The Berlin Accords and Multilateral Engagement with North Korea

George Ehrhardt

Abstract

This monograph re-evaluates the 1999 Berlin Accords between the United States and North Korea in light of changing American policy. In this agreement, Pyongyang promised to suspend long-range missile testing and Washington responded by lowering economic sanctions. While the Berlin Accords have received little attention from scholars, this paper argues that they embody an important turning point in American policy. Until 1999, American engagement with North Korea, including the 1994 Agreed Framework, focused on resolving short-term crises. Escalating North Korean provocations, climaxing in the 1998 Taepodong-1 missile launched directly over central Japan, however, convinced policymakers in Washington that this policy had failed. Beginning with the 1999 missile talks, American policymakers began to seek terms for long-term coexistence instead. The first success of this new policy was the Berlin Accords. Because of this, the accords are more important than the narrowly-defined details of the agreement might suggest.

This paper also argues that the current Bush policy of multilateral engagement is the result of this policy switch. In spite of intense pressures from some in the Administration to cease engagement, the changes in US policymaking procedure for Korea that occurred in 1999 allowed pro-engagement partisans to prevail. The Bush Administration does not reject the goals of engagement for long-term stability; it rejects the failed process of bilateral talks between North Korea and the United States in favor of a truly multilateral approach. This distinction offered valuable lessons for Washington, Seoul, and Tokyo as they engaged in six-way talks in Beijing over the North Korean issue.
Introduction

While they have received little attention, the Berlin Accords of September 1999 between the United States and North Korea represent an important turning point in American policy. In the deal itself, North Korea suspended missile-testing and the United States lowered economic sanctions as the two sides sought a more comprehensive solution. This represents the second major shift in American policy toward North Korea during the 1990s, following the switch from a strategy of containment to one of resolving crises through engagement during the 1994 nuclear crisis. The Berlin Accords revealed a new policy of seeking an arrangement in which North Korea could peacefully coexist with its neighbors. Clarifying the distinction between these two types of engagement is important for understanding current US policy toward North Korea.

The Berlin Accords are part of a search for a stable equilibrium in Northeast Asia. During the Cold War, superpower pressures froze the status quo on the Peninsula, but that ended with Gorbachev’s abandonment of North Korea in 1990. The first subsequent crack in the ice was North Korea’s nuclear program. By building nuclear weapons, Pyongyang sought both security and foreign aid, which it had lost in 1990. Washington and Pyongyang were able to resolve the crisis in 1994 when the allies promised to provide energy aid and food in return for North Korea suspending its nuclear program. While widely hailed, this agreement was unable to create a new equilibrium to replace the Cold War structure and eventually collapsed in 2002. This should come as no surprise, however, because comments in 1994 from both Washington and Seoul clearly reveal that neither government saw this as a long-term solution. Instead, they intended to put off the nuclear issue until after the predicted collapse of the Kim Jong-Il regime. The North Korean government did not collapse, however, and the inadequacy of the Agreed Framework became obvious as North Korea began a series of escalating military provocations against South Korea and Japan.

In the 1994 agreement, the United States worked bilaterally to resolve the immediate crisis but did not attempt to create a long-term structure for regional stability. In response to North Korea’s growing signals of discontent in 1996-1998, however, the Clinton administration switched to a policy designed to establish a long-term equilibrium that would be acceptable to all countries in the region, including North Korea. The United States offered to let Kim Jong-Il come in from the cold. To meet Pyongyang’s security concerns, the United States explicitly disavowed any interest in regime change or the use of force, and offered the hope of a formal peace treaty and the normalization of diplomatic relations. At the same time, by lowering economic sanctions and encouraging Japanese and South Korean economic engagement with North Korea, the new policy offered North Korea assistance in taking the Chinese route to economic reform without regime change. In return, North Korea would behave as a more responsible member of the international community and curtail its provocative aggression. Not only was the policy itself new, but the process of trilateral consultation that produced it was also new, signaling a move away from the bilateral focus of 1994.

For this reason, the Berlin Accords are more important than the details of the agreement might suggest. While the deal itself is insubstantial—little more than an American promise to reduce sanctions that it had agreed to reduce five years previously and a North Korean promise to suspend long-range missile testing—it is important because it represents this major shift in US policy. The accords remind us that engagement is not a single strategy; the United States pursued two very different types of engagement. Besides the Accords, other signs of this new policy include: the Perry Report, visits to Pyongyang by Perry and Secretary of State Madeline Albright, and Washington’s increasingly multilateral approach in consultations with Seoul and Tokyo.

