The North Korean Nuclear Crisis: Understanding The Failure of the 'Crime-and-Punishment' Strategy

• Arms Control Today

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The United States nearly went to war with North Korea in June 1994 to stop its nuclear weapons program. North Korea had just shut down its nuclear reactor at Yongbyon and begun removing spent fuel rods, which contained enough plutonium to make five or six bombs. The International Atomic Energy Agency (IAEA), having failed to gain full access to the North's nuclear sites to determine whether it had reprocessed enough plutonium in the past for one or two weapons, had turned the matter over to the UN Security Council, where the United States was rounding up votes to impose economic sanctions on Pyongyang. Knowing that North Korea had repeatedly denounced sanctions as a "declaration of war," President Bill Clinton on June 16 decided to dispatch substantial reinforcements to Korea. That precaution was likely to trigger a North Korean mobilization, risking a war that neither side intended.

The June 1994 crisis was a turning point in U.S. nuclear diplomacy with North Korea. For nearly three years, starting in late 1991, the United States had tried to coerce Pyongyang into halting its nuclear weapons program, and failed. Then it tried cooperation and succeeded. In the end, it was the high-level diplomatic intercession of former President Jimmy Carter that diffused the immediate crisis and allowed Washington and Pyongyang to peacefully resolve their nuclear stalemate.

The IAEA was central to both that failure and that success. The United States initially tried to use the IAEA as the chief witness for the prosecution, pressing the agency to tighten its inspection procedures and to build a case against North Korea for violating the nuclear NonProliferation Treaty (NPT). This "crime-and-punishment" strategy ceded the initiative behind U.S. nonproliferation policy to the IAEA, an organization that is ill-equipped for such a role. That the agency did not have the power to compel adherence to international nonproliferation norms was all too often demonstrated during the long nuclear stalemate with Pyongyang. The agency's narrow institutional interests severely limited its deal-making ability with a regime that clearly wanted to strike a grand nuclear bargain.

Even worse, it was not clear what would be accomplished by uncovering hard evidence of past North Korean transgressions. Attempting to punish those transgressions was more likely to prompt rather than prevent proliferation. A cutoff of trade and contact would give the North good reason to acquire nuclear arms. Worst of all, by focusing on the past, this strategy lost sight of the future. North Korea's lone operating reactor at Yongbyon was generating five or six bombs' worth of spent nuclear fuel all the while. And even more significantly, Pyongyang was also constructing two larger reactors and a second production line at its reprocessing plant that would enable it to produce up to 30 more bombs a year. It was not at all clear how punishing North Korea for past transgressions would stop those developments, short of war.
After June 1994, the United States began negotiating with North Korea in earnest. In October 1994, they concluded the Agreed Framework, under which the United States promised to help replace the North's nuclear reactors with two, more-proliferation-resistant light-water reactors; provide security assurances; and, forge diplomatic and economic ties in return for a verifiable end to its nuclear arms program. The IAEA plays a pivotal role in monitoring that agreement, a role that it is more capable of playing effectively than that of prosecution witness.

The story of U.S. nuclear diplomacy with North Korea has important lessons for proliferation policy in the future, particularly given Washington's increasing concern over Iran's nuclear intentions and the Clinton administration's apparent willingness once again to pursue a policy of coercion over one of cooperation.

**North Korea: A Nuclear Enigma**

North Korea was understandably regarded by most experts in and out of government as a prime threat to the nonproliferation regime. It certainly had a nuclear weapons program, and it undoubtedly reprocessed more plutonium than it was willing to acknowledge to the IAEA. Although Pyongyang had signed the NPT in 1985, it did not ratify its safeguards agreement with the IAEA until April 1992—nearly five years later than the deadline stipulated in the treaty.

Yet, at any time from 1992 on, North Korea could have removed spent fuel from the Yongbyon reactor and extracted the plutonium. The North did not, and it allowed the IAEA to verify that. If North Korea was so intent on acquiring a nuclear arsenal, why would it negotiate a safeguards agreement that would open Yongbyon to international inspection? Why consider a ban on reprocessing? Why not just go ahead and build bombs?

For a country supposedly intent on obtaining nuclear weapons, that self-restraint seems difficult to explain. One possible explanation is that, starting in 1990 or 1991, North Korea was trying to trade in its weapons program for what it thought it needed more—security, political and economic ties with the United States.

For several years, however, the United States could not bring itself to engage in sustained diplomatic give-and-take with North Korea. Instead, it adopted the crime-and-punishment approach, putting pressure on Pyongyang to allow nuclear inspections and holding out talks as a reward for compliance with its demands. Washington entered into talks only with extreme reluctance, and even then it was unwilling to specify what it would give North Korea in return for abandoning its nuclear arms program. When it did make promises, they were not always kept, often because Washington was dependent on others to fulfill them. As a consequence, the United States very nearly stumbled into war.

**Misuse of the IAEA**

The IAEA was central to this misguided strategy. Its use and misuse are keys to understanding U.S. nuclear diplomacy with North Korea.

Because all nuclear reactors produce plutonium as a byproduct of nuclear fission, it is essential to safeguard nuclear power plants and other nuclear facilities against diversion of plutonium for bomb-making. The IAEA performs its safeguards mission in two main ways: by monitoring these facilities with surveillance cameras, radiation detection gear, occasional inspections, and sealing off critical areas to impede diversion of nuclear material; and by material accountancy, carefully weighing and measuring the flow of nuclear material in and out of declared facilities to detect and give timely warning of any diversion.
The agency has little ability to detect, let alone monitor, undeclared nuclear facilities on its own. It has to rely on member-states to detect clandestine sites and share this intelligence. Washington's unwillingness to share what intelligence it had was a critical source of the IAEA's failure to detect Iraq's bomb program.

Safeguards also require the consent and cooperation of the host country. North Korea, while it proved willing to allow agency inspections to verify that it was not diverting spent nuclear fuel to bomb-making, resisted inspections to look into its nuclear past.

The IAEA is much maligned and misunderstood. Contrary to the conventional wisdom in Washington, IAEA inspections were more effective than U.S. satellite imagery in narrowing the range of uncertainty about North Korea's nuclear past and present. The existence of the IAEA also made it easier for the United States to mobilize international political support in order to persuade North Korea to abandon bomb-making and implement the Agreed Framework, once it was reached. Despite North Korean accusations of IAEA bias, it was politically more palatable for Pyongyang to grant access to agency inspectors than to allow South Korea or the United States to monitor its nuclear facilities.

Yet, the IAEA's internal rules, procedures and organizational interests became impediments to nuclear deal-making with North Korea. Having been judged a failure in Iraq, the agency was determined to lay down the law in North Korea, fearing that any flexibility in implementing safeguards would create an unfortunate precedent for other would-be proliferators. Once the agency detected a discrepancy in the North's initial declaration about the amount of plutonium that had been reprocessed in the past, it insisted on inspections to determine the North's nuclear history. That put the agency on a collision course with Pyongyang, which wanted something in return for granting inspectors greater access.

