

North Korea and the Birth Pangs of a New Northeast Asian Order

Gavan McCormack

North Korea and the Birth Pangs of a New Northeast Asian Order

Gavan McCormack

In February 2007, agreement was reached at the Six Party talks in Beijing on the parameters for resolution of the North Korean nuclear issue. The frame was one of comprehensive settlement of one of the long unresolved legacies of the 20th century and the prospect it opened was for a new, diplomatic, military, political, and economic order.

This paper asks why the settlement has taken so long to reach, considers the major obstacles to its implementation, and assesses its prospects. It argues that to understand the “North Korea Problem” close attention has to be paid to the “America Problem” and the “Japan Problem.” It suggests that, while North Korean strategic objectives have been consistent through the decade and a half of crisis, the US and Japan have vacillated, torn between conservative, neo-conservative, and reactionary forces on the one hand and “realists” on the other. The US strategic

shift of February heralds the dawn of a 21st century Northeast Asian order; whether that dawn is to prove a true or false one should be clear by year’s end.

1. The Problem

In the summer and autumn of 2006, as the United Nations Security Council twice denounced North Korea and imposed sanctions on it with seemingly global unanimity, who would have guessed that within one year the prospects for reconciliation could have advanced to the present point?

The deal was reached at the Beijing Six-Party Talks in February: North Korea was to shut down and seal its Yongbyon reactor as first step towards permanent “disablement,” while the other parties were to grant it immediate energy aid, with more to come when North Korea presented its detailed inventory of nuclear weapons and facilities to be dismantled. At the same time, the US and Japan were to open talks with North Korea aimed at normalizing relations,

while the US was to “begin the process” of removing the designation of North Korea as a state sponsor of terrorism and “advance the process” of terminating the application to it of the Trading with the Enemy Act. Five working groups were set up to address the questions of peninsula denuclearization, normalization of DPRK-US relations, normalization of DPRK-Japan relations, economy and energy cooperation, and Northeast Asian peace and security.[1] The Beijing parties promised to “take positive steps to increase mutual trust” and the directly related parties to “negotiate a permanent peace regime on the Korean peninsula.”

Shortly after the Agreement, US Deputy Secretary of State Negroponte visited the capitals of this region to explain President Bush’s desire for a permanent peace regime on the peninsula,[2] and US Ambassador Vershbow spoke of the prospect of a treaty to end the Korean War and of relations between his country and North Korea by the spring of 2008.[3] A second South-North Korean summit was held in October 2007 and it is clear that plans proceed in Seoul for a massive “Marshall Plan” scale program of south-north economic cooperation, with an estimated cost over the coming decade of \$126 billion.[4] Trains in May crossed between south and north for the first time in 57 years (albeit only on a trial run),[5] and the international (South and North Korea, China, and the US) university, Pyongyang University of

Science and Technology, opened in Pyongyang in September 2007. The capitalist enclave of the Gaesong Industrial Complex modestly thrives, with sixty-six South Korean light manufacturing companies operating within it already and another 200 signed up to lease land for further stages in its expansion.[6] Both government and opposition parties in Seoul plan cooperation on the premises of eventual unification, and Seoul’s National Defense Institute is even drawing up plans for a stage-by-stage unification of the armed forces of south and north.[7]

Perhaps even more than these grand plans, it is the small, everyday things that bespeak the new era, such as the North Korean under-17 football squad conducting its training camp on Cheju island.[8]

As of Autumn 2007, North Korea was committed to providing the inventory of nuclear facilities and dismantling them by year’s end, while the US was looking positively at the removal of the designation “terror supporting state” and the lifting of the “trading with the enemy” sanctions; the former Korean War combatants (the US, China, and South Korea) have agreed that, provided North Korea dismantle its nuclear weapons program as promised by December 2007, they will enter upon negotiations to convert the existing armistice into a peace treaty,[9] and Japan has said it is ready for serious and sincere negotiations that will cover both the “unfortunate

past” (of colonialism) and the North Korean abductions of the more recent times.[10]

What does this mean? The tectonic plates under East Asia are shifting. North Korea has been the enemy of the US for longer than any state in history, including George III’s England, Stalin’s the Soviet Union, Mao’s China, Ho Chi Minh’s Vietnam, and Castro’s Cuba, and none of these cases involved a personal sentiment to match the “loathing” of the kind that George W. Bush has expressed for the North Korean leader as “evil”, or the ferocity of the Vice-President’s statement: “You do not negotiate with evil, you defeat it.” For all of this to be resolved, and resolved peacefully, would be truly historic.