As the United States considers how to deal with North Korea’s current nuclear activities in the context of multilateral meetings, a study of the Berlin Accords diplomacy offers useful insights. Most importantly, it serves to remind us that engagement is a nuanced concept; as a strategy it can have a variety of goals and different methods of implementation. The events leading up to the 1999 accords are also helpful in understanding how and why the American government changed priorities from one type of engagement to another. Finally, an understanding of the goals of the 1999-era engagement sheds light on the Bush Administration’s current policy toward North Korea. Currently the administration is vehemently rejecting the failed 1994-era model of
bilateral talks to resolve an ongoing crisis. The administration’s rejection of the 1994-era engagement, however, is not a rejection of engagement per se. Paradoxically, it actually reflects a willingness to pursue the goals of the 1999-era engagement. This claim may be controversial, but a comparison of the 1994-era engagement with that of 1999 helps clarify it.

The Morning After: Dealing with North Korea after 1994

American engagement with North Korea took center-stage in 1994. Until then, US policy had been one of containment, rejecting any high-level diplomatic contact with North Korea outside sterile Military Armistice Commission (MAC) meetings. After two years of rocky negotiations, however, Washington agreed in 1994 to deal with the North Korean regime provided Pyongyang did not develop nuclear weapons. The allies began supplying North Korea with massive amounts of aid, principally rice to feed North Korea’s starving population and the construction of two proliferation-resistant nuclear reactors.

This agreement did not imply that the allies were willing to accept North Korea’s long-term existence. Observers in Washington, Seoul and Tokyo saw the Agreed Framework as a temporary expedient.1 As one Korean source put it, there is “... no longer a question of whether the Pyongyang government will collapse but when it will occur.”2 With the cutoff of aid from the former Soviet Union and China in 1990 and 1992, North Korea lost its supply of oil, food, and spare parts for its factories. Without aid from its communist sponsors North Korea’s juche [self-reliance] ideology proved to be a sham and a failure. The debate in Washington and Seoul became one about whether North Korea should have a “soft-landing” or a “hard-landing,” and no one wanted North Korea to have the latter. To prevent this, the allies were willing to provide aid, even in a deal that looked like nuclear blackmail.3 The Agreed Framework and the accompanying food aid provided by all three countries were cushions to soften North Korea’s fall.4 The agreement was a temporary resolution to the immediate crisis, not an arrangement for long-term coexistence.

By 2000, North Korea had become one of the largest recipients of American foreign aid, as the United States provided food supplies and oil for electricity generation; South Korea and Japan also provided food.5 Aside from the $4 billion in reactor funding, South Korea provided other forms of aid as well, such as the hundreds of millions of dollars in hard currency Hyundai paid to bring South Korean tourists to Mt. Geumgang. This aid has helped allow Kim Jong-Il to avoid major reforms to the shaky North Korean totalitarian system.6

North Korean Military Provocations

Nevertheless, the North Korean regime remained unsatisfied with simple survival. The Agreed Framework helped stave off collapse, but it offered no escape from its dilemma of simultaneously needing and fearing any opening of its society and economy. Under the 1994 arrangement, the best it could hope for would be a slow withering away as South Korea drew ever farther ahead. But receiving more aid would mean opening up larger portions of its closed society to foreign penetration and influence—which Kim Jong-Il is not willing to accept. As a result, the Agreed Framework could be no more than a temporary solution to the problem.

To deal with this, Pyongyang began a series of provocations

designed to force South Korea and the United States to satisfy its broader demands. Military provocations escalated less than two years after the Agreed Framework. In 1996, North Korea sent armed troops into the DMZ at Panmunjon; later that year 25 commandos landed from a covert submarine. In 1997, North Korean artillery units shelled the DMZ. In June of 1998, a mini-submarine carrying reconnaissance troops appeared off the Southern coast. Caught in fishing nets it was towed to port, where the crew was found to have committed suicide. In July the body of an armed North Korean soldier was found on the east coast. Still later that year, an infiltration craft was spotted in Southern waters and sunk. While staging these aggressive provocations, North Korea was simultaneously pressuring the United States to sign a peace treaty ending the 1951–53 conflict. This combination created anxiety in Washington, but offered a way out—if the United States was willing to meet Pyongyang’s demands.