At times the IAEA became more preoccupied with investigating North Korea's nuclear past than with constraining the country's nuclear future. At other times, most notably in the fall of 1993 and in May 1994, it nearly abandoned monitoring altogether rather than accept limits on its inspections, seemingly more concerned about upholding the sanctity of its own procedures than about preventing further proliferation.

**Ignoring North Korean Reciprocity**

U.S. security assurances were needed to convince an insecure North Korea to abandon its nuclear weapons program. These assurances took nuclear forms: withdrawal of all U.S. nuclear warheads from the Korean Peninsula and suspension of "Team Spirit," the large, joint military exercise conducted annually with South Korea. When the Bush administration unilaterally provided these assurances in September 1991, North Korea reciprocated, putting the brakes on its nuclear ambitions. On December 31, 1991, North Korea concluded a "Joint Declaration on the Denuclearization of the Korean Peninsula" with South Korea, agreeing not to "test, produce, receive, possess, store, deploy or use nuclear weapons." Going beyond obligations under the NPT, it pledged not to "possess facilities for nuclear reprocessing and enrichment." It accepted mutual inspections with South Korea, with procedures to be worked out by a Joint Nuclear Control Commission. On January 30, 1992, North Korea signed its safeguards accord with the IAEA.

Most important of all, Pyongyang halted reprocessing plutonium, which is necessary to make nuclear arms, and delayed removing spent nuclear fuel, containing plutonium, from its reactor until May 1994, more than a year later than the IAEA expected it to be de-fueled. For the next year and a half, *North Korea allowed the IAEA to verify that it was neither reprocessing nor defueling*, even while it wasimpeding agency efforts to get at its nuclear past. Since late 1991, by IAEA and U.S. intelligence assessments, it never resumed reprocessing. Having taken these steps, North Korea had reason to believe that nuclear diplomacy might pay off.
Instead of engaging in diplomatic give-and-take, the Bush administration adopted the crime-and-punishment approach. It decided to hold one high-level meeting with North Korea, and to use that meeting, not to begin diplomatic dialogue, but to restate its preconditions for any future talks: IAEA inspections and progress toward bilateral North-South inspections. In Washington's view, the United States was not about to pay for North Korea to do what it had already agreed to do by signing the NPT.

In Pyongyang's view, it was being asked to give up its nuclear bargaining chip first, and only then would the United States talk about *quid pro quos*. Washington encouraged the IAEA to get tough with North Korea and pressed South Korea to hold up economic and other ties until Seoul secured intrusive inspections in talks with Pyongyang. As a consequence, the United States was left hostage to an IAEA and a South Korea whose own internal politics led them at times to adopt even more prosecutorial postures.

### Ignoring the North's Offer

The standard U.S. account asserts that throughout 1992, North Korea was pursuing a strategy of "cheat and retreat," while the United States and the IAEA were tightening the screws and forcing it to comply. Yet, the pattern of events is open to a very different interpretation, that North Korea was engaged in show-and-tell, revealing enough to demonstrate willingness to make a deal while withholding enough to retain its bargaining leverage.

Pyongyang was surprisingly forthcoming about its nuclear program. On May 4, it gave the IAEA a 150-page declaration inventorying its nuclear material and equipment, a response more prompt and detailed than was required under its safeguards agreement. It disclosed some of what a determined proliferator should have wanted to hide. In addition to three reactors, its declared inventory confirmed construction of a reprocessing plant, somewhat disingenuously described as a radiochemical laboratory. North Korea's most surprising disclosure was that it had reprocessed some 90 grams of plutonium in the past. U.S. intelligence had been unaware of the reprocessing. The declaration prompted a reassessment that the North may have removed enough spent fuel to extract one or two bombs' worth of plutonium.

IAEA Director-General Hans Blix made an official visit to North Korea from May 11-16. He accepted an invitation to tour the reprocessing plant at Yongbyon, which he found to be still under construction and far from fully equipped. He was told the IAEA could "visit" any site it wanted to, even those not on the list of declared nuclear facilities subject to inspection. An ad hoc inspection was scheduled for the end of May to verify the North's initial declaration. Once that audit established a baseline for the North's nuclear facilities and materials, the IAEA could institute routine inspections.

Having engaged in a little show-and-tell, North Korea invited the IAEA and the United States to pay to see more, but its invitation was ignored. During Blix's visit, North Korean officials asked for help in acquiring new light-water reactors and supplying them with nuclear fuel in return for abandoning reprocessing. North Korea repeated the proposal in a June 1 meeting with U.S. diplomats in Beijing. Only a member in good standing of the NPT was entitled to such help. That was an opening to negotiate with North Korea about replacing its gas-graphite reactors in return for a halt to its nuclear weapons program.

The Bush administration, determined to pursue the crime-and-punishment approach, dismissed the idea out of hand. There was no interagency deliberation and no reply. The bid for replacement reactors received so little attention that when the North revived it in July 1994, it came as a complete surprise.

### Witness for the Prosecution
Having adopted the crime-and-punishment approach, behind the scenes the administration was urging the IAEA to tighten up its monitoring procedures and pressing South Korea to insist on elaborate and intrusive inspections of its own—inspections so demanding that, as one senior U.S. official put it, "If the North accepted them the South might have to reconsider." Washington leaned on Seoul to delay other North-South ties until it obtained them. IAEA officials bridled, however, at the thought that South Korean inspections were needed because the agency's were not rigorous enough for Washington.

The IAEA seemed to confirm the worst suspicions about North Korea. During their second ad hoc inspection at Yongbyon in July 1992, inspectors took smear samples at glove boxes used for handling nuclear material. Subsequent analysis revealed an "anomaly" in the North's initial declaration to the IAEA. Although North Korea claimed it had separated about 90 grams of plutonium in early 1990, the agency's analysis showed that reprocessing had occurred on three separate occasions—in 1989, 1990 and 1991—and involved different batches of irradiated material. Although many took the reprocessing as conclusive evidence of North Korean deception, other, less sinister activities involving the glove boxes could have contributed to the results. The agency reached no firm conclusion about the amount of plutonium extracted, however.

A follow-up inspection in September led to a "prototype" standoff. During earlier visits, inspectors had been too interested in the reprocessing plant to get around to the suspected waste sites, but now they were quite interested in the sites. Eventually the North relented and let the inspectors go to one of the waste sites. They were met by a military officer who said there was nothing new there, but new construction was clearly visible. Earth had been bulldozed around one building which months earlier had two above-ground levels, whereas now it had one. The inspectors were allowed to take radiological measurements but no samples, and left without visiting the second site. Unbeknownst as yet to the inspectors, U.S. intelligence satellites had detected North Korean efforts to bury pipes connecting the reprocessing plant to the waste site. As a result of the IAEA's discovery of discrepancies in the North's initial declaration, the Bush administration began to toughen its stance.

'Team Spirit' Resumes

Team Spirit was an instrument of coercive diplomacy, a way to put pressure on the North to accept intrusive inspections. The outgoing Bush administration gave its blessing to the resumption of Team Spirit in October 1992. The incoming Clinton administration allowed the exercise to proceed, not wanting to undercut the strong position taken by Bush. The new administration also continued its predecessor's policy of using the IAEA to pry open access to North Korea's nuclear facilities, in an effort to constrain its nuclear program without offering anything in return.