Peace and cooperation begin to seem possible in East Asia, radiating out from the very peninsula that was in the 20th century one of the most violently contested and militarized spots on earth. Japanese colonialism, the division of Korea and its consequent civil and international war, the long isolation of North Korea and its confrontation with the United States and with South Korea, and the bitter hostility between it and Japan: all these things suddenly seem to be negotiable.[11] The historical significance of 2007 will be huge if even a significant part of this promise is fulfilled.

2. The “North Korea Problem” and the “US Problem”

The very term “the North Korea nuclear problem” as framed by American policy makers begs a major question. It assumes that it is North Korea that is irrational, aggressive, nuclear obsessed and dangerous, and the US that is rational, globally responsible, and reacting to North Korean excesses. To thus shrink the frame of the problem is to ignore the matrix of a century’s history – colonialism, division, half a century of Korean War, Cold War as well as nuclear proliferation and intimidation.[12] It is to assume that what it describes as “the North Korean nuclear weapons program” can be dealt with while ignoring the unfinished issues of the Korean War and the Cold War, and even of Japanese imperialism.

What this formulation of the “North Korea problem” ignores is something that I have referred to as the “US problem,” the US’s aggressive, militarist hegemonism and contempt for international law.[13] Although North Korea is widely regarded as an “outlaw state” and held in contempt by much of the world, it has not in the past 50 years launched any aggressive war, overthrown any democratically elected government, threatened any neighbor with nuclear weapons, torn up any treaty, or attempted to justify the practices of torture and assassination. Its 2006 missile and nuclear weapons tests were both provocative and unwise, but neither breached any law, and both were carried out under extreme provocation. The

North Korean state plainly runs roughshod over the rights of its citizens, but the extremely abnormal circumstances under which it has existed since the founding of the state in 1948, facing the concentrated efforts of the global superpower to isolate, impoverish, and overthrow it, have not been of its choosing. Frozen out of major global institutions and subject to financial and economic sanctions,[14] denounced in fundamentalist terms as “evil” (and beyond redemption), North Korea could scarcely be anything but suspicious and fearful. Suspicion and fear, on the part of a state as well as of an individual, is likely to be expressed in belligerence.

In particular, North Korea has faced the threat of nuclear annihilation for more than half a century. If anything is calculated to drive a people mad, and to generate in it an obsession with unity and survival, and with nuclear weapons as the sine qua non of national security, it must be such an experience. Its demand for relief from nuclear intimidation was unquestionably just and yet was ignored by the global community, till, eventually, as we know, it took the matter into its own hands. Being a small country, however, and one without diplomatic allies, the world’s great and middle-sized powers criticized it while turning a blind eye to the injustice of the system from which it suffered. While the world’s fingers were pointed at North Korea, its eyes were, by and large, averted from the suffering and denial

of human rights suffered by the US prisoners at Abu Ghraib or Guantanamo, or the citizens of many countries whom the CIA in recent years has ferried secretly around the world, delivering them to torturers in a global gulag beyond the reach of any law, not to mention US flouting of its obligations under the Non-Proliferation Treaty to dismantle its arsenal.

It is sometimes said that the Cold War ended in 1989 (or even that history itself ended) with the victory of the “Free World” especially the United States, but in East Asia it ended rather with the defeat of “Free World”-supported “national security state” regimes at the hands of the democratic resistance, or “people power,” in the Philippines with the overthrow of the Marcos regime in 1986, in Korea with the overthrow of the Chun Doo Hwan regime in 1987, and in Indonesia with the overthrow of Suharto in 1998. These were only partial and incomplete victories, but were nevertheless the precondition for the advance of democracy and human rights. In Korea, it was the people’s victory of 1987, preceding the end of the Cold War, which made possible the new historical era that slowly replaces it, especially the prospect of a post-division system Korea.

Bush and North Korea, 2002-2005

George W. Bush came to power charging North Korea with a secret, highly enriched uranium

(HEU)-based, second track nuclear weapons program in breach of the Agreed Framework of 1994 and denouncing it as part of the Axis of Evil. Pronouncing the regime “evil,” the administration refused to talk to it, consider any form of security guarantee or any phased, step-by-step, reciprocal mode of settlement, or any reference to the principles of the 1994 Framework. It maintained that there was nothing to be discussed but North Korea’s unilateral submission, or CVID (complete, verifiable, irreversible dismantling of its nuclear weapons and materials).