Pyongyang also attempted to lever a cash payment from the United States using the nuclear issue. In July 1998, North Korea was building cooling towers and diverting water to an underground facility at Kunchang-ri. US Intelligence believed that the North Koreans were building a secret nuclear reactor in violation of the Agreed Framework. When Washington demanded inspection rights, Pyongyang coolly asked for $300 million in cash, for the “insult to national pride.”

Tensions also rose between Japan and North Korea over several issues. In a direct provocation, North Korean reconnaissance vessels intruded on Japanese territorial waters in March, 1999. Japanese Coast Guard vessels pursued and fired warning shots at the two, marking the first time in 40 years that a Japanese ship opened fire on another vessel, raising eyebrows throughout the region. The dispute over Japanese citizens kidnapped by North Korean covert operatives continued to simmer as well.

North Korean naval provocations continued. On June 15, 1999 a battle erupted as North Korean vessels refused to leave South Korean waters near the Northern Limit Line (NLL). Over the years, the NLL has been the site of many provocations, but in the past North Korean boats always fled when the South Korean navy appeared in force. This time they persisted, coming back day after day, until North Korean boats opened fire on 15 June. The South Koreans returned fire, sinking one Northern vessel and seriously damaging the rest without suffering any major damage themselves. Ominously, this conventional failure makes weapons of mass destruction (WMD) all the more important for the regime in Pyongyang. Without conventional superiority, North Korea has little choice but to turn to nuclear weapons.

This hostile environment heightened the impact of the 1998 missile test. On August 31, North Korea launched a three-stage ballistic missile directly over central Japan, shocking the United States and its allies. This provocation would be the catalyst for a re-evaluation of America’s North Korea policy.

While claiming that American and Japanese missile defense programs justified its rocket program, Pyongyang staked out a rhetorical position that missile research was vital to North Korean sovereignty. Typically, this wording indicates that North Korea is unwilling to compromise over an issue.

Reactions to the Missile Test

As a provocation, the missile test worked well, drawing the attention of all countries in the region. Initial reactions were uniformly hostile, most notably in Japan, while South Korea was more interested in pursuing engagement and the United States charted a middle course. Even China, North Korea’s long-time supporter, was troubled.

The missile test fueled a growing nationalist movement in Japan. By demonstrating the North’s hostility toward Japan and its willingness to use force to intimidate Tokyo, the missile test thrust the North Korean threat into the public consciousness. LDP secretary-general (and later Prime Minister) Yoshiro Mori asserted: “It is fair to say that if they [North Korea] did it intentionally it could have led to a state of

---

7 Downs, Over the Line; Scott Snyder, Negotiating on the Edge: North Korean Negotiating Behavior (United States Institute of Peace Press, 1999).

8 Ibid.

In 1999, the Japanese government officially adopted the rising sun flag and the national anthem; liberal forces in the country had long resisted these symbols of Imperial Japan, but succumbed to the new mood in Tokyo. Japan at last agreed to participate in the US-led Theater Missile Defense (TMD) system in spite of vehement Chinese objections.

Tokyo also immediately acted to punish North Korea economically as well by suspending its $1 billion contribution to Korean Energy Development Organization (KEDO) and freezing the implementation of the 1994 Agreed Framework; food aid was suspended as well. The Japanese government imposed sanctions, suspending all passenger and cargo flights from North Korea, leading to a 17 percent drop in North Korea’s foreign trade, and enacted laws limiting financial transfers to North Korea, exactly what it had unsuccessfully tried to do in 1994.

The United States also reacted strongly to the 1998 missile test and the issue became a crucial point in the evolution of American policy. In Congress, a bipartisan consensus emerged that current US policy toward North Korea had failed. After the missile test, Congress set a number of requirements before it would approve any further funds to meet the obligations set out in the 1994 Agreed Framework, to supply the nuclear reactors and heavy oil shipments. One of these was that North Korea should totally open the Geumchang-ri site to international inspection. Another was the appointment of a special policy review to reformulate policy toward North Korea under former Defense Secretary William Perry. This review would set a new course for US policy.