A shakeup at the IAEA brought in a new team in the safeguards division, led by Demetrios Pericos, determined to build a case for prosecuting North Korea for noncompliance with the NPT. During a November ad hoc inspection, the agency asked North Korea to clear up discrepancies in its initial declaration. Dissatisfied with the reply, the agency asked North Korea for a sampling of the spent fuel rods, but was told the refueling machine at Yongbyon was broken. That made it impossible for the agency to conduct a nondestructive analysis, which could help determine the reactor's operating history, that is, how many bombs' worth, if any, of spent fuel may have been removed in the past.1

By February 1993, the agency believed that the nuclear fuel was then too old for nondestructive analysis. But according to one U.S. official, no one at the IAEA or in the U.S. government had done a "technical analysis" to determine whether this type of assessment could be performed at a later date. (According to this official, in July 1993 scientists at Los Alamos Nuclear Laboratory discovered that the nuclear fuel still "could have told you everything you needed to know.")

The IAEA did not want to wait until the North refueled its reactor to do nondestructive analysis of the fuel rods. It instead chose another, less conclusive way to determine whether the reactor had been refueled: by analyzing two nuclear waste sites at the Yongbyon facility believed to contain evidence...
of past reprocessing activities. It asked to take samples at the two sites, but Pyongyang refused. When Blix on February 9 requested a special inspection of the sites, North Korea rejected the request as an infringement of its sovereignty.

Previously, the IAEA had conducted only two special inspections—in Romania and in Sweden. On February 25, the IAEA Board of Governors took the unprecedented step of setting a one-month deadline for access to the waste sites, and warned of "further measures" by the Security Council if North Korea failed to comply.

While Pyongyang might have been willing to trade away its nuclear bargaining chips in high-level talks with the United States, it was not about to let the IAEA whittle away that leverage without getting something in return. Nor was it about to yield to a threat to resume Team Spirit. On March 8, Team Spirit began and President Kim Il Sung ordered North Korean forces placed on "semi-war alert status." Four days later, Pyongyang gave the world 90-days' notice of its intent to withdraw from the NPT. Although many observers mistook North Korea's notice to withdraw as irreversible, its statement implied it would reconsider when the United States "stops its nuclear threats" (meaning Team Spirit) and the IAEA "returns to its principle of independence and impartiality" (referring to special inspections).

The U.S. Response

North Korea's signature of the NPT provided the international legal basis for curtailing its nuclear weapons program, and getting Pyongyang to comply fully with the treaty was central to any sound nonproliferation policy. Yet, the United States was reluctant to spell out inducements for the North to comply. That left Washington no alternative but coercive diplomacy, trying to compel compliance by threatening economic sanctions. In seeking Security Council backing for sanctions, however, the United States had to convince its fellow members—particularly China—that it had tried diplomacy and failed. This prompted the United States to enter into negotiations with North Korea, precisely what Pyongyang had been trying to get Washington to do all along.

An appreciation of North Korea's insecurity might have led the new administration to abandon coercive diplomacy, but it did not. Instead, the Clinton team pursued what it called the "step-by-step" approach. It kept setting preconditions for high-level talks, insisting that North Korea take the first step. Only after the North complied fully with IAEA safeguards and resumed North-South talks would the United States engage in diplomatic give-and-take.

On March 30, North Korea's minister of atomic energy "categorically" rejected the IAEA's demand for a special inspection, but invited consultations on "implementation" of the safeguards agreement; that is, inspections at other than the nuclear waste sites. On April 1, the IAEA Board of Governors declared North Korea to be in violation of its safeguards agreement—the first time the board had found an NPT signatory to be in noncompliance with its obligations. While 28 countries supported the resolution, China and Libya voted against it and India, Pakistan, Syria and Vietnam abstained. The IAEA referred the matter to the Security Council to enforce compliance. On April 8, in a move designed to avoid a veto by China, the Security Council president issued a statement urging further consultations between the IAEA and Pyongyang. While much of Washington was wondering whether Beijing would allow a sanctions resolution to pass, few considered resolving the dispute through direct talks with North Korea.

Although the North was ready to allow inspections to confirm there was no reprocessing of its spent fuel, it drew the line at more intrusive inspections that could have helped the IAEA ascertain how much plutonium may have been produced in the past. In an April 6 statement that received only cursory notice, the North Korean Foreign Ministry accused "some officials of the IAEA secretariat and some member nations" of "deliberately ignoring our reasonable proposal and patient efforts to seek a negotiated settlement of the problem." Even after declaring its intent to withdraw from the NPT, the statement made clear that Pyongyang was prepared to let the agency monitor its nuclear installations to prevent any diversion of nuclear material. However, the statement said the "so-called
'nuclear problem'"—how much plutonium it may have reprocessed in the past—was "not a problem between our country and the IAEA" but "between us and the United States," and should not be raised "in the UN arena" but "resolved through negotiations" between the North and the United States.

On April 22, the IAEA reluctantly accepted North Korea's offer "in order not to lose the continued validity of safeguards information," what came to be known as the "continuity of safeguards." The agency expected to observe the refueling of the Yongbyon reactor during its May inspection, but no refueling took place. Instead of calling attention to North Korea's restraint, U.S. and IAEA officials publicly expressed fear that the North would in the future divert nuclear material to a weapons program. The prevailing view, according to Assistant Secretary of Defense Ashton Carter, who then shared it, was that Pyongyang was "playing for time, trying to figure out some way to keep this program going."

The same day the IAEA acquiesced to limited inspections, Washington agreed to reopen high-level talks. Once again, the only inducement the United States was prepared to offer North Korea for not abandoning the NPT was more talks. Following a round of high-level talks in New York in early June, North Korea announced on June 11—one day before its withdrawal from the treaty was due to take effect—that it had "decided unilaterally to suspend" that fateful step "as long as it considers necessary" while talks continued. In a joint statement, the two sides agreed to a set of principles for resolving their differences, among them, "assurances against the threat and use of force, including nuclear weapons," and "peace and security in a nuclear-free Korean peninsula, including impartial application of full-scope safeguards, mutual respect for each other's sovereignty, and noninterference in each other's internal affairs." In a unilateral statement, the United States said it "would regard additional reprocessing, any break in the continuity of IAEA safeguards or a withdrawal from the NPT as harmful and inconsistent with our efforts to resolve the nuclear issue through dialogue."

In May and June, the United States, concerned that the IAEA might not regain access to the facilities at Yongbyon, began preparing an alternative: training South Koreans to conduct inspections under the 1991 North-South denuclearization accord. Washington also urged Seoul to make its proposal in the North-South talks more negotiable by dropping demands for short-notice challenge inspections and focusing on the main concern—diversion of spent fuel and reprocessing.

At the time, Pyongyang was allowing the IAEA to confirm what U.S. intelligence was seeing for itself: the Yongbyon reactor was operating and the reprocessing plant was not—evidence that the North was not removing spent fuel or producing more plutonium. It was also allowing the agency to do the routine maintenance necessary to keep the monitoring equipment in working order. Yet, Pyongyang continued to insist that the IAEA could gain unimpeded access to its nuclear facilities and to its nuclear past only as part of a larger deal with the United States.