Without attempting to resume the full record of the Bush administration’s policy towards North Korea, let me address here primarily two aspects, important as the root of the crisis in relations with North Korea from 2002 to 2005 (highly enriched uranium, or HEU) and 2005-7 (counterfeiting, especially of \$100 notes). Like the allegations of Iraqi weapons of mass destruction, both were essentially intelligence beat-ups. Inflated to suit a policy of intimidation and regime change, they were just as easily deflated when circumstances changed.

Over the following years, many commentators accepted Washington’s story about the HEU deception, but the remarkable fact is that other parties to the Beijing talks remained unconvinced, even after a special US mission with “evidence” was sent around East Asian

capitals in 2004. The South Korean Unification Minister told the National Assembly in Seoul in late February 2007 that there was “no information to show that North Korea had a HEU program.” [15] Only years later, when the origins of the crisis had been half-forgotten, was the intelligence about HEU, initially rated “high,” downgraded to “mid”-level,[16] and significant “data gaps,” as they were delicately described, identified. The thin and ambiguous intelligence of November 2002 was that the North had begun “constructing a centrifuge facility” which could be operational by mid-decade. It was blown up to become a fully-fledged program capable of completion by 2003 and producing enough HEU for up to six nukes a year.[17] The State Department’s Christopher Hill in 2007 put it this way: a weapons program would have required “a lot more equipment than we know that they have actually purchased,” and “production techniques that we’re not sure whether they have mastered,” as well as aluminum tubes that might have gone “somewhere else.”[18] The intelligence thus manipulated (or “fixed” in the words of the Downing Street Memo)[19] to suit the political agenda of 2002, they (the Bush administration) “trashed the framework” (in Robert Gallucci’s words).[20]

Although most of the world joined the US in blaming North Korea and denouncing it for deception, once the exaggerated US claims were discounted, North Korea responded, admitting at

the bilateral meeting in Geneva that it had indeed imported some aluminum materials; the issue seemed no longer difficult to resolve.

The HEU issue was only resolved gradually, in a general context of US retreat under mounting, eventually decisive diplomatic pressure. Unable to impose its will in Beijing and unable to rely on the support of any of its partner countries save Japan, in September 2005, having exhausted all possibilities of delay and being fearful of becoming what Jack Pritchard, formerly the State Department's top North Korea expert, described as "a minority of one ... isolated from the mainstream of its four other allies and friends,"[21] and faced an ultimatum from the Chinese chair of the conference to sign or else bear responsibility for their breakdown,[22] the US accepted an agreement, one that was multi-sided but contained essentially the same provisions as those of the Clinton-era Framework – a graduated, step-by-step process leading to North Korean de-nuclearization in exchange for diplomatic and economic normalization. In other words, the US bowed to the will of the Beijing majority. Thus ended phase one of the Bush North Korea policy.

Bush and North Korea, 2005-2007

However, the "vacillation" and "inconsistency" of US diplomacy,[23] and its inability to "resolve the feuds within its own ranks"[24] were

incurable. From the day following the September 2005 Beijing agreement, the US government launched financial sanctions designed to bring the Pyongyang regime down. Refusing North Korean overtures for discussion, it launched a campaign to denigrate the North Korean regime as a criminal state. Without resort to military force, it set out to cut North Korea off from the world economically and financially, in yet another effort to bring about regime change.

The allegations of counterfeiting, money laundering and drug dealing were central. Under Section 311 of the Patriot Act (2001), the US Treasury is empowered to declare any bank in the world "a primary money-laundering concern," thereby in effect depriving it of the right to do business, without right of appeal or right to know the reason. A tiny bank, Banco Delta Asia (BDA) Asia – 4th smallest (employing only 150 people)[25] of 27 banks in the Chinese special administrative region and gambling Mecca of Macao – was accused of dealing in counterfeit, North Korean-made, hundred dollar notes. From that allegation, banks around the world were put under pressure to refuse any dealings with BDA or North Korea. Failure to comply risked loss of access to the US market. At issue on the surface were suspect deposits of some twenty-odd million dollars, but underlying it was North Korea's right to engage in any economic transactions of any kind beyond its borders. The US was intent on closing down not

just the tiny BDA but North Korea itself.[26] David Asher, the architect of the policy and senior adviser on North Korea matters to the Bush administration, spoke proudly of his success in delivering a “catastrophic blow” or “a direct blow at the fundamentals of the North Korean system.” He was describing a policy of strangulation, not regulation.[27]

