, I think, of having a war than we are now.

If it is fully, completely, and unequivocally understood that we will go in with everything that we have to resist an invasion by North Korea, and we will do everything we can and did in the Gulf to put together coalitions of other nations that will join in that same kind of a fight, then I think that we could feel that we had greatly reduced the chances of there actually being an invasion started.

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Richard Allen: I would like now to call on Selig Harrison to take the floor. Sig, we welcome you here and thank you for taking the time.

Selig Harrison: Well, I shared the platform at a meeting like this several weeks ago with a friend of mine who is a retired senior U.S. diplomat. I said, on that occasion, two things that I am going to say today. First, I think the nuclear dispute with North Korea can be resolved. And second, carrots are better than sticks in dealing with this problem. I spelled out what I thought the carrots should be. I concluded by saying, "in short, they can be bought." "I don't want to buy them," my friend said, "I want to destroy them." And he wasn't talking about military action. What he said was, "It's a moribund state and it will collapse sooner or later, so why prop it up? It is better to pressure it," he said, "to isolate it so that what happened in Germany can be repeated in Korea."

I tell this story because it is basic to understanding how the North, for its part, views the nuclear issue. Their whole psychology is governed by what happened in Germany, and the belief that the U.S., Japan, and South Korea want to see the absorption of the North by the South. It is a beleaguered psychology. The loss of the economic subsidies that they used to get from China and the Soviet Union has reinforced this psychology. The mood in Pyongyang is that the North is struggling for survival in the face of adversaries on all sides.

There are, of course, significant differences in the North Korean leadership over how best to survive, and this relates directly to the nuclear issue. And I think that is where I would part company with Secretary Weinberger. I think that is the nub of the difference in the approach that we have.

On the basis of my three visits to North Korea and a lot of continuing contact with North Korean diplomats, I do believe that there are policy differences within the leadership. The power structure in Pyongyang is monolithic. Kim Il-Sung and Kim Jong-Il are unchallenged. There isn't a power strug-

gle. But there is an increasingly sharp policy struggle. This has been building up for many years, and it has come to a head over the nuclear issue. On one side is a powerful old guard, centered in the armed forces and in a military industrial complex that includes the nuclear establishment. The hardliners believe that it is not possible to accommodate with the U.S., Japan, and South Korea because they think we are dedicated to the destruction of this regime, if necessary, through military action. In this view, the view of the hardliners, the North must continue to pursue the development of nuclear weapons for its survival.

The North has been trying to make nuclear weapons since the 1960s, after trying unsuccessfully to get them from Russia and China. The old guard sold this program by using two arguments. First, they pointed to the presence of U.S. nuclear weapons in the South. Second, they argued that the nuclear option was cheaper than an indefinite, conventional arms race with the South. But it turned out that the nuclear program was not cheap, and it was running into all sorts of technical problems and delays because North Korea is not Iraq—it doesn't have oil, it doesn't have the foreign exchange needed to import vitally needed equipment, and it didn't get help in making nuclear weapons from China or the Soviet Union, as far as we know to date.

What they had was an expensive nuclear program, plus the growing costs of a conventional arms race with the South. The North spends five times more of its GNP on defense than the South does. This means that there isn't enough money or labor for consumer industries. By 1987, when I made my second visit to Pyongyang, there were numerous indications of a policy conflict in which the old guard was on the defensive. Some of the more pragmatic and cosmopolitan men in the ruling Workers Party, men who have traveled outside of the country and have seen what the world really is, were arguing for new policies to get foreign capital and technology into the country and to reduce defense spending through peace with South Korea and the U.S.

And then while this debate was going on, after 1987, three things happened within the space of a few years. First and most important, the change in Soviet and Chinese policies toward the North created an economic crisis that has been steadily increasing due to a lack of oil and the fact that they have to pay for everything, cash on the barrel head. Second, American intelligence discovered Yongbyon, and the North faced increasing pressure, which I think was the correct policy on our part, to sign the NPT and to sign a safeguards agreement with the IAEA. And finally, in 1991, the U.S. announced the worldwide withdrawal of tactical nuclear weapons, and the hardliners lost one of their most effective arguments for a nuclear weapons program, because they could no longer point to U.S. nuclear weapons in the South.