The makings of a nuclear deal appeared closer when high-level talks in July yielded an agreed statement in which Washington pledged, "As part of a final resolution of the nuclear issue, and on a premise that a solution to the provision of light-water-moderated reactors (LWRs) is achievable, the United States is prepared to support the introduction of LWRs and to explore with the DPRK ways in which the LWRs can be obtained." To the Americans, it was not a formal offer of new reactors but just a commitment to negotiate, and it elicited a commitment to negotiate in return. For its part, North Korea promised to begin consultations with the IAEA "on outstanding safeguards and other issues as soon as possible," and to "begin" North-South talks as soon as possible on bilateral issues, "including the nuclear issue."

The North was once again prepared to allow inspections to ensure the continuity of safeguards, but it stopped well short of allowing full inspections by the IAEA or any inspections by South Korea. On July 31, Pyongyang told the agency its access would be limited to performing routine maintenance. When inspectors tried to cross that line during an August 310 inspection, the North Koreans roughed them up, leading to another standoff. The IAEA complained that the access it had been granted "is still insufficient for the agency to discharge its responsibilities."

During its August inspection at the reprocessing plant, the IAEA was alarmed to discover that one of three seals at an access point to the hot cells was broken, and another showed signs of tampering.
The third seal remained in place, impeding access. The discovery was considered as incontrovertible proof that further reprocessing was taking place, but that may not have been the case. According to one U.S. government expert, the seal at the hot cell could have been damaged accidentally as a result of construction that was then underway. Those with a "Manichaean" view of the North Koreans took this as evidence that they were "rearranging the plumbing." "American policy was not Manichaean," said Daniel Poneman, senior director for nonproliferation at the National Security Council, "but we did not have the luxury of assuming an innocent explanation."

Publicly, the IAEA began pressing for wider access, insisting that inspections for the sole purpose of maintaining its monitoring equipment would not satisfy its concern that no diversion of nuclear material was occurring. Although Washington was quietly urging the IAEA to agree to the limits, the agency was reluctant to settle for less than full-scope safeguards. During a mid-October visit to Seoul, Blix said, "Safeguards are not anything you have a la carte, where a customer orders hors d'oeuvres and dessert. It is a whole menu."

To expand its access, the IAEA now resorted to brinkmanship. In September, the monitoring cameras at Yongbyon had run out of film, leaving the North freer to divert spent fuel to bomb-making. That was partly the inspectors' own doing. According to a Defense Department official, "They set the cameras to run as fast as possible so that they could go back in. It was a game of chicken." Once the film in the monitoring cameras was exhausted, the IAEA could insist on a thorough inspection of the reactor and reprocessing plant in order to assure that no diversion had taken place. During a meeting of the IAEA's General Conference in September, Blix rejected "token safeguards measures" and told members the "area of noncompliance" was widening. On October 1, the conference voted 722 for a resolution calling on North Korea to "cooperate immediately" in fulfilling its safeguards obligations, but setting no deadline. On October 12, Pyongyang announced it was suspending consultations with the agency.

On October 28, North Korea notified the agency it was willing to host an inspection for routine maintenance of the monitoring equipment, but again insisted that wider access would depend on progress in talks with the United States. Four days later Blix told the UN General Assembly that as a result of North Korea's noncompliance with its safeguards agreement, a number of verification measures had been delayed and the "continuity of some safeguard-relevant data has been damaged." Blix stopped short of saying that continuity had been broken, which would have required him to seek sanctions, thus derailing the U.S.-North Korean talks. The General Assembly, by a vote of 1401 (the "nay" cast by North Korea), called on Pyongyang to cooperate with the IAEA. Of the nine abstentions, China's was critical. The IAEA's bluff was called; without a credible sanctions threat it soon would have to accept limited inspections or remain in the dark about the North's nuclear activities at Yongbyon.

A New U.S. Policy Evolves

While the IAEA remained committed to inspections to get at North Korea's nuclear history, the Clinton administration in October began gravitating to a policy first suggested in March by Steven Fetter and proposed to Defense Secretary Les Aspin in May: Give priority to stopping further bomb-making by North Korea before trying to determine how many bombs, if any, it may have produced in the past. Pentagon officials began to spell out what had to be done to dismantle the existing North Korean nuclear program and what access inspectors would need to satisfy its objectives. The dominant view was that while special inspections should be deferred, ad hoc and routine inspections were required. "The primacy of the dismantlement objective seemed so obvious on the merits that it started us thinking about how valuable the special inspections were anyway," said Ashton Carter. U.S. experts concluded that special inspections were not the best way to get at North Korea's nuclear past.

At a mid-October deputies' committee meeting, Assistant Secretary of State Robert Gallucci, who led the U.S. delegation during the New York high-level talks, took the lead in moving in the same direction. Raising doubts whether the step-by-step approach was getting anywhere, he
recommended adoption of the comprehensive approach.

Gallucci advocated canceling Team Spirit on the condition that North Korea allow the IAEA to complete the August inspection. He also talked about reordering U.S. objectives along the lines of recent thinking in the Pentagon. "I was aware, as was [the Arms Control and Disarmament Agency], that we couldn't defend a deal that failed to deal with the past and Blix would never stand for it," Gallucci said, "But it was nuts to nail down the eight or two or no kilograms from the past and then have the North accumulate hundreds of kilograms in the future. That was technical arms control gone crazy." Gallucci favored inspections for the purpose of safeguards continuity, nothing more, but he was loath to negotiate with North Korea on behalf of the IAEA. The IAEA, however, was demanding not only ad hoc and routine inspections, but also special inspections, which North Korea had insisted were a matter for negotiation in high-level talks with the United States.

Now it was South Korea's turn to impede diplomatic give-and-take. The United States and North Korea had been nearing agreement on announcing a date for the resumption of high-level talks and on the suspension of Team Spirit exercises once Pyongyang and the IAEA agreed on inspections and working-level North-South talks resumed at Panmunjom. Although Seoul had approved the idea, South Korean President Kim Young Sam surprised President Clinton by reversing himself during a November 23 White House meeting, insisting that high-level talks and the suspension of Team Spirit be conditioned on the North's sending a presidential envoy to Seoul and engaging in "serious" talks. That led the United States to renege on the position it had taken in talks with North Korea. Washington was again setting preconditions for talks, this time at Seoul's behest, and tacitly threatening to resume Team Spirit if Pyongyang did not go along.

The IAEA was also increasing the pressure on Pyongyang. On December 2, Blix told the Board of Governors that the agency's safeguards in North Korea could not provide "any meaningful assurance of peaceful uses" of the North's declared nuclear installations and materials. That was his oblique way of saying that the film and batteries in the IAEA's monitoring cameras at Yongbyon had been exhausted. In a slap at both Washington and Pyongyang, Blix told the board the next day that safeguards obligations "are not subject to the course of discussions with other parties." That comment prompted Deputy Assistant Secretary of State Robert Einhorn to fly to Vienna to ask Blix for "clarification." A senior IAEA official later recalled that "the concern on the administration's part was we should not make any statement that would be interpreted by the hawks in Washington" as reason to call off negotiations.

