

# US INTELLIGENCE FLAWS ON NORTH KOREA

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Professor Roy Kim and Congressman Curt Weldon (R-PA) on Navy C130 en route to Far East in 2004

## INTRODUCTION

What to do with nuclear North Korea? The U.S. has been attempting to denuclearize Pyongyang, a foreign policy objective yet to be accomplished. With the passage of time, North Korea has been perfecting its nuclear arsenal and missile delivery systems; and it has become all the more challenging for Washington to achieve its basic policy objective. Both Democratic Clinton and Republican Bush administrations have failed to tame North

Korean nuclear ambitions. In return for security assurance and economic assistance, Pyongyang has pledged to dismantle its nuclear arsenal in September 2005. But after brief sessions in Beijing in November 2005, the six party talks have been completely stalled and it is far from clear how, when and where the six party talks be resumed. Why? Is it simply matter of sequence, who would do what first? Could and should Pyongyang be trusted with its pledge? Could or should North Korean leadership trust the Bush administration? Amid serious crises in the Middle East and domestic challenges, how realistic is it to expect Washington to be serious about resolving North Korean nuclear issues? Could Bush dismantle North Korean nuclear arsenals on his watch? This unsettling situation has posed a Herculean dilemma for Seoul caught between attempting to structure a security arrangement with Pyongyang while it is maintaining traditional military alliance with Washington. Meanwhile, Beijing has proved to be much more valuable for Seoul in resolving North Korean nuclear crisis and increasing trade than Washington.

## **FAILED REGIME CHANGE**

Ever since the death of Kim Il-sung in July 1994, Washington attempted to replace the North Korean regime, but in vain. This was based on US intelligence flaws largely fed by anti-Communist Seoul regimes. Considering the charismatic leadership of Kim Il-sung under his own political philosophy, Ju-che (self reliance), it is readily understandable that his sudden death raised serious questions as to how the North Korean regime could possibly survive especially after the collapse of the Soviet system along with the fall of the Berlin wall. Few Western observers thought the Pyongyang regime could last more than 3-5 years the most. Soon after the death, CNN invited Don Oberdorfer and myself to discuss North Korea's future on July 8, 2004. The seasoned Washington Post journalist predicted that the North Korean regime would not last more than five years. I argued that while Kim Jong Il would certainly confront serious challenges, the regime would probably survive the leadership change. US miscalculation on North Korea's future turned out to be the major intelligence flaw. Washington has failed to confront the unfolding realities of the North Korean regime as it has not only survived but stronger with its own nuclear weapons.

I was in Pyongyang in October 1994 while North Korea and the US were negotiating in Geneva. On leave from Drexel University, I was in Boston working for the Stanton Asian Development Company. I was invited, along with my Stanton colleagues Harry Brown and Charles Warden, to reactivate the Rajin-Sonbong power plant and refinery that had been built by Moscow in the 1960s. After our preliminary discussion in Pyongyang, we decided to inspect these facilities more carefully. Despite their age, we found them to be in sound condition through excellent maintenance. We concluded that the refinery could function again by simply providing crude oil and the power plan could use the refined products to generate electricity. Our initial plan was to export the refined gasoline to South Korea tax-free. In other words, both facilities could be commercially successful. After careful analysis, we proposed to establish a North Korean-US joint equal partnership. To our surprise, our offer was accepted without much change. This was the first US commercial venture in North Korea with a subsequent US Treasury

approval.

Though encouraged by our business prospects, we were told that the Geneva negotiation was not progressing well. At this first round of North Korea's nuclear negotiations, it was agreed for the north to dismantle its nuclear program. In return the US pledged to construct two light-water nuclear power plants during the next ten years. Washington promised to provide heavy fuel oil (bunker C) for electricity.

## **SEEDS OF MISTRUST**

During the Geneva negotiation, Pyongyang began to suspect Washington. From early on Pyongyang knew that the IAEA would require a new transmission grid and adequate insurance (i.e. Lloyd London) even after the completion of the LWRs. The existing transmission facilities are simply too old and unfit. These were the two indispensable IAEA demands without which the LWRs would be useless. Both items would cost no less than \$2 billion. From early on in the negotiation, the north wanted to include these two items in the LWR package. But Washington insisted that they should be treated separately and would be negotiated in a future appropriate occasion.