South Korea’s government was less upset about North Korean missile development than its allies. While Seoul was concerned that Northern missiles could be used on Busan or Okinawa to delay US reinforcements in the event of a crisis, they did not pose a direct threat to South Korea as they did to Japan or the United States. Nor was Seoul concerned about Pyongyang’s missile exports, since they are to distant countries such as Iran, which do not figure in South Korea’s geograph-}

10 Hong Kong AFP News Service, Sept. 1, 1999.


<table>
<thead>
<tr>
<th>184</th>
<th>The Berlin Accords and Multilateral Engagement with North Korea</th>
</tr>
</thead>
</table>

| 185 | George Ehrhardt |
resolution mode of 1994 to find a new framework in which the two Koreas could live without further crises arising.

Rethinking How to Deal with North Korea

This change in thinking first occurred in Seoul. Since 1995, the South Korean government has been more willing to engage the North than the United States or Japan. This engagement includes extensive food and energy aid as well as help in economic development. At the same time, there was a transformation in Southern attitudes about unification as they studied the enormous costs of German reunification. Even the expected Japanese reparations would not be sufficient. Moreover, starvation in North Korea would lead to a southward flow of refugees. As a result, the South became genuinely concerned that the North should not collapse.

This became official policy in 1998 with the election of President Kim Dae-jung. In his February inaugural speech, he pledged to pursue engagement with North Korea. This has led to the Mt. Geumgang tourist project, reunions of separated families, cultural and sports exchanges, economic exchanges and military-to-military talks at Panmunjom to replace the MAC. The so-called “Sunshine” policy also encourages other states to engage with North Korea; Kim withdrew South Korea’s insistence that North-South dialogue be a precondition of allied engagement with the North.

This reversal of their traditional roles caused tensions between the United States and South Korea. While South Korea was aggressively pursuing engagement and conflict suppression with the North, the United States was more concerned about WMD proliferation. This was especially true after the Kumchong-ri incident and the 1998 missile test. While the Clinton administration remained committed to engagement, Congress favored a more hard-line approach, demanding a solution to the immediate crisis before considering any longer-term goals.

The Perry Process

Immediately after the 1998 missile launch, Congress insisted on a policy review by former Secretary of Defense William Perry before approving any further funding for KEDO. Perry met with representatives from relevant US government agencies and with their counterparts in Japan and Korea to produce a new outline for allied policy toward North Korea. During the course of these allied consultations, he reached two conclusions about approaching North Korea. First, the allies were no longer interested in provoking regime change in North Korea. Second, it was becoming more obvious that Pyongyang was backing down over its provocations without the obstinate resistance it had displayed until 1994. Based on these observations, he rejected the status quo strategy of strong deterrence and limited engagement in favor of “comprehensive engagement.” Perry made it clear that the United States does not want the collapse of North Korea, but was willing to accept its long-term survival.

This was the first indication of the emerging US policy of seeking a stable equilibrium rather than crisis resolution. The report (and the process leading up to its completion) provided a context in which the missile issue could bear fruit in Berlin.

Multilateralism

The Perry process also created a commitment to multilateralism. While the talks with North Korea remained bilateral, Washington took care to involve Tokyo and Seoul in the policy process. This was a new step for the US government.

During the negotiations leading up to the Agreed Framework in

\[19\] Chosun Ilbo, Dec. 9, 1998.


1994, the Clinton Administration talked to South Korean officials about strategies and policy objectives, something Washington had previously resisted doing. Nevertheless, these talks became oppositional, as the United States positioned itself between the two Koreas, simultaneously bargaining with both. In fact, there is evidence that South Korea was out of the loop on some important issues, such as the decision to approach the North Koreans with a “package deal” in 1994. Indeed, the US government apparently acquiesced to North Korean pressure to keep South Korea outside the policy process. Korean sources claim that it was “unusual” for US representatives to consult with Seoul before high-level talks with North Korea to avoid antagonizing the North Koreans.

During the Perry Review five years later, Washington pursued a policy of consulting with Seoul and Tokyo about broad policy issues in a non-confrontational manner. For the first time, American officials provided Japan and South Korea with a regularized forum to review and comment on American Korea policy while it is still in its formative stages. These new talks, referred to as the Triilateral Coordination and Oversight Group (TCOG), suggest that the United States government has come to recognize its allies as increasingly independent actors, ones with a growing role to play in solving Korean problems.