On December 3, during working-level talks in New York, North Korea agreed to allow inspectors into all seven declared nuclear sites, but limited their access inside the reactor and reprocessing plant to assuring that no spent fuel was being diverted. Ad hoc and routine inspections would have to await progress in high-level U.S.-North Korean talks. Pyongyang's offer met the administration's recently revised aim of inhibiting further plutonium production. "Whatever happened in 1989," Aspin said during a "Meet the Press" interview at week's end, "the situation is not deteriorating now. They are not developing more plutonium in order to be able to make more nuclear bombs."

But the IAEA was openly dissatisfied. "There must be unrestricted access to all declared sites," insisted the agency's spokesman, David Kyd. "Restrictions on the two facilities are not negotiable." The IAEA was holding out for nothing less than North Korea's full compliance with its safeguards agreement and did not want to resort to deal-making to achieve it. The agency preferred to have Pyongyang abandon the NPT altogether rather than remain partially in and partially out. As Bruno Pellaud, the IAEA's deputy Director-General, put it in July 1994, the North's departure from the treaty would at least clarify its noncompliance status.
inspections "for maintaining the continuity of safeguards" and if Team Spirit 1994 is stopped, a third round of high-level U.S.-North Korean talks could be held. If there is agreement on a package solution in those talks, North Korea said it would "accept the agency's full inspection" and consult on arrangements. It said it was also "ready to discuss and permit, within a reasonable scope, more inspection activities required" in order to "recover the period in which the surveillance equipment was out of operation."

Having settled for inspections to maintain the continuity of safeguards, the United States now insisted that "the number and scope of inspections required is a matter for the IAEA, not the United States, to decide." By saying so, said one State Department official, the United States "became a prisoner of the IAEA."

The IAEA was determined to uphold its right to conduct ad hoc and routine inspections. On January 7, 1994, Pyongyang invited IAEA inspectors to Yongbyon to work things out "on the spot." The agency rejected the offer, saying inspections had to be agreed to in advance and could not be limited to "containment and surveillance." On January 10, the IAEA gave North Korea a detailed list of what it wanted to do; Pyongyang refused to accept the full list. While it would allow inspectors "to verify non-diversion of nuclear material from the nuclear facilities since the last inspection" and allow them to do what they required "to remedy the gaps" in the continuity of safeguards because the cameras had stopped taping, the North insisted that inspections "not exceed the scope which was permitted in the past." On January 20, the IAEA went public, saying that North Korea had balked at "a significant number of measures on the list," and adding that Blix had made it clear to the North that the agency would not send an inspection team unless there is full agreement. A State Department spokesman backed the agency, saying, "If the IAEA is unhappy, we are unhappy."

Pyongyang was unmoved. On January 24, it told the IAEA that the agency's proposal "goes beyond the scope of the present consultation and is the same as the scope of routine and ad hoc inspections under the safeguards agreement." One day later, U.S. officials disclosed that the Pentagon was "looking favorably" on shipping about three dozen Patriot antimissile batteries to South Korea. President Clinton had not yet made a decision on the missiles, but was expected to approve the deployment if the North had not agreed to inspections by February 21, the date that the IAEA Board of Governors was scheduled to reconvene.

On January 31, a spokesman for the South Korean Ministry of Defense stepped up the pressure, saying Seoul would seek to resume Team Spirit exercises in 1994 unless the North agrees to full nuclear inspections. Pyongyang reacted immediately, issuing a statement that same day accusing the United States of reneging on the December 29 agreement and accusing the IAEA of ignoring its unique status—partly in and partly out of the NPT. The North also accused the agency of delaying consultations until its monitoring cameras had run out of film.

On February 2, Gallucci sent a message to his North Korean interlocutor in high-level talks, First Vice-Minister of Foreign Affairs Kang Sok Ju, in an attempt to reassure the North that the inspections sought by the IAEA for the continuity of safeguards "are designed to ensure non-diversion of nuclear material since the previous full inspection." But the IAEA was seeking more. On February 7, a senior IAEA official said the agency had repeatedly told North Korea that "neither you, nor the United States, nor the two of you together, should decide what safeguards are requisite." 2

The increasingly public battle led The New York Times to publish an editorial February 11, entitled "Who Is Running Our Korea Policy?" The editorial began:

The Clinton Administration insists it will never subcontract its foreign policy to any international institution. Yet it is doing just that in its nuclear diplomacy with North Korea. It is letting the International Atomic Energy Agency decide how to carry out a deal Washington reached with Pyongyang. By changing the terms of that deal, the IAEA could embroil the United States in a dangerous confrontation on the Korean peninsula.

As threats reverberated in Washington, Seoul tried to sound conciliatory. President Kim Young Sam held a well-publicized meeting of his national security advisors on February 8, which put off the Patriot deployment. Meanwhile, China was rebuffing demarches by the United States, Britain, France
The North Korean Nuclear Crisis: Understanding The Failure of the 'Crime-and-Punishment' Strategy

Published on Arms Control Association (https://www.armscontrol.org)

and Russia to threaten Security Council sanctions. With the pressure off North Korea, the IAEA relented and agreed on February 15 to an inspection for the purpose of verifying that, in its words, "nuclear material in these facilities has not been diverted since earlier inspections."

Both North Korea and the IAEA declared victory. According to the North Korean Foreign Ministry, "The U.S. and the IAEA secretariat voluntarily withdrew their demand for routine and ad hoc inspections and said they would seek an inspection exclusively for the continuity of safeguards, and this made it possible to decide upon the inspection scope." According to IAEA spokesman David Kyd, "They simply agreed to all of the measures." The stage was set for trouble.

On March 1, or "Super Tuesday" as some officials called it, the simultaneous steps agreed to December 29 finally took effect. Two days later, with IAEA inspectors in Yongbyon, the United States released the text of the U.S.-North Korean "agreed conclusions":

Pursuant to the consultations, both sides have agreed to take four simultaneous steps on March 1, 1994 as follows: 1. The USA announces its decision to agree with the Republic of Korea's suspension of Team Spirit '94 joint military exercise. 2. The inspections necessary for the continuity of safeguards as agreed between the IAEA and the DPRK on February 15, 1994 begin and will be completed within the period agreed by the IAEA and the DPRK. [Emphasis added.] 3. The working level contacts resume in Panmunjom for the exchange of North-South special envoys. [Emphasis added.] 4. The USA and the DPRK announce that the third round of U.S.-DPRK talks will begin on March 21, 1994 in Geneva.

Each of these simultaneous steps is required for the implementation of these agreed conclusions.

The State Department also made public a U.S. unilateral statement, which said, "The undertaking of the United States regarding Team Spirit '94 and a third round of U.S.-DPRK talks are based on the premise that the IAEA inspections will be fully implemented and the North-South nuclear dialogue will continue through the exchange of special envoys." [Emphasis added.] Needless to say, a unilateral statement by Washington was not the same as an agreement with Pyongyang.

