

# North Korea



## North Korea – Talking Points & Takeaways

**World's Worst Regime.** North Korea is arguably the worst regime in the world – it is spreading nuclear technology to other countries, starving its people, & colluding with terrorist organizations.

**America has two primary objectives with North Korea.**

- 1.) Halt North Korea's nuclear program and sale of nuclear technology
- 2.) Prevent war on the Korean Peninsula (approximately 30,000 US troops are stationed there)

**Clinton administration froze North Korea's nuclear program.** President Clinton negotiated the Agree Framework in 1994, which froze North Korea's nuclear program for six years.

**Under Bush, North Korea produced enough material for 6-12 nuclear weapons.** The Bush administration had no consistent strategy for North Korea, vacillating between tough talk and negotiation. The result – North Korea tripled the amount of nuclear material it possesses.

**The US has Little Leverage.** North Korea fired missiles and tested a nuclear weapon in 2009. President Obama led an effort at the UN to issue the strongest ever sanctions against North Korea. But China continues to prop up its client state, fearing regime failure above its erratic behavior. Without China, other powers have little leverage in North Korea.

**Continued Belligerence.** In May, North Korea was found to have torpedoed a South Korean naval ship, an act of war apparently launched for unknown reasons.



## North Korea: The Basics

**Size:** 46,541 square miles – Slightly smaller than Mississippi

**Population:** 22,665,345 – Slightly less than Texas

**Major Ethnic Groups:** Racially homogeneous; there is a small Chinese community and a few ethnic Japanese

**Major Religions:** Numbers Unknown; Communist regime does not allow religion

**Capital:** Pyongyang

**Economy:** Communist orthodoxy, with extremely little market activity. China is the main trading partner.

**Freedom House Political Rights Score:** Not Free

## North Korea – Key Players



**Kim Jong-Il** is the leader of the Democratic People's Republic of Korea. He is believed to be ill, which could spark succession problems. He is the Chairman of the National Defense Commission, Supreme Commander of the Korean People's Army, and General Secretary of the Workers' Party of Korea (the ruling party since 1948). He is the son of Kim Il-Sung, who founded North Korea in 1948.



**Kim Jong-Un** is the third son and expected successor to the ailing Kim Jong-Il. He attended boarding school in Switzerland until age 15, and is now approximately 26 years old. Little is known about him outside of North Korea.



**Stephen Bosworth** is the United States' Special Representative for North Korea Policy. He is responsible for overseeing US efforts in the Six-Party Talks, which are designed to achieve the verifiable denuclearization of the Korean Peninsula. He served as US Ambassador to South Korea from 1997 to 2000.



**China** is North Korea's only ally, its top trading partner, and its top provider of international aid. China provides 80% of North Korea's consumer goods and 40% of its food. Given this leverage – and the fact that China can thwart sanctions or military action – China is key to making any diplomatic progress with North Korea. Since China is more concerned with regional stability than North Korea's nuclear activities – even though China worries about those activities – this is a problem for US policy.

## North Korea – Why It's a Problem

**Drug Smuggling & Weapon Sales.** North Korea has no functioning economy. It earns "hard" foreign currency to purchase items abroad through crime and weapons sales. It earns an estimated \$500 million - \$1 billion per year on illegal activities including drug smuggling, weapons sales, and counterfeiting.

**Military Policy.** Experts believe that North Korea could decimate South Korea's capital within an hour of declaring war. North Korea has one of the largest armies in the world, with an estimated active duty military of up to 1.2 million people, compared to about 680,000 in the South. Military spending is estimated at as much as a quarter of GNP, with up to 20% of men ages 17-54 in the regular armed forces. Not only does this make North Korea a military threat, it shows a serious lack of priorities in spending, as millions of North Koreans suffer from poverty and famine.

**Counterfeiting.** At least \$45 million in Supernotes (counterfeited \$100 US Federal Reserve Notes) have been detected in circulation. It is estimated that North Korea has earned from \$15 to \$25 million per year over several years from counterfeiting.

**Abuse of Its People.** As many as 3 million North Koreans died due to starvation in the 1990s, while the regime continued to spend immense amounts of money on the military and Kim Jong-Il's lavish lifestyle.

**Support for Terrorism.** North Korea maintains a close relationship with the Iranian Revolutionary Guard and has provided arms and training to Hezbollah and the Tamil Tigers.

**Kidnapping.** North Korea confessed to kidnapping 13 Japanese citizens, and has been accused of kidnapping several hundred individuals of various nationalities since the 1960s.