This episode had another important impact on US policymaking. Effective control of Korean policymaking switched from the Pentagon to the State Department. Throughout the Cold War, military personnel negotiated with North Korea at the MAC, and the chief venue for consultations with Seoul was the Security Consultative Mechanism (SCM), a yearly meeting between the Secretary of Defense and his Korean counterpart. While this began to change when the State Department opened low-level talks with Pyongyang in 1988 it remained in a subordinate role. In 1999, however, the State Department seized the upper hand. Perry himself was a former Secretary of Defense, but his policy review primarily relied on staff from the State Department—witness the absence of any high-level representative from the Pentagon accompanying Perry on his consultation visit to Northeast Asia.

Wendy Sherman, a top-level official at State, was chosen as the point person for America’s North Korea policy; she also led the US delegation at TCOG, giving State a leading role in allied consultation. While the ascendance of State’s role in setting policy has not denied the Defense Department a significant role, it proved important in deciding the direction of the new Bush Administration foreign policy.

The Berlin Accords

Talks Begin

Preliminary US-North Korea talks on the missile issue began in 1996. North Korea sought information on how far the United States would go to provide security assurances, such as regular diplomatic contact, military-to-military contacts, and ultimately the removal of US forces from South Korea. The United States, on the other hand, hoped to convince Pyongyang of the seriousness with which Washington took North Korean proliferation.

After sporadic further talks, dialogue began in earnest in 1999. In May, American and North Korean representatives met in Beijing to discuss the missile issue. North Korea insisted on its sovereign right to build and test missiles and the United States was unable to justify its demand that Pyongyang desist. Like the Kumchang-ri incident, Pyongyang demanded $1 billion in return for suspending its missile program, and the United States remained unwilling to consider such an offer. While unsuccessful, these talks did set the stage for a major turning point in North Korea’s attitude toward dealing with the Allies.

During the ensuing months, a great deal of movement occurred. William Perry visited Pyongyang in late May, the first ever visit by a high-ranking official of the US government. While there, he met with...
many North Korean officials, including Kim Jong-II’s right-hand man Kim Young-Nam and the hard-line political director of the North Korean Army Cho Myong-Rok. Following this visit, North Korea recalled all of its ambassadors to Pyongyang for two months of consultation, suggesting that a major policy change was in the works. The signs pointed to a reassessment in Pyongyang paralleling the one that took place in Seoul and Washington. This accelerated at US-North Korea meetings in Geneva held in July.

**Negotiations in Berlin**

Final negotiations began on September 7 in Berlin. Ambassador Charles Kartman represented the United States and Vice Foreign Minister Kim Gye-gwan, North Korea. Within a week, they had agreed on an explicit quid pro quo to defuse tensions and set the stage for a more comprehensive agreement promoting long-term stability.

The first day was essentially an exchange of initial positions, with each side staking out ground from which to negotiate. In past negotiations, Pyongyang had consistently opened talks with an extreme position; habitually using its willingness to degrade or terminate its relationship with others for bargaining leverage. After the provocations of 1998–1999, South Korea expected the North to act similarly in Berlin. These suspicions were heightened when the North played up its intent to raise the NLL issue at the talks, bringing its complaint about South Korean violations to the United States. This did not occur, however. North Korea refrained from raising the NLL issue, and appeared to approach the talks hoping for an amicable resolution—a rare occurrence. In a press statement on the first night, Vice Foreign Minister Kim called the talks “sincere”—language which North Korea has used when it intended to make a deal in past negotiations.

Details of a possible compromise occupied the next two days.

Three issues remained to be settled. First, the two sides had to agree on how much each side would have to concede to the other, in terms of US economic aid and restrictions on the North’s missile program. The second issue was timing, deciding who would announce their concessions first. For North Korea, this was particularly important, because US concessions were largely the lifting of economic sanctions that it had promised to do in 1994 but never carried out. Pyongyang was not willing to make further concessions while these remained outstanding. Finally, North Korea was unwilling to publicly accept restrictions on a program that it had labeled crucial to its national sovereignty.

As the talks continued, the two sides appeared to be genuinely interested in compromise. Both Kim and Kartman asked their aides to leave the room several times during the talks, a sign that they were more interested in dealing than in posturing. On the 11th, the two sides met to conclude the deal.