The U.S. unilateral statement was a blank check to South Korea, which immediately cashed it. Seoul insisted it would not call off Team Spirit until a North-South exchange of special envoys took place, according to Deputy Assistant Secretary of State Thomas Hubbard, who said Seoul "tightened the conditions for the exchange of envoys very stiffly." Kang Sok Ju said the agreement only mentioned renewed talks about an exchange of envoys between the two Koreas and "did not touch on fulfillment of the exchange." Pyongyang insisted that Team Spirit be suspended unconditionally before it agreed to an exchange of envoys. That was consistent with the agreed text, but South Korea said otherwise and Washington backed Seoul. Worse yet, South Korea made the suspension contingent on completion of the IAEA inspections, again stretching the terms of the U.S.-North Korean agreement to the breaking point. Once again, Washington publicly backed Seoul. At a March 3 State Department press briefing, Assistant Secretary of State Winston Lord said, "These inspections have to be successfully carried out . . . . And if that happens and if the North-South envoy exchange happens, then we will go to a third round, and then the Team Spirit decision will kick in." [Emphasis added.] His interpretation was based on the U.S. unilateral statement, not on the U.S.-North Korean agreed statement.

Pyongyang, in turn, barred inspectors from taking smear samples at a hot cell for handling spent nuclear fuel, citing "external factors," a reference to Seoul's refusal to suspend Team Spirit and its insistence that the exchange of North-South special envoys precede the reconvening of U.S.-North Korean high-level talks. North Korean negotiator Kang wrote Gallucci offering to resume inspections if South Korea retracted its demand for a North-South exchange of special envoys.

Most U.S. officials believe that North Korea deliberately picked a fight with the IAEA. While the agency insisted it needed these samples to determine whether any recent reprocessing had taken place, Pyongyang correctly concluded that they would also help the agency to clear up discrepancies in its initial declaration. North Korea assailed the IAEA for giving its inspectors instructions "inconsistent" with the February 15 agreement, which it interpreted as permitting inspections solely for the purpose of continuity of safeguards. Sampling at the hot cell, the North insisted, "contradicts
the IAEA document which says that 'this inspection does not include verification of the completeness of the initial inventory of nuclear material.' The smear samples, however, were on the list of IAEA activities to which the North had agreed.

In Gallucci's view, "The North Koreans probably made a bad deal." Yet, one experienced Korea watcher in the State Department thinks the North Koreans were just retaliating for South Korean efforts to change the terms of the February 24 agreement, and were surprised when on March 15 the IAEA abruptly withdrew its inspectors, saying it was unable to verify that no diversion had taken place. The next day the United States canceled high-level talks with the North. The IAEA was once again forcing the issue.

On March 21, the IAEA Board of Governors passed a resolution urging North Korea "immediately to allow the IAEA to complete all requested inspection activities and to comply fully with its safeguards agreement." [Emphasis added.] The Board then voted 251 to refer the dispute to the UN Security Council. Libya cast the only opposing vote; China and eight other countries abstained. China was not about to press North Korea or back sanctions. President Jiang Zemin made that clear to President Kim Young Sam in talks in Beijing on March 28.

Having set its aim of constraining North Korea's future plutonium production, the Clinton administration was trying to abandon the crime-and-punishment approach but was having trouble doing so. By going along with IAEA and South Korean attempts to get at Pyongyang's past production activities and reneging on its agreement with the North, it allowed itself to be sidetracked from high-level talks. As a result, the United States would not hold a third round of talks with North Korea until July 1994, a year after the second round. In the meantime, it came perilously close to war.

Stumbling Toward War

As the United States began lining up support for sanctions, Seoul was not about to be blamed if war should break out. It dropped its insistence on an exchange of North-South envoys before U.S.-North Korean high-level talks could be held. After consultations with Gallucci and Defense Secretary William Perry, Seoul also deferred a decision on rescheduling Team Spirit. That cleared the way for Pyongyang to let the IAEA to complete its March inspection.

North Korea told the IAEA it was ready to let the agency resume the March inspection, even to permit smear samples "as a special exception," in return for dropping the precondition on exchanging North-South special envoys. It was also willing to have inspectors witness the refueling of the Yongbyon reactor to verify that spent fuel was placed in nearby cooling ponds and not diverted to bomb-making. But it balked at ad hoc and routine inspections and refused to let the inspectors remove 300 fuel rods (a cross-section of the 7,500 rods in the reactor) for analysis. The North was also unwilling to set aside a sample for subsequent analysis. "We can never permit these activities," the Ministry of Atomic Energy told the IAEA, because they go "beyond the . . . agreed scope of the inspection activities for the continuity of safeguards," disregarding Pyongyang's "unique status based on its temporary suspension of the effectuation of its declared withdrawal from the NPT." He added that "these activities would be permitted after a package solution to the nuclear issue is achieved at the next round" of U.S.-North Korean talks.

A senior official made the Clinton administration's priorities clear: "We are obviously interested in a historical inquiry, [but] if the risk is losing track of a large quantity of plutonium, then the agency should accept the North Korean plan. Any approach that would squander the opportunity to sample at a later time, we would oppose."3 The IAEA did not share those priorities. It was determined to apply its preferred sampling procedures and to conduct ad hoc and routine inspections, and it did not want to go to Yongbyon just to observe the defueling. In a cable to the IAEA, the United States asked that the agency send inspectors and "be the eyes of the world."

In late March, Blix told Secretary of State Warren Christopher that in the IAEA's estimation, forcing
North Korea out of the NPT was preferable to bribing it to comply. The IAEA was run by lawyers like Blix who were preoccupied with the precedents it would set by treating North Korea differently. Moreover, a new director had just taken over the agency's safeguards division and was determined to maintain a tough line with the North.

The IAEA's approach encountered resistance in Pyongyang, which warned the United States May 2 that it was about to begin refueling the Yongbyon reactor. The North may have had good technical reasons for shutting down the reactor, but not for removing spent fuel. Once the reactor was shut down, the spent fuel could remain in it indefinitely. That same day, Gallucci sent a reply to negotiator Kang Sok Ju urging the North to defer discharging the fuel rods to a later date and to contact the IAEA about any safety problems arising from the delay. Gallucci proposed that the disposition of spent fuel be dealt with in the third round of high-level talks "in the context of converting to light-water-reactor technology." He warned that the United States would break off high-level talks: "If the reactor is unloaded without IAEA presence, we will be forced to conclude that the DPRK no longer wishes to resolve the nuclear issue through dialogue. Thus it will be impossible for the United States and the DPRK to continue our efforts to pursue negotiated resolution of the nuclear issue."