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## A Portrait of North Korea in 2010

**Currency Reform & Economic Troubles.** In November 2009, North Korea instituted a currency reform that was designed to reassert orthodox communism and crush market forces. But the reform backfired, causing the value of North Korea's currency to plummet.

**Kim Jong-Il's successor & Political Troubles.** The failed currency reform has prompted food shortages and deepened widespread discontent. New polls show that North Koreans are more and more distrustful of their government. This particularly worries the regime at a time when the ailing Kim Jong-Il is looking to hand over power to his son, Kim Jong-Un.

**North Korea's Nuclear Program and Foreign Policy.** Economic and political troubles create the backdrop for its nuclear program and its foreign policy. North Korea fears US regime change, and wants nuclear weapons to guarantee its survival against "aggressors." But North Korea also uses its nuclear program to blackmail other nations into providing aid, trade, and desperately needed hard currency. Economic weakness could undermine the regime from the inside, as occurred in the USSR. North Korea's behavior on the international stage should therefore be viewed as a balancing act between projecting external strength (having nuclear weapons) and bolstering its internal stability (negotiating on nuclear weapons to gain economic and other concessions).



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## The Latest Crisis: North Korea Sinks South Korean Naval Vessel

In March 2010, the South Korean warship Cheonan was mysteriously sunk in disputed waters between North and South Korea; 46 South Korean sailors were killed. An international investigation – with participation from the US, Sweden, Great Britain, and Australia – concluded that the ship was sunk by a North Korean torpedo. South Korea officially blamed the North in May.

**Threat of War on Korean Peninsula.** North Korea has denied the accusation and threatened all out war if South Korea or the UN imposes new sanctions. North Korea has 70% of its military assets within 60 miles of Seoul, the capitol of South Korea, a city of 20 million.

**Nuclear Negotiations Off Track.** South Korea has stated that it will not return to negotiations over North Korea's nuclear program until North Korea admits its guilt in the sinking of the Cheonan.



**International Response.** The US, South Korea, and Japan wish to refer the incident to the UN Security Council for the possibility of new sanctions, though China is unlikely to sign on. Some experts say the US might consider putting North Korea back on the "State Sponsors of Terrorism" list, which would open up additional sanctions options. The US is boosting its naval presence in the region. South Korea also suspended all trade and investment in the North.

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## North Korea – Nuclear and Weapons Proliferator

Due to its weak economy and international isolation, many fear that North Korea will sell nuclear and missile technology to make money. This fear is supported by ample evidence:



- North Korea is suspected of supplying Scud missiles and long range missile technology to nations in the Middle East, including Iran and Syria.
- One of North Korea's top sources of hard currency is the export of ballistic missiles and related technology, which supports ongoing missile development and production.
- It is believed that North Korea provided missiles to Pakistan in return for uranium enrichment technologies.
- One North Korean company has been tied to the construction of a nuclear reactor in Syria (which was destroyed by Israel during its building phase in 2007).

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## President Clinton & North Korea: The Agreed Framework

North Korea threatened to withdraw from the Nuclear Non-Proliferation Treaty in 1993, and the US and North Korea came to the brink of war in 1994. Negotiations between the US and North Korea resulted in the Agreed Framework, signed in October 1994.



- North Korea would get rid of its plutonium-based nuclear power plants and they would be replaced with light water reactor plants.
- North Korea would receive aid in the form of food and fuel.
- North Korea would denuclearize and submit itself to inspections and cooperate with the International Atomic Energy Agency.
- Both sides would work toward normalization of political ties.

## The Agreed Framework Isn't Ideal - but it Forestalls North Korean Nuclear Progress



**Covert Weapons Probably Continued.** US officials continued to suspect that North Korea maintained a covert nuclear weapons program.



**Republican Congress Destroyed the Agreement.** At first, the Republican-controlled Congress refused to fund the agreement, believing President Clinton had given in to North Korean blackmail. When Congress finally released funds, they were insufficient, causing delays in the US ability to live up to its end of the bargain. Congressional opposition also prevented the President from phasing out economic sanctions. North Korea felt that the US wasn't keeping up its end of the deal.

**Missile Test.** In 1998, North Korea tested a Taepo Dong-1 missile.

**THE MAJOR SUCCESS: Clinton succeeded in freezing North Korea's nuclear program for 6 years**

## President Bush Tries a “Harder” Line, and fails

President Bush’s North Korea policy suffered from inconsistency. During his first term, he took a hard line. During his second, he was open to diplomacy. But there was no strategy in place. The result? North Korea detonated a nuclear device and tripled its nuclear material.