And all of this produced a showdown between hawks and doves inside the Workers Party. The pragmatists argued that the regime was headed for serious economic trouble unless it turned to the U.S., Japan, and South Korea for economic inputs to replace what Moscow and Beijing had been providing. They said, "We won't get help from the outside world unless we give up the nuclear program." They said, "Let's test the United States. Let's see whether we can get investment, trade, loans from the multilateral agencies, normalization of diplomatic relations, by agreeing to IAEA inspections." A compromise was reached at the meeting of the Workers Party Central Committee in December 1991. The hardliners agreed to suspend, but not to terminate, the nuclear weapons program, pending negotiations to see whether an overall deal could be reached with the United States. That is what opened the way for IAEA inspections in 1992.

At first, the pragmatists were in a strong position when the U.S. called off the "Team Spirit" exercises for that year, and the U.S. agreed to a high level meeting between Undersecretary Kantor and Kim Yong Sun, then International Secretary of the Workers Party. That was the highest level meeting we had ever held with North Korea. From our perspective, having that meeting at all was a big concession. We wanted to see more concessions from their side before going on. We wanted to see the inspections take place. But what Kim Yong Sun needed internally was a continuing series of

meetings with trade-offs along the way, involving concrete American commitments in the economic and security field to show the hawks what the North would get if it gave up the nuclear option.

The IAEA inspections began in June, and in that same week General RisCassi announced that "Team Spirit" would resume. That was a bombshell in the North, and the pragmatists have been on the defensive ever since. Lim Dong Won, who was the coordinator of the North-South talks in the Roh Tae Woo government at that time, said that was a turning point, that you could see the change in the North's policy after that.

So it has been easy for the hardliners, since then, to make the nuclear issue a nationalistic issue. They have pointed out that "special inspections" of undeclared nuclear facilities have never been requested in any other country by the IAEA. And so they are able to paint the picture of North Korea as the victim of unfair international pressure.

The armed forces say, in the internal North Korean debate, that once the right of the IAEA to conduct "special inspections" is conceded, the IAEA will demand access to military installations every where in the country. And of course, they depict the IAEA as a front for the CIA and South Korean Intelligence.

The hardliners have invented a variety of stalling tactics, and North Korea has moved the goal posts several times in its dealings with the IAEA. But it is quite clear that the pragmatists still have a mandate to keep bargaining with the U.S. to see what kind of a deal they can come up with. As examples, one can cite first, the withdrawal from the NPT, and then suspension of the withdrawal when Secretary Gallucci adopted a conciliatory posture in the June round of talks in New York with North Korea. Then, the North Korean offer at the second round in July to shift to light water reactors, which pose less of a military threat than their existing graphite reactors. Next, the offer of a package deal on November 11, including an offer to go back to the NPT unconditionally and to give full inspection access to the IAEA in return for simultaneous U.S. economic and political concessions. Then on December 3rd the North, once again to keep the dialogue going, offered to open up all of its nuclear facilities, except two key facilities, to the IAEA right now. What they have been saying is that those two key facilities, the five megawatt reactor at Yongbyon and the reprocessing plant, would be opened up as part of the package deal that they are trying to get. In other words, they don't want to give up all of their cards before negotiations on a package deal begin. But the U.S. has so far refused to take "yes" for an answer.

I have had long discussions with some of those directly involved, including the North Korean negotiator, Vice Foreign Minister Kang Jok Suh. In my view, reading between the lines, it is quite possible that the North has in fact cheated and has accumulated more plutonium than it has admitted. But there is also every indication that they are willing to put whatever they have accumulated under international controls, if the price is right. In that sense what Secretary Aspin said on Sunday was very important, because he said that they haven't been in a position to accumulate more since 1989. What they are saying is, to put it in U.S. legal terms, "don't indict us, let's plea bargain."