On May 4, the IAEA rejected the North's proposal to allow monitoring of the refueling in order to forestall diversion of spent fuel, but not to set aside a sample of fuel rods for future analysis. The following day Gallucci sent another note to Kang warning, "If the DPRK begins to discharge fuel without allowing the IAEA to simultaneously select and store some fuel rods for future measurements it will forever destroy the ability of the IAEA to take such measurements. We will have to conclude that the DPRK has no intention of leaving open the possibility of resolving the nuclear issue through our broad and thorough discussions." That warning redrew a red line Washington had drawn a year earlier. Understandably unwilling to repudiate the IAEA, the United States now had to back the agency's preferred method for getting at the North's nuclear past. In his reply, Kang, insisting that the issue had to be negotiated with the United States, said, "We can never permit the storage of some fuel rods because of the DPRK's unique status." On May 12, the North notified the IAEA that it had begun removing the fuel rods from the reactor. The agency's hand was forced. It decided to send inspectors to consult on sampling the fuel rods, to complete the March inspections and, above all, to observe the defueling. On May 20, with about 5 percent of the fuel rods in the cooling ponds, the IAEA reported to the Security Council that North Korea's discharge of spent fuel without an agreement on sampling "constitutes a serious safeguards violation." That same day, the Clinton administration decided to offer a resumption of high-level talks on the condition that the North allow the March inspections to be completed, admit inspectors to observe the removal and storage of spent fuel, and preserve the possibility of eventually clearing up the anomaly in its initial declaration to the IAEA about past reprocessing. It took courage to hold open the possibility of diplomatic give-and-take in the face of the domestic political reaction to North Korea's about-face.

After the decision, Defense Secretary Perry tried, once again, to direct attention to the North's nuclear future, and away from its nuclear past. "The IAEA, in fact, has told us that it is confident that there has been no diversion of the fuel that has just been discharged," he told reporters. Senior U.S. officials depicted the North's action as a "technical violation" of IAEA protocols. With North Korea scheduled to resume consultations with the IAEA on May 25, even Blix held out hope, saying, "It still seems possible to implement the required safeguards measures" because the key fuel rods had yet to be removed from the reactor. Perry and Blix were both acting on the premise that it would take North Korea three months (the CIA's estimate) to six months (the IAEA's estimate) to unload all the fuel rods, allowing time for diplomacy to take its course. The estimates were based on how many damaged fuel rods were in the reactor and on how long it had taken North Korea to unload two damaged rods in the past. Both agencies' estimates proved to be wrong.

On May 27, as the North continued defueling at a very fast pace, the IAEA alarmed Washington by telling UN Secretary-General Boutros Boutros-Ghali that its ability to "verify the amount" of plutonium accumulated in the past would be "lost within days." At a meeting with mid-level U.S. representatives in New York that day, North Korea rejected a proposal to resume high-level talks on the grounds that it was unwilling to satisfy the IAEA by segregating selected fuel rods for future analysis. In an interview, Gallucci warned Pyongyang that continued defueling would "force us to go back to the Security Council where sanctions would be one of the options."
The Security Council president issued a statement May 30 urging the North to discharge the reactor "in a manner which preserves the technical possibility of fuel measurements, in accordance with the IAEA's requirements." North Korea sidestepped the request. "The refueling is going on. It cannot be stopped," declared Yun Ho Jin, the North's chief representative.

Obscured in the ensuing uproar was the fact that IAEA inspectors could still witness the defueling, allowing detection of diversion of the fuel rods to potential bomb-making, and that Washington was again letting the preoccupation with North Korea's nuclear past take precedence over concern about its nuclear future. President Clinton told a June 2 press conference in Rome, "If the IAEA certifies that the chain of proof is broken, that they cannot establish what has happened, then the question of sanctions will have to be moved to the UN Security Council." In a statement released a few hours later in New York, where it was sure to get attention, the IAEA asserted that Pyongyang "has now made it impossible to select fuel rods for later measurements which would show whether there has been any diversion of fuel in past years."

The North's nuclear history was not in fact irretrievable. A U.S. technical team went to Vienna to show the IAEA ways to retrieve it. One way was to assay the 21 damaged fuel rods that the North had previously removed from the reactor. Another way was to analyze a larger sample of fuel rods than the structured sample the IAEA had hoped to draw. In a June 2 report to the UN Secretary-General, Blix acknowledged the agency might have other options. "The agency has concluded that the limited opportunity which had remained for it to select, segregate, and secure fuel rods for later measurements in accordance with agency standards has been lost," he wrote. [Emphasis added.]

"Accordingly, the agency's ability to ascertain, with sufficient confidence, whether nuclear material from the reactor has been diverted in the past has also been lost." [Emphasis added.] But Blix hinted at other ways to get at the past: "For the agency to be able to verify non-diversion, it is essential for the agency to have access to all safeguards relevant information and locations. To achieve that, a paramount requirement is the full cooperation of the DPRK."

Pyongyang was trying to appear cooperative, but, as usual, on its own terms. A North Korean diplomat in Vienna said the fuel rods were being put in the cooling ponds "after writing the location and serial numbers on the rods, with monitoring cameras operating." A Foreign Ministry spokesman claimed that "the refueling is taking place in such a manner as to fully preserve the technical possibility of measuring the fuel rods at a later date as requested by the IAEA when our unique status comes to an end." The spokesman added that "it will be possible to reconstruct the channels and positions of any fuel rods and measure them correctly in the future."

On June 3, Gallucci outlined three options for uncovering the North's past reprocessing activities: "One way is by additional information that could be provided by the DPRK. A second way is by special inspection at the radioactive waste sites and by sampling. And a third way was to reconstruct the reactor operating history through nondestructive analysis of fuel when it was discharged from the reactor." The latter option—the IAEA's preferred technique—was now precluded, however. Carefully choosing his words, Gallucci said the overall ability to get at what happened in the past has been "seriously eroded, [but] that does not mean destroyed."

Nevertheless, Washington seemed trapped by its crime-and-punishment approach. Having told North Korea that a condition of continuing the dialogue was that the IAEA had to be satisfied, the United States once again became a hostage to the agency's confrontation with Pyongyang. On June 9, Gallucci testified that the administration had yet to obtain agreement on sanctions. China was still openly opposed to imposing sanctions. To get around a possible Chinese veto, the United States, in consultations with Japan and South Korea, broached the idea of imposing economic sanctions without Security Council endorsement. The United States had drawn up a set of sanctions to be phased in gradually, and both countries were ready to go along with the first phase of sanctions, but they were unenthusiastic about going ahead without Security Council approval. After the three issued a joint statement that the United Nations should "urgently consider an appropriate response, including sanctions," President Clinton did not sound too eager to impose them, when he said on June 4: "There's still time for North Korea to avoid sanctions actually taking effect if we can work out something on the nuclear inspectors." Although U.S. officials still used the threat of economic sanctions as a way to put pressure on Pyongyang, the administration decided to apply political
pressure on the North, postponing any sanctions decision.

On June 10, the IAEA suspended technical assistance to North Korea. Pyongyang reacted by notifying Washington of its intent to withdraw from the IAEA, which was not the same as withdrawing from the NPT and therefore not a violation of one of the red lines drawn earlier by the United States. On June 13, a North Korean Foreign Ministry spokesman declared that "the inspections for the continuity of safeguards, which we have allowed in our unique status will no longer be allowed. Any unreasonable inspections can never be allowed until it has been decided whether we should return to the nuclear Nonproliferation Treaty or completely withdraw from it." The spokesman strongly reaffirmed the North's position that "UN sanctions will be regarded immediately as a declaration of war." Not the same as the start of hostilities, a declaration of war did portend an end to talks. "Sanctions and dialogue are incompatible," the spokesman said. "It is our inevitable option to counter expanded sanctions by hostile forces with expanded self-defense measures."