**The Deal**

Unlike the Agreed Framework, this was not a signed agreement. The press statement on the talks said only:

“The two sides held productive discussions on pending issues, including the sanctions and missile issues. Each side came to a deeper understanding of the other’s concerns and each acknowledged the need to continue taking steps that address these concerns.”

This bland statement concealed a compromise over the missile issue. North Korea made a secret promise to the United States government that it would suspend any further missile testing as long as US-North Korean negotiations were under way. In return, Washington agreed to lower a number of sanctions it had imposed on North Korea. These sanctions included restrictions on:

---

26 Kim, “From Confrontation to Cooperation.”
27 Downs, *Over the Line*; Snyder, *Negotiating on the Edge*.
30 AP News Service: Sept. 8, 1999; Snyder, *Negotiating on the Edge*.
American official said that the DPRK had made “very serious proposals” that were “much broader than expected” at these talks. Kim appeared willing to meet US demands on ending all medium and long-range missile production in return for non-monetary aid (food/coal), but the talks stalled on the issue of verification. Pyongyang was reluctant to accept inspections, and the United States feared Kim Jong-Il would violate any treaty, as he had the 1972 and 1992 agreements with South Korea. Considering the successful inter-Korean Summit in June of the same year, though, the stage appeared to be set for further reconciliation between the three countries. Unfortunately, a change of power in Washington interrupted this process, and Clinton was unable to consummate the deal before he left office.

Change and Continuity: The Bush Administration

The incoming Bush transition team had little patience for Clinton’s Korea policy. Doubts about the value of engagement and moral reluctance to deal with a brutal tyrant led the administration to initially treat North Korea as a hostile state. President-elect Bush was not a vocal supporter of engagement—as he told President Kim at their first summit meeting. He and his staff saw North Korea as a security threat where any agreement would face serious verifiability problems. Doubting the decision to provide North Korea with nuclear reactors, his staff asserted that it might be necessary to replace them with thermal power plants instead, jeopardizing the Agreed Framework.

The administration split, with National Security Advisor Condoleezza Rice and Secretary of Defense Donald Rumsfeld pushing a hard-line approach and Secretary of State Colin Powell and his deputy Richard Armitage holding out for engagement. By this time, however, the State Department’s leading role in setting North Korea policy was institutionalized. When the new administration came into office, Assis-

George Ehrhardt

American official said that the DPRK had made “very serious proposals” that were “much broader than expected” at these talks. Kim appeared willing to meet US demands on ending all medium and long-range missile production in return for non-monetary aid (food/coal), but the talks stalled on the issue of verification. Pyongyang was reluctant to accept inspections, and the United States feared Kim Jong-Il would violate any treaty, as he had the 1972 and 1992 agreements with South Korea. Considering the successful inter-Korean Summit in June of the same year, though, the stage appeared to be set for further reconciliation between the three countries. Unfortunately, a change of power in Washington interrupted this process, and Clinton was unable to consummate the deal before he left office.

Change and Continuity: The Bush Administration

The incoming Bush transition team had little patience for Clinton’s Korea policy. Doubts about the value of engagement and moral reluctance to deal with a brutal tyrant led the administration to initially treat North Korea as a hostile state. President-elect Bush was not a vocal supporter of engagement—as he told President Kim at their first summit meeting. He and his staff saw North Korea as a security threat where any agreement would face serious verifiability problems. Doubting the decision to provide North Korea with nuclear reactors, his staff asserted that it might be necessary to replace them with thermal power plants instead, jeopardizing the Agreed Framework.

The administration split, with National Security Advisor Condoleezza Rice and Secretary of Defense Donald Rumsfeld pushing a hard-line approach and Secretary of State Colin Powell and his deputy Richard Armitage holding out for engagement. By this time, however, the State Department’s leading role in setting North Korea policy was institutionalized. When the new administration came into office, Assis-

George Ehrhardt

American official said that the DPRK had made “very serious proposals” that were “much broader than expected” at these talks. Kim appeared willing to meet US demands on ending all medium and long-range missile production in return for non-monetary aid (food/coal), but the talks stalled on the issue of verification. Pyongyang was reluctant to accept inspections, and the United States feared Kim Jong-Il would violate any treaty, as he had the 1972 and 1992 agreements with South Korea. Considering the successful inter-Korean Summit in June of the same year, though, the stage appeared to be set for further reconciliation between the three countries. Unfortunately, a change of power in Washington interrupted this process, and Clinton was unable to consummate the deal before he left office.