The problem faced by the Clinton Administration is that it has resumed a dialogue with the North at a time when the hardliners there are much stronger than they were in early 1992. Therefore, even though Secretary Gallucci has been more flexible than Undersecretary Kantor in his bargaining posture, he doesn't have much to show for it, yet. The reason is that the pragmatists can win out only if the U.S. is ready for a comprehensive package settlement spelling out its long-term future intentions with respect to North Korea. This means committing ourselves to explicitly defined, time-bound steps leading to economic benefits for the North, leading to political normalization, leading to changes in our own nuclear posture in Korea involving a pledge in some form not to use nuclear weapons against North Korea in return for equally specific commitments on their part to full transparency. The form of that would be very important, which we could discuss.

Here we get into the question of what the conditions for the package deal should be, which is very complex. Should we insist, for example, that all fissile material that has been accumulated should be turned over to the IAEA? Or should we, in effect, try to freeze things where they are, make sure that nothing further is produced? I would like to see a posture in which we insist upon all fissile material being turned over to international control. But the point is that we could only get this as part of a trade-off in which everything has to be settled simultaneously.

Now, it is often asked at meetings like this when I make this presentation, who are the pragmatists? And many people are very skeptical. Perhaps Secretary Weinberger, based on what he said, would be very skeptical that in fact there are really any differences in North Korea. I can only say that it has been increasingly clear to me that these differences exist—policy differences—within the family, as it were, based on my contacts over the years.

I would emphasize two relatives of Kim Il-Sung—Prime Minister Kang Song San, and Kim Jong U, the Chairman of the Committee for the Promotion of Economic Promotion. Also, Hwang Chang Yop, the new Chairman of the Foreign Policy Commission of the Supreme Peoples' Assembly, who will have in that position control over the foreign policy of the ruling Workers Party. His appointment has just occurred, and I find this rather promising, because Hwang Chang Yop is a heavy hitter. I think he represents a moderate view, if you can talk about moderation in terms of that North Korean regime. I should use the word "pragmatist," which is what I try to use instead of moderate. He is a heavy hitter, and I think they are getting ready for another round of more high-level negotiations. His being moved into that position is an indication that the pragmatic approach is still very strong. The Foreign Minister and Deputy Prime Minister, Kim Yong Nam, who is a full member of the Politburo, has generally been on the side of the pragmatists. Kim Il-Sung's younger brother, Kim Yong Ju, who has just been brought out of political retirement, purportedly for health reasons, is back in his old job where he will be in charge of North Korean relations with the South, with the rank of Vice President, as well as membership in the Politburo. And that too seems to be moving a heavy hitter into a position for higher-level negotiations with South Korea.

All of these men are closely associated with the new joint venture law, the establishment of the new Rajin-Songbong free trade zone as part of the Tumen River Delta Project being pushed by the U.N. in cooperation with Russia, China and North Korea. In the North Korean free trade zone, they are offering foreign investors a five-year tax holiday, and after that a 14 percent corporate tax rate, and we learned last week that in some new regulations they have said that visas won't be required for foreigners to get into the zone. Of course, they are controlling the economic opening to the outside world, keeping free trade zones separate from the majority of the country, following what they see happening in China and other areas.

I think you should see the interview with Kim Jong U, the foreign economic commissar in the *Far Eastern Economic Review* on September 30th. Because I am reaching the end of my time, I will not quote from that.

When you talk to the pragmatists you find some of them are ambitious young men on the make who see what is happening in China. They see how much money Deng's sons are making through dealing with the capitalist world. I call this the "smell of money" factor. They are doing what they think makes sense for North Korea, but they also see something in it for themselves.

Now, what does all of this add up to? On the surface it looks like the North has a weak hand, because they need economic help; but they are playing that hand very well. Actually they are in a strong bargaining position because they know that the South doesn't want us to use military options, and they know that sanctions will have limited effectiveness because of the attitude of both China and Japan. Therefore, they are likely to hold out for a very high price when and if discussions on a package deal proceed.

I could give you my menu of what I think the 12 carrots should be. But I will just conclude by saying that the most important elements of these carrots, it seems to me, have to be a commitment in some form not to use nuclear weapons against North Korea, the indefinite suspension of "Team Spirit," the exchange of liaison offices with Pyongyang by the United States, steps toward diplomatic relations, and a variety of economic incentives.