The drumbeat of war was sounding louder and louder in Washington. The news media exploded with war talk. "War—conventional sooner or nuclear later—is topic A," wrote New York Times columnist William Safire on June 9. "Let's hear from him now, in prime time and sober detail from the Oval Office, about our risk and his resolve," he wrote. In The Wall Street Journal, Karen Elliott House was ready to risk war with China in order to stop North Korea from bomb-making. "The administration has to be willing not only to go to war on the Korean peninsula but also to put the U.S.China relationship on the line," she wrote in a June 15 editorial. "[I]t must tell Beijing privately that the U.S. is prepared to sink any Chinese ship that approaches North Korea and bomb any Chinese transport as soon as it crosses the border into North Korea." War cries were even coming from usually sober voices. That same day, The Washington Post ran an op-ed by former Bush administration officials Brent Scowcroft and Arnold Kanter that sought to toughen the administration's stance. Pyongyang is "on the brink of pulling out of the NPT" in preparation for resuming the reprocessing of spent fuel to extract plutonium, they asserted. "It is also hard to imagine that the 'phased' economic sanctions being proposed by the United States—if and when they are imposed—could possibly be effective in time to slow or halt possible North Korea reprocessing plans," they wrote. Demanding "more decisive action," Scowcroft and Kanter proposed issuing an ultimatum to Pyongyang: "It either must permit continuous, unfettered IAEA monitoring to confirm that no further reprocessing is taking place, or we will remove its capacity to reprocess." Acknowledging that bombing the reprocessing plant and spent fuel in the cooling ponds could launch a second Korean war, they urged a military buildup in South Korea. The administration itself was doing its share of war talk as well. In an unusually explicit reference, Assistant Secretary of Defense Carter said in a speech on June 10 that the Pentagon was "significantly increasing our intelligence assets" in Korea and studying "scenarios" in which North Korea might use nuclear and other forces if confrontation led to war.

The risks of the crime-and-punishment approach were becoming apparent. With Washington on the verge of dispatching reinforcements, there were signs of panic in Seoul. The South Korean stock market plummeted and shoppers emptied store shelves of provisions. As one State Department official remarked shortly thereafter, "This is what it looks like when two countries blunder into war."

The Carter Mission

It took the intervention of Jimmy Carter to derail the sanctions strategy and put the high-level talks back on track. Once he did that, the United States and North Korea took just four months to negotiate the Agreed Framework of October 1994 which, if faithfully implemented, will eliminate North Korea's nuclear weapons program.

Carter had a longstanding invitation to go to Pyongyang and was determined to go. He had no authority to speak for the United States, but was going, in his own words, "without any clear instructions or official endorsement." Before his departure Carter was thoroughly briefed on the current situation and administration policy, and he wrote out his talking points and read them to Gallucci. A determined ex-president was not someone who could be tied down by negotiating instructions from a mere ambassador. Gallucci proposed no changes.
To North Korea, which had just been denied a meeting with an assistant secretary of state, the presence in Pyongyang of a former president, especially one who had tried to ease tensions on the Korean Peninsula when he was in office, was a token of American respect. Carter was someone Kim Il Sung could do business with.

To the Clinton administration, the Carter mission was a gamble. If he freelanced, he could always be disowned, but not without political repercussions. Even if he succeeded, the administration would be open to criticism by congressional Republicans and South Koreans who disparaged Carter's willingness to take risks for peace. Yet, turning down the former president was also risky, especially if it came to be portrayed publicly as a missed opportunity to avoid war. In the end Carter won Clinton's assent.

Carter publicly repudiated sanctions. Although the Clinton administration pressed on with its sanctions campaign, countries that had previously been unenthusiastic about coercive diplomacy were now firmly committed to temporizing, and Security Council support for sanctions evaporated. After repudiating sanctions, Carter obtained Kim Il Sung's personal pledge to freeze North Korea's nuclear program, allowing IAEA inspectors to remain in place and monitor compliance, and to discuss dismantlement of its reactors and reprocessing plant in high-level talks with the United States. The deal was firmed up in an exchange of notes.

Washington's new-found willingness to deal led to a rapid resolution of the crisis. In October 1994, the two sides concluded the Agreed Framework, an elaborately choreographed series of reciprocal steps to resolve the nuclear stalemate. In December 1995, North Korea and the Korean Peninsula Energy Development Organization, the international consortium created to implement the denuclearization accord, signed a supply agreement for the construction of the two light-water reactors that will be built at Sinpo. As of mid1997, North Korea has lived up to these agreements.

Looking back over this troubled history, the United States proved remarkably resistant to cooperating with North Korea to reduce nuclear risks in the region. Instead, from late 1991 until the summer of 1994, it reflexively favored coercion over dialogue. Washington treated the IAEA as an instrument through which it hoped to impose its will on North Korea. Because the IAEA cannot go where a sovereign NPT state-party will not allow it, this approach ensured a never-ending series of confrontations with little or no recourse for diplomatic give-and-take. Nor were sanctions likely to compel North Korea to give the IAEA access to its nuclear sites. Sanctions did serve as a shield against accusations by domestic critics that the administration was unwilling to stand up to North Korea. Having prodded the IAEA to act as witness for the prosecution, a role it was unsuited to perform, the United States found itself hostage to an IAEA that became relentless in investigating the North's nuclear past.

The United States undoubtedly will again face the choice of whether to choose cooperation or coercion. The Clinton administration's current posture of isolating Iran is impeding attainment of its own nonproliferation objectives. Washington should be cooperating with Russia and other potential nuclear suppliers to confine Iran to a once-through nuclear fuel cycle for its power-generation system with no associated uranium enrichment or plutonium reprocessing facilities. In addition, the United States should be working cooperatively to ensure that Iran does not build weapons fabrication plants, high-explosive test sites or other sensitive nuclear-related facilities, and that Tehran offers maximum transparency in its nuclear activities.

Instead, the indiscriminate campaign against Iran has alienated other nations. Even worse, by intensifying Tehran's economic crisis, Washington could drive it toward nuclear arms as a cheap substitute for conventional forces. As long as the United States persists in criminalizing proliferation and demonizing so-called rogue states in order to confront them, it will leave itself with politically unpalatable alternatives, to live with more nuclear-armed states or to disarm them, perhaps only temporarily, by force. The lesson of U.S. nuclear diplomacy with North Korea is clear: in trying to stop proliferation, cooperation worked where coercion failed.
NOTES

1. The fuel rods are clustered in channels. Knowing precisely what channel a rod came from was important to the IAEA for two reasons. First, it was looking for "discontinuities" in burn-up history, such as would occur if some rods were replaced with others during the life of the core. If the inspectors do not know where the rods were, however, they cannot predict the burn-up they would see and cannot, therefore, confirm that the rod is original. Second, the North Koreans had identified one channel where they had replaced the rods early in the reactor's operating history. Rods removed from this channel could be a very useful tool for confirming the early operating records of the reactor.


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