- In 2002, the administration accused North Korea of running a covert uranium enrichment program. It ceased shipments of fuel-oil to North Korea – the Agreed Framework was dead.
- North Korea restarted its nuclear reactor at Yongbyon, removed seals and cameras from its nuclear facilities, and withdrew from the Nuclear Non-Proliferation Treaty.
- In 2003 five countries came together to negotiate an end to North Korea’s nuclear program. These “Six Party Talks” included the US, North Korea, China, South Korea, Japan, and Russia. Talks quickly stalled.
- North Korea test-fired a missile and exploded a nuclear device in 2006.

## Bush then Attempts Diplomacy

Working through the Six Party talks, the administration reached a deal with North Korea in 2007:

**North Korea’s End of the Deal:** North Korea would freeze its main nuclear reactor, allow inspectors back in, and provide a full account of its nuclear activities.

**US End of the Deal:** US & allies would provide fuel-oil to North Korea, US would remove North Korea from its list of “State Sponsors of Terrorism” and work to end sanctions against North Korea.

**THE MAJOR TAKEAWAY:** After Bush’s “hard-line,” North Korea obtained enough material to make 6-12 nuclear weapons. His return to negotiation led to a deal in 2007 that basically returned to the status quo that Clinton had created in 1994. So it’s back to square one – except that North Korea now has nuclear weapons.

## President Obama Tries UN Sanctions



**April 2009:** North Korea tests a long-range missile in April. US condemns North Korea's actions, then leads a new round of United Nations (UN) sanctions that target North Korean businesses.

**May 2009:** North Korea tests an underground nuclear device, test fires three short-range missiles, and threatens war with the US. US condemns these actions, and leads a new round of UN sanctions; the toughest to date.

**August 2009:** Former President Clinton visits North Korea to help secure the release of two detained US journalists.

**October 2009:** North Korea tells China it may be willing to return to Six-Party Talks.

**March 2010:** North Korea torpedoes South Korean ship. South Korea appeals for greater UN sanctions.

## No Strategy Works Well; UN Sanctions Might be Best of Bad Options



"The first thing we have to think about is what is causing the North to be more diplomatic...I would say it's probably the impact of the UN sanctions. [They] included an arms embargo and the designation of North Korean individuals for censure, which went further than any other sanctions that the United States unilaterally, or the UN, has ever put on North Korea. I don't think people fully appreciate how important those sanctions were, and in their implementation they've been fairly effective."

Victor Cha  
 White House Director of Asian Affairs  
 under President George W. Bush

## US and North Korea: Heart of the Problem

### North Korea has 3 goals...

- 1.) It wants to obtain hard currency, which it can most easily gain with nuclear blackmail and selling nuclear secrets, as well as conventional arms sales.
- 2.) It is absolutely opposed to total nuclear disarmament, though it would be willing to allow nuclear curbs or monitoring in exchange for aid or trade.
- 3.) It wants a guarantee that the US will not seek to overthrow the current regime.



### ..but these goals are largely unacceptable to the US.

Point #1: The US is loathe to encourage North Korea to launch a missile every time it needs money, and fears nuclear proliferation.

Point #2: The US wants total disarmament. Partial disarmament and weapons freezes are good steps, but North Korea is not trustworthy enough to formally accept it as a nuclear power.

Point #3: The US may pledge to not start a war with North Korea, but if the regime implodes from the inside, then human rights and other concerns may prompt the US to support the collapse of the regime. This creates an incentive for North Korea to hold on to some nuclear weapons to use as a bargaining chip in that sort of situation.

## America's Options

**Military Action? Probably Not.** Although North Korea couldn't win in a war with the US, they have the conventional firepower to kill tens of thousands or hundreds of thousands of South Koreans and Japanese, as well as US troops that are stationed in South Korea. Moreover, the countries in the region – including South Korea, Russia, Japan and especially China – do not want North Korea to collapse, as they would face an overwhelming refugee crisis.

**Military Readiness? Absolutely.** America needs to keep providing military equipment and backing to its allies in the region. The better equipped America and its allies are, the less likely the North Koreans will gamble and start a real conflict.

**Sanctions? Tighten Those Screws.** Thanks to US leadership, the UN has issued the strongest sanctions it has ever issued against North Korea – including an arms embargo, a call to search North Korean ships at sea for arms, and financial penalties on certain North Korean elites. North Korea appeared to have toned down its belligerence since these sanctions went into effect – until it torpedoed a South Korean ship.

**Give them a door – but make them walk through it.** North Korea wants to survive. The US wants the North to halt its nuclear program. Since war is unlikely to work – too costly and regional allies are opposed – the US must leverage carrots (we'll normalize relations if you cooperate) and sticks (we'll sanction you until you step back from the brink) to move toward a safer status quo.

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