

Comparative Connections

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U.S.-Korea Relations: *Déjà vu All Over Again?*

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The big news in the penultimate quarter of 2008 centered on leadership ills (literally) in North Korea and Pyongyang's rolling back of the six-party denuclearization agreement. On the U.S.-ROK front, President George W. Bush made his last trip to Asia of his presidency, stopping for a brief visit in South Korea on his way to the Beijing Olympics. While the free trade agreement (FTA) remains mired in U.S. domestic politics, important low-key agreements were reached to help bolster the people-to-people aspects of the alliance. As the quarter ended, the Bush administration was making preparations to make what some described as a last ditch effort to salvage the aid-for-denuclearization deal with North Korea by sending Six-Party Talks negotiator Christopher Hill to Pyongyang for a third time.

U.S.-South Korea relations

President Bush's trip to Seoul was a short one. Republic of Korea (ROK) officials were apparently worried about demonstrations in the aftermath of the decision to reintroduce U.S. beef into Korea. Nevertheless, Bush was treated to the ceremony of a State Visit under beautiful blue skies. Bush met with U.S. troops and issued a joint statement with President Lee Myung-bak that was notable for its inclusion of a reference to the human rights abuses in North Korea reflecting the convictions of both presidents.

Bush could not deliver any good news about the prospects of ratifying the Korea-U.S. (KORUS) FTA in the Democrat-controlled U.S. Congress, which was unfortunate. Given the U.S. financial crisis, it is increasingly unlikely that the agreement might be passed in the lame duck session of Congress. But, Republican candidate John McCain's support of the FTA is duly noted by observers in Korea. Surrogates for the Obama campaign were trying to walk back the candidate's rhetorical opposition to the agreement during the quarter in quiet acknowledgement that a protectionist trade agenda does not serve larger U.S. interests and leadership in Asia. Both sides remain vigilant, and more important, the Lee government remained patient – but at the same time plowed ahead in its FTA negotiations with the European Union. The lack of a rational discussion amid a poisoned partisan atmosphere on the Hill in Washington about the merits of this high-quality FTA is, frankly, astounding.

While the South Korean market was opened this quarter for U.S. beef imports, its distribution is still rather limited throughout Korea. Large supermarket chains as well as major hotels remain averse to carrying it for fear of protests by NGO groups. As noted in my entry last quarter, this type of NGO "terrorism" is an affront to democratic institutions in Korea; moreover, it hurts the

Korean consumer in two ways. First, they are limited in their freedom of choice by fears of NGO protests. Second, they are being price-gouged – not just by higher-priced Australian and Korean beef, but also by some institutions that purchase the cheaper U.S. beef, but then serve it advertised as Australian beef (which is more expensive than American cuts) to avoid becoming a target of protests. Matters are only likely to get worse when the temporary period of importing only 30 months or younger American cuts expires. Protests are likely to be mobilized again in the streets to strong arm the government into banning anything older.

There was good news on two fronts in US-ROK relations. During Foreign Minister Yu Myung-hwan's visit to the U.S. in September for the UN General Assembly, he met with Secretary of Homeland Security Michael Chertoff and the two finalized most of the legal details regarding Korea's inclusion in the U.S. Visa Waiver Program. This means that as early as January 2009, Koreans may no longer have to endure the long lines at the U.S. Embassy to obtain a short-term entry visa for the United States. The VWP should be seen as another important dimension of the deepening of the U.S.-ROK alliance. The White House made this a priority going back to its first mention in the joint declaration of the Gyeongju summit in 2005.

The two governments also signed on the sidelines of UNGA a memorandum of understanding on establishment of the WEST program. "Work, English Study, and Travel" will allow approximately 5,000 Korean students to undertake study and work programs in the U.S. for periods up to 18 months. Similar types of programs have been done with Australia with great success and help to cultivate a younger generation of Korean-American relationships important to the future goodwill between the two countries.