Change and Continuity: The Bush Administration

The incoming Bush transition team had little patience for Clinton’s Korea policy. Doubts about the value of engagement and moral reluctance to deal with a brutal tyrant led the administration to initially treat North Korea as a hostile state. President-elect Bush was not a vocal supporter of engagement—as he told President Kim at their first summit meeting. He and his staff saw North Korea as a security threat where any agreement would face serious verifiability problems. Doubting the decision to provide North Korea with nuclear reactors, his staff asserted that it might be necessary to replace them with thermal power plants instead, jeopardizing the Agreed Framework.

The administration split, with National Security Advisor Condoleezza Rice and Secretary of Defense Donald Rumsfeld pushing a hard-line approach and Secretary of State Colin Powell and his deputy Richard Armitage holding out for engagement. By this time, however, the State Department’s leading role in setting North Korea policy was institutionalized. When the new administration came into office, Assis-
tant Secretary of State James Kelly took the reins from Wendy Sherman as chief interlocutor with North Korea and lead delegate in TCOG consultation meetings, maintaining State’s control over these key positions. Consultation with Seoul and Tokyo further strengthened Powell’s position. With these two advantages, Powell was able to prevail over a suspicious Rumsfeld and doubtful Bush to implement his pro-engagement policies. By May, Bush accepted Seoul’s calls for resuming talks with North Korea without any pre-conditions. Eight months later, Bush formally announced that his administration would not use force against the North Korean regime.

For its part, though, North Korea continued work on a secret nuclear weapons project in violation of multiple international agreements. Since 2001, relations worsened as North Korea launched another series of provocations: dismissing IAEA inspections, staging missile tests, and harassing US aircraft in international airspace. This finally came to a head in October of 2002 when Kelly announced that North Korea had admitted to a clandestine uranium enrichment program. These provocations allowed the hard-line faction to extract a price.

The administration concluded that it would no longer engage North Korea in bilateral talks on the nuclear issue until Pyongyang first unilaterally ended its illicit nuclear program. Instead, in January of 2003, the administration announced that after (TCOG) consultations with its allies, the United States would agree to talk with North Korea—but only in a multilateral framework. Bush insisted that the United States would not deal with North Korea alone, it will not begin talks while China and Japan stand by, and will not accept North Korea’s attempts to keep the South on the sideline. While the Bush Administration pursued unilateral policies elsewhere, its stance on North Korea became wholeheartedly multilateralist.

Strangely, this dismayed most in Asia, who called on Washington to meet North Korean demands for bilateral talks. These calls were ironic, because the Bush proposal was little different from the 2+2 talks proposed by President Kim Young-Sam or the six-party talks proposed by Prime Minister Obuchi. The critics, however, missed the underlying goal of Bush’s policy.

It is important to remember that there were actually two very different American approaches to engagement during the Clinton Administration. Bush’s refusal to enter bilateral negotiations with Pyongyang is certainly a rejection of 1994-era engagement, but it is not a rejection of 1999-era multilateral engagement. In the 1994 agreement, the United States sought bilaterally to resolve the immediate crisis but did not attempt to create a long-term structure for regional stability. In response to North Korea’s growing signals of discontent in 1996-1998, however, the administration switched to an engagement policy designed to establish a long-term equilibrium that would be acceptable to all countries in the region, including North Korea.

With the talks starting in Beijing this September, the Bush policy has paid off. Initially, China was able to use its leverage over North Korea to force Kim Jong-Il to agree to three-way talks in Beijing. When the Chinese government agreed to be an active participant rather than just a facilitator, Bush immediately accepted the offer, showing that his administration’s multilateralist rhetoric was not just an excuse to prevent engagement. While those talks did not reach any conclusions, the three countries agreed to follow-up talks which would include all six states in the region. These meetings are scheduled to cover a range of issues, allowing engagement with North Korea without the bilateral bargaining over a temporary solution that has become standard in United States-North Korea contacts.

Multilateral Talks

The United States, China, and even Russia have all committed considerable political capital to spark these talks. The Bush Administration’s refusal to deal with North Korea bilaterally, combined with China’s big-stick oil diplomacy, brought North Korea to the table. Russia has rediscovered its role in the region by proactively engaging North Korea. These stakes make it especially important for the talks to produce results. Examining the 1999 case suggests several important lessons for the United States and its allies:

---

38 This shift from hostility to engagement is similar to the administration’s about-face over China after the 2001 spy plane crash.
Avoid Creating a “Crisis Atmosphere.”