Now in conclusion, there is no question that in the event of aggression by North Korea against South Korea the United States has no choice, given the Mutual Security Treaty with the South, to do whatever is necessary to defend South Korea. On that there can be no disagreement. But that is not really the question. The question is how we can avoid a situation in which that would happen, in which we would face North Korean aggression. I don't think North Korea wants a war. Their major industrial city of Hamhung is immobilized; there are no factories operating because of the shortage of oil that they face now. There isn't any reason to have a war with North Korea. We just have got to face the question of what our overall future with North Korea can be, and should be. What are our long-term objectives? Do we want the North absorbed by the South, or do we want to cooperate in sustaining a peaceful transition to a more open society in the North and unification on mutually acceptable terms? I think we can avoid another war, and I hope very much that we will follow policies that will avoid what would be an unmitigated tragedy for many of our friends in South Korea, as well as for the whole region. At the same time, we have got to solve the nuclear issue, because as long as this uncertainty persists the danger of a nuclear Japan and a nuclear South Korea will grow, and that is what it is really all about.

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Richard Allen: I would like now to call on General RisCassi to take the chair and share with us his views.

General Robert Riscassi: I think it might be most useful to our discussion if we try to come to grips with what we are seeing in North Korea. So, begin by asking what has changed? I think you heard Mr. Harrison outline some of the things that have stayed the same and some of the things that have changed from a political perspective. What I can offer is a similar look, but through military eyes.

So, from a military perspective we have to ask what has changed in North Korea between 1953 and the intervening years, and then what has changed over the past three years, more specifically, that has caused us to conclude that "We need to review our policy," which seems to be Mr. Harrison's position. The title of today's forum is "The U.S. Response to North Korean Aggression." I think Mr. Harrison was correct when he said there is no doubt what our response would be if North Korea attacked.

So, let's just take a look, and I will use a sort of matrix of strategic, operational, and tactical centers of gravity, first as we would have seen them in 1953 when the military armistice was signed, and then scrolling forward in time to 1993, to see how the centers of gravity have changed or shifted.

In 1953, I would submit that North Korea's centers of gravity were well defined. At the strategic level, the relationships and security arrangements that North Korea had with the Soviet Union and the PRC were its center of gravity. The strength of these associations would have allowed North Korea to engage in a protracted war because it would have had sustaining power. Its only concern with time management in a conflict was when and under what conditions it would initiate an attack. Its operational center of gravity at that time, as Mr. Weinberger pointed out, was the overwhelming

number of people it had under arms. And, at the tactical level of war, it was the positioning of its forces in relationship to the 38th Parallel, which gave it a number of military options.

In the intervening years, and specifically in the 1980s, there were significant changes in the doctrinal base of its military forces; the organizational content of those forces; the modernization of those forces; and the positioning of those forces. All of these caused some subtle shifts in the various centers of gravity. Add to this the events of November 9, 1989, when the Berlin Wall came down; the changes that resulted when first Russia and then the PRC normalized relations with South Korea; and then, when both North and South Korea were admitted as full members to the United Nations, and all of these contributed to shifts in North Korea's strategic center of gravity.

Clearly what we saw as the strategic situation in 1953 has evaporated. For that matter, the picture we saw as late as 1980 has also changed. But one thing in North Korea's strategic equation has remained constant—the leadership in North Korea. The armed forces have always drawn strength and consistency of purpose from their image of, and association with, the "Great Leader." So, by 1993, this became North Korea's strategic center of gravity. It was always a source of strength; it has now displaced alliances as the strategic center of gravity.

At the operational level of war, you must examine what changed—the force improvements, the structure changes, and the organizational changes—all of which have been inculcated rather dramatically throughout its large standing armed forces. The net effect of these is the introduction of pace, the modality of a much faster pace into its armed forces, which becomes its source of greatest operational strength. So from our coalition standpoint, we see this as the new dimension that we need to adjust to. North Korea still has a large standing army—it has not changed much in size—but through force modernization, it has changed a great deal in its overall content and construct.