North Korean intransigence

The quarter saw North Korea systematically and purposefully unravel elements of the six-party denuclearization agreement, in particular, undoing some of the nuclear disablement steps it took at Yongbyon, including the removal of International Atomic Energy Agency (IAEA) seals and cameras at the reprocessing laboratory. The ostensible reason for this, according to DPRK mouthpieces and some Western media, was that the U.S. was once again "moving the goal posts" in demanding Pyongyang's agreement on a verification protocol as a pre-condition for its removal from the U.S. State Sponsors of Terrorism List. Thus, when this did not happen on Aug. 11, the North one week later suspended the disablement process, and on Sept. 18 announced that it no longer wanted to be taken off the list. It also told the IAEA of its intention to begin reprocessing the partially spent fuel rods removed from the reactor, which could produce an additional 6-8 kg of plutonium for bomb-making.

It is always tempting to blame the inevitable negotiation stalemate in Six-Party Talks on so-called "hardliners" in the Bush administration trying to submarine Assistant Secretary Christopher Hill's negotiation process. Indeed, this has become the reflexive analysis of most respected news outlets, including the *New York Times* and *CNN*. Critics are fond of blaming any DPRK deviant behavior on the U.S. action (or lack thereof) rather than on Pyongyang. This is wrong-headed. The fact is that a six-party agreement on a verification protocol following the North's nuclear declaration was clearly laid out by the highest levels of the U.S. government as a requirement of the declaration phase. To argue otherwise is utter nonsense. The principle of

verifiability was first enunciated in 2002 as part of the CVID (complete, verifiable, and irreversible dismantlement) concept during the first Bush administration. The concept was included in clauses of the Six-Party Talks Joint Statement in September 2005 pertaining to the DPRK formal commitments to denuclearization. This was reaffirmed in the February 2007 Initial Actions Agreement, which succeeded in shutting down the Yongbyon nuclear reactor and reintroducing international inspectors for the first time in five years. While the majority of the February 2007 document outlined the shutdown of facilities at Yongbyon in exchange for energy assistance, there was one clause on the so-called “second phase” pertaining to a nuclear declaration and disablement. The clear understanding achieved among all the six parties was that verification was a necessary part of the declaration phase.

For critics who say still that the U.S. was not clear enough on the verification requirement, Secretary of State Condoleezza Rice published an op-ed in the *Wall Street Journal* on June 26 (the day of the president’s announcement of his intention to Congress to delist North Korea from the terrorism list) in which she enumerated the agreed upon and expected sequence of events:

When North Korea makes its declaration, President Bush will lift the application of the Trading with the Enemies Act with respect to North Korea, and notify Congress that, in 45 days, he will remove North Korea from the list of State Sponsors of Terrorism. No other sanctions will be lifted without further North Korean actions. North Korea now meets the statutory criteria for removal from the list of State Sponsors of Terrorism. However, nearly all restrictions that might be lifted by ceasing application of the Trading with the Enemies Act will remain in place under different U.S. laws and regulations. We and the other four parties will expect North Korea to cooperate with us in verifying the accuracy and completeness of its declaration. And if that cooperation is lacking, we will respond accordingly. Considering North Korea's track record, verification is essential...

The same day, President Bush’s official statement of his intention to delist North Korea was equally clear in its conditioning delisting on verification:

I am notifying Congress of my intent to rescind North Korea's designation as a state sponsor of terror in 45 days. The next 45 days will be an important period for North Korea to show its seriousness of its cooperation. We will work through the Six-Party Talks to develop a comprehensive and rigorous verification protocol. And during this period, the United States will carefully observe North Korea's actions – and act accordingly.

On July 12 the heads of delegation met in Beijing and issued a joint press statement reiterating the need for agreement on a verification protocol. The fact that this document was issued as a press statement rather than an agreement is significant – the Chinese, as hosts of the talks, usually seek to issue some sort of document at the end of any formal plenary or head of delegations meeting. If all parties can agree, this usually takes the form of an agreement or joint statement, but if there is disagreement, China takes the prerogative as chair to issue a press statement. This probably reflected North Korean intransigence. Thirteen days later, Secretary Rice met with North Korean Foreign Minister Pak Ui-chun on the sidelines of the ASEAN

Regional Forum meetings in Singapore – the first such meeting at the Cabinet level in years – and continued to insist on a verification protocol. Special Envoy Sung Kim was authorized to continue negotiation on the protocol past the 45-day mark of the president’s intention to delist; moreover, the U.S. continued its food shipments to the DPRK, despite the North’s announced suspension of disablement on Aug. 18. The next day, Pyongyang announced it no longer wants to be taken off the State Sponsors of Terrorism List.