In an earlier issue of this journal, Ralph Cossa suggests that the Bush Administration needs to acknowledge the situation as a crisis. He is right to say that Washington needs to understand the gravity of the situation, but wrong to label it a crisis. Calling it a “crisis” implicitly calls for some immediate short-term resolution—what North Korea wants and what failed in 1994.

Whether the North Koreans have IAEA monitoring at Yongbyon or other facilities—or even the whole state of the North Korean nuclear program—is secondary. The underlying problem is not that North Korea may build or export nuclear weapons, but that the security environment in the region might prevent anyone from feeling secure. Until that is resolved, North Korea will always have the incentive to proliferate, and any “solution” is temporary at best. As the past decade has proved, North Korea will find ways to continue its nuclear proliferation as long as it feels necessary. Until North Korea’s motive for proliferation is dealt with, no crisis resolution will stop its long-term challenge to the NPT.

In particular, the United States needs to enlarge the substantive focus of the talks beyond the “non-aggression promise in exchange for promises to allow inspections” model that some have proposed. This is the worst possible outcome—a strictly bilateral agreement which delays any possible solution of the underlying problem by creating the appearance of harmony.

Emphasize South Korean and Japanese Concerns.

Recently North Korea has asserted that “side” issues should be excluded from the talks, but the other parties should reject this demand. Limiting talks to the nuclear question will prevent long-term progress, because other countries have important stakes in the matter. Both Japan and South Korea have concerns about North Korean behavior which must be incorporated into any long-term solution. However difficult it may be for others to understand, the Japanese preoccupation with the hostages issue—knowing more about how they died and bringing the survivors’ children back to Japan with them—is very real and generates considerable hostility toward North Korea. It is no coincidence that a North Korean spy boat was the first vessel in 50 years to be destroyed by Japanese warships. North Korean provocations have created a willingness to openly discuss security issues and even nuclear weapons that has not existed in Japan since 1945. Resolving these issues is necessary to preventing Japanese rearmament—a dangerous outcome.

Similarly, South Korea has important concerns of its own, from detailed issues such as fisheries management in the West (Yellow) Sea to the broad question of reunification. Developments in South Korea such as growing anti-Americanism and an interest in independently developing longer-range ballistic missiles suggests that South Korea will not passively accept any arrangement which does not take its interests into account.

Refuse North Korean Demands for Bilateral Talks with the United States.

All parties should resist North Korean insistence on parallel bilateral talks between it and the United States. Bilateral negotiations have consistently failed to do anything more than put difficult issues off temporarily. For a variety of reasons, including Bush’s harsh rhetoric, relations with North Korea are little different than they were in 1993. Until the revelations that North Korea secretly restarted its nuclear program in 1998 and continued it during the last two years of the Clinton Administration, it was possible to believe that the current crisis has its roots in Bush’s anti-Pyongyang policies of 2001. In light of those revelations, though, it is apparent that the Korean problem is far deeper than changing American rhetoric and that even during the (relatively) pro-Pyongyang Clinton Administration, bilateral negotiations were not a satisfactory answer.

The history of dealing with North Korea is littered with forums that Pyongyang has ignored once it was able to deal with Washington bilaterally, and allowing such parallel talks will render the multilateral meetings meaningless.

The Bush policy is an attempt to rescue the goals of the 1999-era multilateral engagement. The alternative posed by those who call for North Korea-US dialogue is to fall back into the failed 1994 mode of bilateral crisis resolution. Rather than rehash the same territory that the United States and North Korea did in 1994—with no evidence to suggest that this iteration will be any more successful than the last one—the Bush administration has implemented a different tactic to achieve long-term coexistence. Bush is calling for a forum in which all of North Korea’s neighbors engage North Korea and negotiate a permanent solution. Paradoxically, this makes Bush the direct heir of Kim Dae-jung and William Perry—leading critics of his Korea policy.

It is unclear what will come of the ongoing multilateral talks. Only a confirmed optimist would expect them to reach a long-term settlement anytime soon. However, by promoting measures to build the confidence of all countries in the region, and by preserving a clear long-term goal, negotiators have the opportunity to make this an important step on the road to resolving the region’s problems.