A high-ranking North Korean official told me personally in Pyongyang that the US could not be taken seriously to construct the LWRs. But the north decided to sign the Geneva accord. The 1994 Geneva history was repeated in September 2005 in Beijing. At the agonizing protracted negotiations in the six party talks, the north finally agreed to dismantle its nuclear weapons with the US pledge to discuss constructing a nuclear power plant for the north at an appropriate future time. Amid accumulated mutual mistrust, it is not clear when, how, and where the stalled six party talks could be resumed.

## **CONGRESSIONAL DIPLOMACY**

Could congressional diplomacy be helpful? At times it has been neglected, but constitutionally mandated congressional diplomacy has proved to be essential. Serious crises have occurred when the executive branch ignored the congress and dominated the conduct of foreign policy. When Democratic President Woodrow Wilson ignored Republican dominated Senate at the end of World War I, Republican Senator Henry Cabot Lodge, chairman of the Senate foreign relations committee, refused to support Wilson's League Covenant. Another Democratic President Lyndon B. Johnson ignored the advice and consent of Democratic Senator J. W. Fulbright in pushing through the so-called Gulf of Tonkin Resolution in 1964, and the country at the end had to suffer the humiliating military defeat in Vietnam. Steadily the congress has lost much of its constitutional responsibilities and the president has become that much more powerful.

While not every member of the congress is interested in foreign affairs, Congressman Curt Weldon has been particularly active in resolving the North Korean nuclear crisis. As a ranking Republican member of the House Armed Services Committees and Home Land Security, Weldon is fully aware of the dangerous military consequences in the Korean peninsula if the crisis can not be solved diplomatically.

## **MY RELATIONS WITH CONGRESSMAN WELDON**

I have been fortunate to have known Congressman Weldon for more than ten years. Initially because of our similar interest in Russian affairs, we have been teaching a joint seminar on global security at Drexel University. Despite his extremely busy schedule, he has always brought fresh insights to our weekly seminar on Saturday mornings. During his 20 years in service, Weldon has led more than eighty bipartisan delegations around the world. I have been very much privileged to accompany him on several of his congressional delegations. I have come to respect and admire Weldon's bipartisan leadership; and I have also come to know members of his delegations. It has been extremely beneficial mutually. At times I would provide some insights for the delegations; and other times I would learn particular concerns of the delegations.

In 2003 Weldon led a bipartisan delegation to Tashkent and Moscow. We visited the US troops sharing a military base with Uzbek troops near Tashkent. In Moscow the Itera Oil Company received the delegation; and we also visited the Kurchatov Institute, a major Russian nuclear science research center. We had a lengthy discussion with Director Academician Yevgeny Velikhov who proposed an American-Russian joint effort to deal with nuclear issues in Iran and North Korea.

Weldon spoke to the Chinese Defense University in Beijing. The top Chinese military leaders were impressed by his humble origin as a public teacher who desired to improve US education rather than spending billions dollars on defense. Jiang Jemin, the former Chinese president received the Weldon delegation. Although it was to be a brief courtesy call, the meeting turned to be a lengthy highly informative discussion in English on Jiang's future retirement when Weldon introduced me as a professor from Drexel University where his eldest son received his Ph. D. On North Korean nuclear issue, Jiang politely told the delegation that "It is an American problem that Washington should be much more proactive. Beijing's primary concern remains Taiwan," he said.

Weldon made two fact-finding trips to Pyongyang. In 2003 he led the largest bipartisan congressional delegation to the north. While not representing the Bush administration, he succeeded in discussing his ten-point peace plan with North Korean officials including Kim Gye Gwan and others who welcomed the Weldon plan. Subsequently the peace plan became the basis of the six party talks in Beijing. Weldon's latest mission to Pyongyang in January 2005 took another bipartisan delegation to Khabarovsk, Seoul, Tokyo, Beijing, and Hong Kong. In the Russian Far Eastern city on the Amur River, Weldon discussed the possibility of transporting natural gas from Sakhalin to the Korean peninsula to provide badly needed energy for the entire Korean peninsula. The Russians supported Weldon's gas project.