Critics might respond to this record by stating that the verification protocol sought by the other parties of North Korea was too intrusive. The protocol, however, consists of four standard elements in any such procedure: site visits, sampling of materials, interviews of scientists, and documentation. More important, even if Pyongyang thought this standard was too intrusive, it might halt disablement, but certainly not roll it back and threaten to restart reprocessing. The distinction between protest and provocation gets lost in Pyongyang.

At the end of the quarter, reports surfaced that Six-Party Talks negotiator Christopher Hill planned to make his third trip to Pyongyang in perhaps the Bush administration’s final attempt to break the logjam. Hill’s attempts at flexibility, whether successful or not, reflect a fundamental dilemma the U.S. continually faces in implementing six-party agreements with the North. This is the dilemma of “relative reasonableness.” What this means is that every agreement in the six-party process is negotiated with painstaking care in which parties hammer out specific quid pro quos, the synchronization of steps, timelines, with concomitant rewards and penalties. All parties affirm their support for the agreement and declare that under no circumstances should any one party fail its obligations, otherwise face the wrath of the other five parties. Yet sooner or later, Pyongyang plays brinksmanship and demands more than it was promised or does less than the agreement calls for. While everyone accepts that the DPRK is being completely unreasonable, they also realize that a failure of the agreement could mean the failure of the Six-Party Talks and the precipitation of another crisis. To avoid this, the parties could either try to change the opinion of the eminently unreasonable party (i.e., North Korea), or ask the “less unreasonable” party (i.e., the U.S.) to be slightly more flexible. They invariably end up pressing the U.S., knowing full well that the DPRK is at fault and traversing the bounds of fairness and good faith, but at the same time, certain that the only chance of progress can be had from U.S. reasonableness rather than DPRK unreasonableness. The result is that any additional flexibility is widely perceived in the region as evidence of U.S. leadership (except perhaps in Tokyo), but is viewed in Washington as some combination of desperation and weakness.

Business as usual?

There is a growing tendency in the media to write off the most recent spate of North Korea defiant behavior as part of a recurrent longer-term pattern of “crisis and negotiation” which in the end is less worrisome than it looks. At an international conference in Seoul this past quarter, expert after expert displayed a nonchalant attitude toward Pyongyang’s unraveling of the disablement process, assessing that this is routine behavior. The title of a *Korea Herald* editorial at the end of September 2008 titled “Nothing New Really” typified the view: “Nothing new, really... To the long-time observers of the situation, the current impasse in the denuclearization process may not be surprising. Indeed, it may even seem that this is simply part of the routine when dealing with the communist state.”

Whether Christopher Hill engineers a breakthrough to the verification impasse or not, the spate of DPRK deviant behavior this past quarter may be less a function of U.S. insistence on verification and more a function of leadership issues in Pyongyang. While it is difficult to confirm any of the health rumors surrounding Kim, it is fairly clear that the 66-year old dictator's physical wellbeing has reached a tipping point. Having undergone at least one heart procedure in 2007 and likely another in 2008 based on foreign press reports, the Dear Leader's time in office appears limited. If not incapacitated already, another stroke could be debilitating, if not fatal. Major heart or brain surgery, moreover, would carry high mortality risk. Unlike the last leadership transition in July 1994, there is no clear line of succession to any of his three sons, and a struggle for power among factions is a possibility. In this regard, continued acts of North Korean intransigence or aggression could derive from weakness at home rather than as a response to the actions of unnamed hardliners in Washington.

Chronology of U.S.-Korea Relations* **July-September 2008**

July 1, 2008: South Korea's Cabinet approves a bill on the KORUS Free Trade Agreement in an effort to win parliamentary approval for the delayed deal after resuming U.S. beef imports.

July 3, 2008: The U.S. State Department spokesman Sean McCormack responds to questions regarding whether North Korea fully disclosed information on its uranium program and nuclear proliferation by stating that Pyongyang's declaration was "completed" and that North Korea "made statements that can be verified."

July 3, 2008: State Department spokesman McCormack reports that the U.S. has reserved \$19.5 million to fund North Korea's nuclear disarmament through the State Department's Nonproliferation and Disarmament Fund.