At the tactical level, I think we have to look at what North Korea has done from a positioning standpoint. You heard figures released by Mr. Aspin when he was on his way to the Security Consultative Meeting last November that said 70 percent of North Korea's forces are positioned close to the DMZ. What you should note is that there has been a significant shift between the 1980s and the 1990s. A large preponderance of North Korea's forces have been moved and positioned within 100 kilometers of the DMZ. But this large preponderance is not a factor of increased numbers of people as much as it is a measure of material. More specifically, it is the shift of large numbers of artillery that is of significance, and this has become the tactical center of gravity of its forces.

Based on this analysis of North Korea's centers of gravity, when coupled with environmental changes that have taken place in South Korea, most notably the massive growth of urbanization in the northwestern part of the country, there is a new equation that needs to be factored into the defense of South Korea. The linear disposition of forces that emanated from the military armistice, a disposition that was reflected on both sides of the DMZ for decades, is no longer there. When you look at North Korea's attack options, you need to factor all of these changes into your calculations.

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Richard Allen: That indeed was a professional perspective and will give us a number of questions we can address. I would like now to call on my colleague Daryl Plunk.

Daryl M. Plunk: Thank you, Dick. My task is to offer my assessment of the Clinton Administration's current Korea policy. This so-called carrot and stick policy is essentially a continuation of a strategy that began during the late Reagan Administration and was carried on through the Bush Administration. I think that the Clinton Administration's implementation of this strategy has left some things to be desired, however.

One gets the sense that the Administration's approach to this very serious challenge has not been a broad one, and that there has not been a systematic accounting of the North Korean issue. Contradictory statements have been made by Administration sources about the state of play in Korea. Officials have made comments detrimental to the concerted, ongoing international efforts to rein in the renegade North Korean regime. One gets the sense from time to time that top Administration officials are shooting from the hip, and that the U.S. policymaking process lacks concerted input from those in the government who truly understand the Korean issue and, in particular, North Korean motives and negotiating style.

At least two specific shortcomings come to my mind regarding the current U.S. strategy. One, the Administration does not seem to take into account, and certainly has not made it clear to the public or to the press, that the United States has tried for some years now to solve this problem. This is not a new issue with which the Clinton Administration has suddenly been forced to grapple. Many concessions and conciliatory offers have been made along the way.

Since current policy is rooted in initiatives that began five years ago, I think it might be useful to touch upon a few of these. Sig Harrison already did this, so I will try to be brief. It began in October 1988, when the Reagan Administration announced unilateral concessions to the North Koreans aimed at easing tensions in general, and breaking the nuclear logjam in particular. These included opening first-ever official contacts with North Korea at the working level, encouraging U.S.-North Korean citizen exchanges, and easing slightly the trade sanctions against North Korea. The Reagan Administration, and later the Bush Administration, made it very clear that more political and economic gestures would follow in the event of progress. In 1990 and 1991, "Team Spirit" military exercises were scaled back. In the fall of 1991, as has been mentioned, the Bush Administration announced withdrawal of tactical nuclear weapons from sites around the world, including South Korea. This was a demand long made by the North Koreans. On a trip to Seoul in January of last year, President Bush announced that "Team Spirit" would be canceled altogether that year, further driving home the message that rewards awaited North Korea's good behavior. The U.S. Undersecretary of State at the time met with a senior North Korean official in February of 1992. This was the first such high-level meeting and, again, a long-standing demand of the North Koreans.

Faced with pressures to reciprocate, the North took several steps during that period. It signed a reconciliation treaty and a mutual nuclear inspections treaty with the South, it engaged in prime ministerial talks with Seoul, and, finally, it signed the IAEA Safeguards Agreement. However, by the end of last year, the situation had already taken a turn for the worse, primarily because IAEA inspectors had uncovered the serious discrepancies in the North's nuclear story. Then, Pyongyang began to stonewall U.N. inspections and threatened to withdraw from the NPT altogether.

My point here is that, for at least five years, the U.S. has had a very clear record of offering and bestowing rewards for North Korean good behavior. In response, our side—both Washington and Seoul—labored through a series of negotiations that at times created for Pyongyang what Congressman Stephen Solarz, on this very stage, has called "the illusion of cooperation."

What progress has been made in this process that was so carefully scripted by the North Koreans? None of the confidence-building measures in the reconciliation treaty has been implemented. Zero progress has been made in implementing the mutual North-South inspection treaty that the North signed. And, although nearly ten years have passed since the signing of the NPT by the North Koreans, the nuclear weapons development program continues. Now President Clinton tells us to wait a little longer while he tries more diplomacy.