The world was told, and almost universally believed, that North Korea, a country long frozen out of all high technology markets, whose thirty year-old printing presses were apparently unable even to produce its own currency, could nevertheless perform feats of genius in the production of perfect hundred dollar notes. So good are these counterfeit “Supernotes” that the Swiss federal criminal police recently described them as actually superior to the originals. Whoever it was that had such mastery of materials and technology, and the capacity presumably to flood world markets with billions of these Super Dollars, produced only twenty-two million of them over almost two decades.[28] Despite the enormous effort and cost, they produced these high-quality art works in “quantities less than it would cost to acquire the sophisticated machinery needed to make them.”[29] While the US Treasury introduced nineteen different and highly sophisticated refinements in an attempt to outwit the counterfeiters, every one of them was promptly matched. Someone, in other words, was playing

a strange game of technological one-upmanship, goading the experts of the US Treasury for no apparent reason other than the inherent satisfaction. Could Kim Jong Il really command a scientific establishment of such astonishing genius, and might he also, perhaps, possess a delicate and hitherto unsuspected sense of humor?

But, if not North Korea, then, who? Before blame for the “Super Notes” was sheeted home to the North Koreans, it had been attributed at one time or another to the Iranians, the Syrians, and even the East Germans. However, the German specialist on banknotes, Klaus Bender, makes the pregnant comment that, apart from the US Treasury itself, the printing machines, ink, and other technological refinements were most likely accessible only to the CIA.[30]

While North Korea was reviled as a criminal state and singled out for global punishment for putting twenty-odd million dollars of these “Super Hundreds” into circulation, the much larger sum of 38 million counterfeit “ordinary” dollars was seized during the same period in Columbia,[31] and in the single year of 2004-2005 the Israel Discount Bank of New York processed a staggering \$35.4 billion for “originators and beneficiaries that exhibited characteristics and patterns commonly associated with money-laundering” (as a Treasury official put it).[32] Yet in neither case were global sanctions imposed, or

the Patriot Act invoked. The Wall Street Journal in July 2007 revealed another case, of a Saudi bank suspected by US authorities of financing terrorism but protected by the political consideration of US-Saudi friendship and supposed cooperation in the “War on Terror.”[33] Despite the international furor over North Korea as a criminal, counterfeiting state, when the three agencies of the US Government (Treasury, Federal Reserve, and Secret Service) in 2006 reported jointly on “US currency holdings and counterfeit activity abroad,” neither the DPRK nor Macao was even mentioned.

The BDA had been guilty of some infringements in 1994, and possibly 1998, involving the trivial sum of a quarter million dollars in counterfeit currency.[34] When US legal and accounting firms in due course investigated, they did indeed find evidence of lax bookkeeping but of criminal misconduct: none. North Korea’s frozen funds were returned under an agreement on 3 July 2007. The BDA matter, having wrecked the September 2005 agreement, was thus quietly resolved, leaving only the bank’s much aggrieved owner to pursue his case against the US Treasury in the courts. In Article 311 of the Patriot Act, however, the US government had created a powerful financial weapon. While set aside for the time being against North Korea, the administration began to exploit the possibilities thus opened against Iranian, Syrian and Russian companies and banks.[35]

Bush and North Korea, 2007

By 2007, the Bush administration’s policy shift from “regime change” to negotiated settlement amounted to a 180-degree reversal. The CVID formula of 2003 had morphed by 2007 into something like its opposite: partial, prolonged, unverifiable (any agreement would have to rely, fundamentally, on trust), and reversible (since the experience of producing and testing nuclear weapons could not be expunged). Allegations of North Korean crime that rested on the evidence of defectors and intelligence agencies persisted,[36] but the more carefully and critically the evidence was analyzed the less convincing it became.[37]

As for the drug charge, included on the list of accusations by the State Department in 2003, in 2007 North Korea was simply deleted from the list of offending countries (twenty in all), without explanation;[38] whether because the original US intelligence had again been flawed or because North Korea had reformed was impossible to know. The generic denunciation of North Korea as “evil” or as a “soprano state” was simply dropped.

Having faced down US denunciation, abuse and threat, having pressed ahead with missile and nuclear tests and ignored the UN Security Council’s two unanimous resolutions of condemnation and its ensuing sanctions, in other

words having stuck to its guns, both metaphorically and literally, North Korea in 2007 appears to be on the brink of accomplishing its long term objectives -- security, an end to sanctions, and normalization of relations with both the US and Japan. If so, the much derided and friendless country might be about to pull off one of the greatest diplomatic coups of modern history, converting its 1953 stalemate truce with the US into something tantamount to a victory.