July 5, 2008: *Chosun Ilbo* reports that the U.S. Department of Agriculture Quality System Assessment program, which guarantees that beef exported to South Korea comes from cattle aged under 30 months and is the last step prior to beginning beef exports to South Korea, is now under way in the U.S.

July 10, 2008: Head of Delegations Meeting of Six-Party Talks convenes in Beijing, focusing on the establishment of verification protocol for North Korean denuclearization.

July 10, 2008: North Korea accuses the U.S. of escalating tension after the U.S. announces a U.S.-South Korean joint military exercise, which North Korea views as a criminal act. The exercise, *Ulchi-Freedom Guardian*, will be led by the ROK Army with assistance from the U.S. to prepare for transfer of full control of ROK forces to South Korea in 2012.

* Compiled by Peggy Hu

July 12, 2008: Head of Delegations Meeting of Six-Party Talks concludes in Beijing with North Korea apparently agreeing to disable its main reactor by the end of October and to allow international inspectors to verify its nuclear disarmament in exchange for economic aid. Technical details of the verification process are still to be determined by a working group.

July 15, 2008: U.S. Forces, Japan Commander Lt. Gen. Edward Rice urges North Korea to disclose more information about its military capabilities and purposes, describing the country as posing “a potential threat” to Northeast Asia.

July 16, 2008: *Yonhap News* reports that a comprehensive report on environmental damages at U.S. bases in Korea covering the past 10 years shows significant environmental damage, with land contamination from oil being the most serious problem.

July 21, 2008: Senior defense officials from the U.S. and South Korea meet in Washington, D.C. to discuss how to share joint defense costs to maintain the 28,000 U.S. troops on the Korean Peninsula, but are unable to reach an agreement.

July 23, 2008: Secretary of State Condoleezza Rice meets with North Korean Foreign Minister Pak Ui Chun in Singapore on the sidelines of the ASEAN Regional Forum conference, marking the first time in four years that the U.S. and North Korea hold a Cabinet-level meeting.

July 25, 2008: The *Donga Ilbo* reports that a group from the Institute for Strategic Reconciliation has been sent to teach English to North Korean middle school students, marking the first time North Korea has invited U.S. citizens to teach in the North Korean school system.

July 28, 2008: A shipment of 2.2 tons of U.S. beef arrives at Incheon International Airport in South Korea, marking the first import of U.S. beef in four years.

Aug. 1, 2008: Kathleen Stephens is confirmed by the Senate to serve as U.S. Ambassador to South Korea. The confirmation by voice vote came after Sen. Sam Brownback, R-Kan., removed a hold on Stephens over objections regarding the Bush Administration’s policy on North Korea.

Aug. 3, 2008: The South Korean government’s Truth and Reconciliation Commission completes an initial investigation concluding that the U.S. military indiscriminately killed large groups of refugees and civilians early in the Korean War. The Commission is urging the South Korean government to seek U.S. compensation for victims’ families.

Aug. 6, 2008: Presidents George W. Bush and Lee Myung-Bak meet in Seoul and issue a joint statement pressing North Korea to improve its citizens’ human rights, a rare mention of the North Korean human rights issue in a U.S.-South Korean joint statement.

Aug. 7, 2008: Kurt Tong, a National Security Council director, replaces Sung Kim as the head of the Korea Desk at the U.S. State Department.

Aug. 11, 2008: After the 45-day notification period to Congress (from June 26), the U.S. does not remove North Korea from the State Department's State Sponsors of Terrorism List because North Korea has failed to agree to verification protocol for denuclearization.

Aug. 13, 2008: Secretary of Commerce Carlos Gutierrez notes during a news briefing that the ratification of the KORUS FTA was "just a matter of when, rather than if," noting his hope for Congress' action during the lame duck session.

Aug. 14, 2008: State Department's Special Envoy for North Korea Sung Kim arrives in Beijing for the second time in two weeks to consult with Chinese officials in an effort to resolve the stalemate in finalizing details for the North Korean denuclearization verification system.

Aug. 29, 2008: Negotiations in Seoul between the U.S. and South Korea on increasing South Korea's financial share in maintaining U.S. troops on the peninsula conclude without agreement.