In an interesting column in yesterday's *Washington Post*, Lally Weymouth observed, "It is almost astonishing that some American policy makers maintain fixed positions in spite of the manifest lack of diplomatic progress."

A second significant shortcoming in the Administration's Korea policy is that it is hobbled by a proliferation of unhelpful leaks and careless comments by both named and unnamed U.S. officials. Some of these comments have sent wrong signals, while others have revealed information best kept close to the vest. Last month, for instance, an official traveling with Secretary Aspin in Asia stated to the media that North Korea had not yet built a bomb. Well, can we really be certain of that? And furthermore, Secretary Aspin himself, as has been mentioned, said on "Meet The Press" recently that the North "might at this moment possess a single nuclear device." Well, which is it? It is worth noting that Aspin's statement calls into question the President's earlier claims that the United States will not allow the North to develop a nuclear weapon.

On the same talk show, Secretary Aspin was asked about a U.S. preemptive strike against the North, and he revealed that "a majority view in the Pentagon" is that this is not a viable option. Well, I submit that the North Koreans undoubtedly took comfort in this limiting of our options by our own defense chief.

Then there have been numerous instances of Administration officials cautioning that, pressed too tightly into a corner, the irrational and unpredictable North might lash out. Faced with this fear, the Administration officials have sometimes tempered their statements about military and economic options. Former IAEA official David Kay recently criticized the Administration for this practice, saying that the United States has supplied Kim Il-Sung with a handy "insanity defense."

American fear of North Korea is precisely Kim Il-Sung's goal. In early November, the North loudly proclaimed its willingness to go to war. Military threats, after all, are the only sticks Kim Il-Sung has in his negotiating arsenal. The Administration, unfortunately, has from time to time picked up that stick and beaten itself with it.

In the meantime, where do we stand in all of this? Throughout 1993, the Clinton Administration engaged in high- and working-level dialogue with the North. It has given away some concessions and offered the possibility of others. In two unprecedented joint statements, Washington gave assurances against the threat and use of force, including nuclear weapons. These documents also proclaimed mutual respect for the U.S. and North Korean internal affairs—more rewards for Kim Il-Sung.

The U.S. and Seoul have made important concessions in this process, yet the North's response has been minimal. There has been no significant North-South tension reduction and no resolution of the nuclear issue. South Koreans understand better than anyone else what it is like to deal with Kim Il-Sung. South Korean President Kim Young Sam recently said, "North Koreans have a habit of demanding more and more, and if you make one concession, they demand another." This is a gridlock for which the U.S. soon must find a solution.

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Richard Allen: Almost 25 years ago, when I worked as Deputy National Security Adviser to President Nixon, an unarmed EC-121 was shot down by the North Koreans. There were two draft responses ordered by the President. One announced a military retaliation against North Korea. The other reaction fell short of that. I drew the short straw of writing the speech that described that military action that presumably would have been taking place as the President delivered that message. That episode didn't begin my association with Korea, but ever since I have been deeply interested in it.

I would like to make 10 observations, including steps the United States can take unilaterally to ameliorate this situation.

First is that the United States should initiate immediately a pervasive dialogue with Japan, using strict time limits and time lines to interrupt the flow of cash from Japan to North Korea. This is estimated to be as much as $1 billion a year transferred to North Korea in suitcases and various other avenues as the result of *pachinko* gambling profits and other hapless activities that take place in Japan. As requested, we should provide as appropriate assistance to Japan to counter any terrorist threat that may develop as a result. Some 800,000 Koreans living in Japan constitute, to the Japanese way of thinking, a constant threat. We should increase our intelligence sharing with Japan and with other nations in the region. We should offer encouragement to the Hosokawa Administration to reach these objectives now, and not on some usual relaxed time schedule that the Japanese are fond of adopting.