But, facing such a historic victory, could it actually bring itself to give up the nuclear card, for which it had paid such a price and which it had already celebrated publicly as a historic event and guarantee of security? Kim Myong Kil, North Korea's Deputy Ambassador to the UN, spoke vividly of such a process as akin to "castrating a bull,"[39] and in truth the analogy could be formulated even more forcefully: the North Korean bull being asked to castrate itself. It is impossible to dismiss the skepticism of John Bolton who writes: "Kim Jong Il's regime will not voluntarily give up its nuclear weapons program." [40] Despite that bleak assessment, however, the point of the Beijing agreement was to construct a framework of trust and cooperation in which other "assurances" of security would become unnecessary. Under such conditions, voluntary de-nuclearization just might be possible.

It is true that in the short-term Kim Jong Il stands

to be "rewarded" by the kind of settlement underway, but the fact is that the greatest beneficiaries are likely to be the long-suffering people of North Korea. War, moreover, periodically given serious consideration by the US, would have brought unimaginable disaster, not only to the people of North Korea but also to the entire region. Where "pressure and sanctions," as South Korea's former Unification Minister commented, "tend to reinforce the regime rather than weaken it,"[41] normalization is going to require the leaders of North Korea's "guerrilla state,"[42] whose legitimacy has long been rooted in their ability to hold powerful and threatening enemies at bay, to respond to the demands of their people for improved living conditions and greater freedoms.

3. The "North Korea Problem" and the "Japan Problem"

As for Japan, dependence on the US and hostility to North Korea have been fundamental to national policy for over half a century, and a new and deeper level of subjection to US regional and global purpose was negotiated in 2005-2006.[43] The sudden, February 2007 policy reversal on North Korea under George W. Bush therefore constituted a "Bush shock," that commentators in Japan likened to the "Nixon shock" over China three and a half decades ago. If the North Korean nuclear issue is now to be resolved, and relations on all sides with North Korea normalized, Japan

will be shaken to its foundations. It will have to rethink its post-Cold War diplomatic posture, especially its relationship with China. If peace treaties (US-North Korea, Japan-North Korea) and normalization on all sides were to be negotiated, US Forces would serve no further function in South Korea and Japan (except to contain China, and that case would have to be argued for the populations to accept it) and so might in due course be withdrawn (or sent elsewhere). That would indeed signify a new era.

James Kelly (former U.S. Assistant Secretary of State) said in Beijing in late April that Japanese politicians faced a “hard choice” over priorities.[44] Former Deputy Secretary of State Richard Armitage suggested that North Korea “might remain in possession of a certain amount of nuclear weapons even as the [Korean] peninsula comes slowly together for some sort of unification,” and that the US might have to “sit-down” with Japan to explain it.[45] If so, nobody in Japan’s government was ready for such a “sitting down.” Where the five other Beijing countries now seek to resolve the nuclear problem and address the legacies of history by implementing the February agreement, in Japan (till September 2007) Abe, who owed his rise to political power in Japan above all to his ability to concentrate national anti-North Korea sentiment over the issue of abductions of Japanese citizens in the 1970s and 1980s,[46] took the unique position that abduction concerns were

paramount: the abductions, not nuclear weapons, still less resolution of the military and diplomatic divisions of the Korean War and after, constituted “the most important problem our country faces” (sic).[47]

Its priority to the abductions and its determination to stick to sanctions and remain aloof from the Six-Party process until satisfied, left Japan on a limb in the context of the Beijing agreement, even as the Abe government’s revisionist and denialist approach to history and its clumsy attempts to evade responsibility for the wartime “Comfort Women” system alienated its closest allies in Washington.[48] Though there were obvious lacunae in the North Korean explanations, Pyongyang had apologized for the abductions and returned to Japan the five it said were the sole survivors and the ashes of those who had died. The international scientific community, through the journal, *Nature*, had expressed sharp criticisms of the unscientific grounding of the Japanese government’s position. With Bush’s policy shift in Beijing, its North Korea “containment policy,” as the *Asahi shimbun* described it on 15 February, “falls apart.”[49]

Japan was isolated at Beijing because it allowed domestic political considerations to prevail over international ones in framing the North Korean abductions of 1977 to 1982 as a greater problem than nuclear weapons and as a unique North