The Weldon delegation learned Pyongyang had informed Beijing about Weldon's successful trip even before it arrived. While Chinese leaders would welcome a possible informal parliamentary dialogue, they encouraged the US to resolve North Korean nuclear problems by negotiating more seriously with North Korea. At the same time, they

urged Washington to stop selling military hardware to Taiwan.

In Tokyo Hiroyuki Hosoda, former cabinet secretary, received the Weldon delegation. The Japanese official wanted to know what the delegation had discussed with North Korean officials about the Japanese abductees issue. Weldon told him that the issue should be resolved through a direct bilateral discussion.

Seoul enthusiastically welcomed the Weldon initiative. Weldon assured US ambassador Chris Hill that Pyongyang planned to attend the six party talks provided Washington would refrain from name-calling and defaming the DPRK. The delegation had two major press conferences in Seoul as Weldon revealed the latest KCNA positive report on his delegation. Judging from positive receptions in Beijing, Seoul, and Tokyo, Weldon's efforts have been remarkable.

Yet, I wonder why Weldon's efforts have not been more positively supported the Republican Bush Administration. After all, Weldon is a ranking Republican member of the House Armed Services and Home Land Security Committees. On several occasions, in fact, Weldon's initiatives have been prevented by the administration to travel to Pyongyang. Twice his efforts to invite DPRK UN representatives to the annual congressional prayer meeting in Washington, D. C. were rejected by the Bush White House. Regardless of these obstacles, Weldon has proved to be a remarkably independent-minded Congressman representing the 7th District of Pennsylvania, a sold middle class suburb of Philadelphia, for the last 20 years. While he hardly campaigns, he gets reelected time after time usually gaining more than 60% from his district where Bush lost in 2000 and 2004.

Weldon strongly defends constitutionally mandated congressional over-sight responsibilities regardless which party controls the executive branch. Lately he has been seriously questioning the way the Bush administration mishandled the pre 9/11 terrorist intelligence, code-named "Able Danger." While the Bush White House has refused to cooperate, Weldon has obtained more than 270 bipartisan congressional signatures to demand an open hearing. With such independent mind-set, Weldon intends to support peace and reconciliation in Korea. He seriously considers arranging a trilateral (DPRK-US-ROK) parliamentary dialogue at Mt. Diamond sometime in the spring.

## **MIRACLES ALONG THE DMZ**

Indeed there have been miracles along the DMZ. There had been numerous military clashes between the 1.8 million armed forces across the DMZ even after the 1953 cease-fire agreement. Now the two Koreas have themselves transformed the ill-defined DMZ in the West Sea into a sea of cooperation and a peace zone for joint fishing. Modern railroads and paved highways now link the two Koreas across the DMZ in place of barbed wire and land mines. The Kaesong Industrial Park north of the DMZ has now fifteen South Korean businesses where 5,400 North Korean laborers work together with 500 South Korean workers to produce goods for South Korean market. In 2005 the Office for Inter-Korean Economic Cooperation opened in the KIP. Any South Korean industries

can now readily discuss with their northern counterparts possible business in the north.

Perhaps the most dramatic miracle has been taking place around Mt. Diamond. Initially conceived by the late Chairman Chung Ju Yung, founder of the Hyundai global business. The Mt. Diamond resort has been most successful joint venture. This has been possible by confluence of businesses and governments by both Koreas. Now the multi-purpose resort has been widely utilized for popular tourism, all season sport activities, and gathering places for divided families from the two Koreas. Since its opening seven years ago, more than one million South Koreans have visited the resort. Twelve thousand divided family members have met their relatives across the DMZ. The number of persons traveling to and from North Korea was more than 85,000 in 2005. This number is roughly equal to the total number crossing the DMZ during the previous 60 years. The DMZ no longer divides Korea. As the two Koreas have increased their dialogue and contacts they have had more than 165 public meetings of various kinds, including 17 rounds of ministerial negotiations since 2000.