Second, we should immediately fill any holes and correct any deficiencies in our force structure in Korea. I do not suggest that there are such, but a review is certainly in order. We need to intensify our intelligence efforts with the Republic of Korea. That is very cooperative and fruitful relationship, as General RisCassi will testify. We need to prepare naval assets, properly equipped, to be deployed to the region, and perhaps actually deploy them. And of course, the capability to airlift massively whatever forces are necessary, keeping in mind the admonition of General Colin Powell who said that the next time he had to undertake an operation like Desert Storm, he would do so with a minimum of 25 percent fewer resources, both human and material.

Third, we should review the adequacy of the intelligence collection process in the United States and in the intelligence community itself to reassure ourselves that we can have valid net assessment presented to decision makers, and especially to the President of the United States. This is particularly important in the case of a President who is not deeply versed in the field of foreign affairs and national security, and has not been required to make national security decisions of any real consequence yet, at least not in comparison to the type of crisis that a military attack on South Korea could represent. And we have to remember that national technical means are not foolproof. There may be other, unknown nuclear facilities hidden underground. We know that tunneling is one of the specialties of North Koreans. This brings to mind the observation of one of the most famous intelligence analysts of all time, Amron Katz, who told President Reagan, to his great satisfaction, that we have never discovered anything the Soviets have successfully hidden. The same applies to North Korea.

As a fourth point, the United States government should realize that there is a body of continuous knowledge and experience on Korea that is untapped. There are people of extraordinary intelligence, wisdom, and experience who have served in previous Administrations and in the Congress and who would be more than willing to help and ought to be deployed. Use the assets that are in place; and the assets are numerous. Some are represented here on this panel today, and there are many, many others.

Fifth, do not use the weather vane approach to policy. Build a consensus, led by the President particularly, and by other Administration spokesmen, on the U.S. security interest in Asia, or our partnership with the Republic of Korea. Recognize, identify, and elaborate the value of President Kim Young Sam's accomplishments in democratization. And acknowledge those of his predecessors as well, because they made it possible. And above all, forge a policy position and explain it. Be prepared to defend it. And finally, appeal to bipartisan support.

Sixth, do not rely on surrogates to carry out policy objectives of the United States government, the Republic of Korea, and other allies and friends in the region. Consult with Russia now. Develop contingency—yes, military contingency—plans with Russia at this very moment. Second, advise China what is expected of it, recognizing that China doesn't have allies, only interests; and it pursues those interests relentlessly. My view is that China finds the North Korean situation a useful pawn, especially as Most Favored Nation status renewal approaches early next summer. I do not be-

lieve that we can rely on China. So we should establish consequences for Chinese non-compliance. Such non-compliance would be either by acts of omission, such as the failure to support concerted international decisions taken with respect to North Korea, or commission, such as breaking the sanctions if they should be put in place. Ultimately, it is the money from Japan and the oil from China that count and can really make a difference in the event of sanctions. And do not yield the command of United States forces to the United Nations.

Seventh, do not cut the defense budget now, for obvious reasons, into the out years. Twinned with the recent alarming remarks of Secretary of Defense Aspin on "Meet the Press" was a segment dealing with his $50 billion fight with Leon Panetta and the Office of Management and Budget. He claims that Panetta started it. In any case, the wrong signal is sent by a reduction in the defense budget today in light of the Korean situation, not to mention the range of other foreign policy and national security challenges that face this Administration.

Eighth, recognize that there is a huge difference between the military capabilities of the United States and its allies, particularly the Republic of Korea, which are adequate to meet a challenge, and the political decisions that must be made in order to formulate and implement a workable policy. That gulf is one that needs to be closed, because it is not particularly clear to the American public today what U.S. policy is and what is at stake. Mr. Plunk pointed that out in great detail, as did Secretary Weinberger.

Ninth, be prepared to interdict missile sales and transfers of technology from North Korea now. We also recognize that Russia has been culpable. We know that recently some Russians privately contracted for the transfer of missile launching equipment to the Middle East. This should be stopped immediately.

And finally, be prepared to understand the full implications of sanctions, and be prepared to move to a sanctions policy if that is the choice. Be prepared to understand what they mean and deal with all of the consequences, to lead the international consensus that will be required. Preparing for the worst case is prudent. We must also remember, as Mr. Plunk pointed out, that North Korea is the type of power that will always demand the impossible and be more than willing to settle for the improbable.