Aug. 31, 2008: U.S. Forces Korea announces that when South Korea takes wartime control of all troops in the country in 2012, operations will continue under three military commands. The U.S. will lead one command, while South Korea will lead two commands.

Sept. 1, 2008: South Korea's First Vice Foreign Minister Kwon Jong-rak leaves for Washington to meet the U.S. presidential candidates, Deputy Secretary of State John Negroponte, and Assistant Secretary of State Christopher Hill to discuss regional issues and the Six-Party Talks.

Sept. 2, 2008: The IAEA reports that it was informed on Aug. 18 that North Korea had suspended disablement of the Yongbyon nuclear facility.

Sept. 3, 2008: Reacting to activity at the Yongbyon nuclear facility, State Department spokesman McCormack denies that North Korea is rebuilding the facility, stating that North Korea is only "moving some equipment around that they had previously put into storage" and that no effort has been made to "reconstruct, reintegrate this equipment."

Sept. 3, 2008: U.S. Ambassador Alexander Vershbow, who will leave his post in South Korea at the end of September, states that while the U.S.-ROK alliance has important security functions, its role should be expanded to include global issues such as climate change, food security, and multilateral trade.

Sept. 6, 2008: Assistant Secretary Hill completes two days of meetings in Beijing with his Chinese, Russian, Japanese, and South Korean counterparts, stating that the U.S. would take North Korea off the State Sponsors of Terrorism List "immediately" if it would agree to a verification regime for denuclearization.

Sept. 7, 2008: The Ministry for Food, Agriculture, Forestry and Fisheries announces that it will send seven inspectors from the National Veterinary Research and Quarantine Service to 22 U.S. meat processing and packing facilities to review conformance with established export rules.

Sept. 9, 2008: North Korean leader Kim Jong-il's failure to appear at a military parade celebrating the 60th anniversary of the founding of the Democratic People's Republic of Korea prompts speculation regarding his health and rumors that he has suffered a stroke.

Sept. 10, 2008: In North Korea's first reaction to reports that Kim Jong-il is in poor health, Ambassador Song Il-ho denies the claim and states that, "We see such reports as not only worthless, but rather as a conspiracy plot."

Sept. 10, 2008: President of the Presidium of the Supreme People's Assembly Kim Yong Nam states that the halt in disablement and the moves to reassemble the Yongbyon nuclear facility are aimed at pressing the U.S. to take North Korea off its State Sponsors of Terrorism List.

Sept. 16, 2008: *Chosun Ilbo* reports that North Korea has completed tests on an engine mechanism for an intercontinental missile capable of hitting major cities on the U.S. west coast at a previously unidentified missile launch site on the west coast of North Korea.

Sept. 18, 2008: Defense Secretary Robert Gates states that the U.S. is monitoring North Korea closely for potential instability in the wake of Kim Jong-il's stroke last month.

Sept. 18, 2008: The DPRK Foreign Ministry releases a statement that North Korea no longer wishes to be removed from the U.S. State Sponsors of Terrorism List and confirms that it has begun reassembling the Yongbyon facility that can produce weapons-grade plutonium.

Sept. 22, 2008: The IAEA states that North Korea has asked the agency to remove its seals from the Pyongyang nuclear reactor.

Sept. 24, 2008: The IAEA announces that its inspectors have been barred from the reprocessing plant in Yongbyon and that North Korea announced that it intends to resume production of nuclear weapons-grade fuel within a week.

Sept. 25, 2008: U.S. Ambassador to South Korea Kathleen Stephens arrives in Seoul, stressing that the U.S. and South Korea should work together to resolve issues such as the FTA, a visa waiver program, and the denuclearization of North Korea.

Sept. 25, 2008: Foreign Minister Yu Myung-hwan announces in Washington a final agreement on a deal with Department of Homeland Security Secretary Michael Chertoff to allow South Korea to join the U.S. Visa Waiver Program.

Sept. 26, 2008: In an interview with *Reuters*, Secretary Rice states that the U.S. is not considering halting fuel aid to North Korea despite growing tension over North Korea's moves to rebuild its nuclear program.

Sept. 30, 2008: Assistant Secretary Hill departs for Seoul with the intent to travel to Pyongyang for meetings aimed at breaking the impasses on the verification protocol.