## **THE WORLD AHEAD**

For now the trend is toward more. More trafficking and more contacts are ahead between the two Koreas. But is the trend irrevocable? Are we fated to descend for the foreseeable future into a world of global protracted conflict and forsaken hinterlands in the Pacific among the major powers? The two Koreas have already experienced the power of mutual economic profit between themselves. Whether their proven mutual economic benefits and desire for national re-integration would withstand the gathering storm over the Pacific horizon between Washington and Beijing remains to be seen.

How could the two Koreas avoid repeating the humiliating Taft-Katsura legacy of 1905 when the US and Japan secretly decided the future of Korea? Chung Dong-young, ROK Minter of Unification envisions establishing an inter-Korean economic community by 2020. A South Korean former President Kim Dae Jung has been formally invited and he plans to meet again with North Korean leader Kim Jong Il in the near future. Their first summit in 2000 has greatly improved relations between the two Koreas. When the two Kims meet again, what would they discuss and what would be its consequences? Would the elder Kim advise the younger Kim how to negotiate with the US over the nuclear issue? Would the two Kims discuss seriously a possible political confederation? Given KDJ's advancing age, the two Kims would certainly maximize their historic second encounter. It is highly unlikely that the elder Kim would return to Seoul empty handed.

## **SAKHALIN NATURAL GAS**

Could they possibly discuss economic issues? To begin with, how about bringing natural gas from Sakhalin to the Korean peninsula? The energy project was publicly discussed at the 2005 APEC meeting between Presidents Roh Mu Hyun and Vladimir Putin. Putin had previously discussed the project with Kim Jong Il twice

The 2,500 kilometer pipeline from Sakhalin's vast gas reserves to Korea would cost about \$US 4 billion and can be constructed in three to four years using proven technologies. Natural gas provides the best solution to the North Korean electricity needs. The supply of natural gas to North Korea would enable it to construct multiple low cost, highly efficient gas-fired combined cycle plants (GFCC) throughout the country. These plants could be constructed at the same time as the pipeline, in 3 years or less simultaneously. Natural gas is a clean burning heating fuel well suited for residential, commercial, and industrial applications in populated areas any locations throughout the country.

Natural gas is also one of the fundamental building blocks of hundreds of industrial chemicals for a wide range of industrial applications including producing fertilizer, which is badly needed for North Korea. Sakhalin gas producers are investing over \$30 billion in oil and gas production but need a viable means of getting stranded gas to large markets. Sakhalin holds an estimated 3,600 billion cubic meters of gas and is the closest large natural gas resource to the Korean peninsula. Pipeline transportation is a lower cost means of transporting gas to Korea than liquefied natural gas (LNG). Construction of gas pipeline through North Korea will employ thousands of workers and likely involve the armed forces to help manage construct the project. Pyongyang will receive significant transit fees for gas transported to South Korea that can be paid in foreign currency or gas. North Korean labor will be trained and paid to operate the pipeline in North Korea.

In short, natural gas from Sakhalin would enable North Korea to jump start badly needed industrialization. It would provide additional energy for the fast developing South Korean economy. Most of all, the project would provide Russia much needed market for its stranded gas.

It has been reported that the elder Kim prefers to use train for his trip to Pyongyang. Apparently he desires be the first Korean to travel on the newly reconstructed railway between Seoul and Pyongyang -- a historic symbolism not to be ignored. In fact, South Korea plans to use the inter-Korean railway to go to the 2008 Beijing Olympics. After the Athens games in 2004, both Koreas have agreed to establish a joint Korean team for the 2008 Beijing games.

Eventually the trans-Korean railway would proceed beyond Beijing to the Trans-Siberian railway, thus bridging Asia and Europe. The Japan national railway has already established a train schedule from the Ueno Station in Tokyo all the way to Paris via undersea rail pass between Shimonoseki and Busan, a la Br-Fr undersea rail-link.

## **CONCLUDING REMARKS**

As we look forward to a world of uncertain future, we may look back to Alexander Hamilton when he wrote in 1787: "The spirit of commerce has a tendency to soften the manners of man and to extinguish those inflammable humors which so often have kindled into wars. Don Oberdorfer, concludes his definitive study, *The Two Koreas*,

“Whatever the future holds, it is likely to develop with high drama, intense emotion, and powerful impact.” Hold on to your hats. Korea is a land of surprise. Indeed Korea may even be able to overcome US flaws by itself.