Korean crime against Japan rather than as a universal one of human rights. In any universal human rights frame, Japan itself would become the greatest 20th century perpetrator of abductions, and Koreans, north and south, the greatest victims. No amount of global diplomatic effort under Koizumi and Abe could overcome the problem caused by exclusive focus on Japan's own victims and the denial of its own abduction responsibility. The Japanese government's plea of concern for its abducted citizens also did not rest well with its studied neglect of the rights of its citizens abandoned in China, Sakhalin, and elsewhere since the end of the Second World War, its continuing coldness towards those fleeing from political persecution and seeking refuge in Japan, or its cruel policies of the 1950s and 1960s designed to get rid of as many Koreans as possible (with North Korean complicity), recently documented by Tessa Morris-Suzuki.[50]

A rift slowly opened between Washington and Tokyo during 2007. Previously unimaginable rumbles of criticism of the Bush administration began to be heard from Tokyo.[51] The Ministers of Defense and of Foreign Affairs, no less, referred to Iraq as a "mistaken" war, without justification, pursued in "childish" manner, and to the US being too "high-handed" in Okinawa. Protesting that it will not be party to any aid to North Korea until the abduction issue is settled, and therefore refusing to shoulder any financial

responsibility, the Japanese government was reduced to pleading with the Bush administration to not take steps required under the Beijing agreement such as lifting the terror support label from North Korea. In the sharpest comment of all, the head of the LDP's Policy Council, Ishihara Nobuteru, denounced US North Korea policy as "appalling" (hidoi) and declared it would be no bad thing for Japan to abandon the Six-Party talks.[52] That way, however, lay absolute and potentially catastrophic isolation. Perhaps the worst Japanese fear is that the US might be in the process of a large-scale shift in its Asia policy, with China gradually coming to replace Japan as its strategic partner. That really would be a Japanese nightmare.

4. Conclusion – A New Deal for East Asia

The reasons for the US reversal can only be surmised, but probably include: North Korea's missile and nuclear tests, the Republican defeat in the mid-term US elections, the deepening catastrophe in Iraq, and perhaps too, in some unquantifiable measure, the success of North Korean overtures of friendship.[53] But, was the US shift strategic and long-term or tactical and likely to be reversed again in the near future?

As peace begins to seem possible on the Korean peninsula, the Beijing parties head toward a multi-polar and post-US hegemonic order in

Northeast Asia, with the 6-Party conference format likely to be institutionalized in due course as a body for addressing common problems of security, environment, food and energy, the precursor of a future regional community. North Korean nuclear weapons and its distorted, rights denying, family cult centered polity, are indeed serious problems, but they are best seen as symptomatic, parts of larger, primary problems, not capable of resolution in isolation.

Looking back at the years of the George W. Bush presidency, especially since September 11, 2001, it is clear that fundamentalism has been a key element - both of Islam (although scarcely a major consideration in Northeast Asia) and of the US, where assumptions of a simple moral order pitting good against evil and god against the devil, and a readiness to destroy the world in order to save it, are deeply rooted in the society, and where under George W. Bush in particular a neo-conservative group, extremists even by conventional US standards, was able to seize power and manipulate the state (and the world) in disastrous and anti-democratic ways. In due course, the failure of the war in the Middle East, the exhaustion of the armed forces, the revolt of the electorate and the rout of the Republican Party in the mid-term elections, combined to shift the balance back in a pragmatic direction, but the underlying, quasi-religious mentality remained strong. [54]

The larger issues that constitute the frame within which the North Korean problem has taken shape, and which will somehow have to be addressed as part of its resolution, include:

- (1) The refusal of their legal and treaty obligations for nuclear disarmament by the global superpowers and the insistence on the part of the US on the prerogative of nuclear threat;
- (2) The persistence in the US of fundamentalism, unilateralism and militarism, even as its hegemonic position has been seriously weakened by the catastrophe in the Middle East;
- (3) The persistence in Japan too of a kind of fundamentalism, in the form of neo-nationalism, i.e. the combination of deepening subjection to the US with exaggerated stress on the symbols of nation, denial of war guilt and responsibility, and insistence on national beauty;
- (4) The reluctance of both the US and Japan (even as the Bush administration scrambles to solve this problem in its remaining span of office) to move beyond the institutions of the Cold War and adjust to the emerging new Northeast Asian order.
- (5) The obsequious position adopted by America's allies. The uncritical, unconditional support pledged by Britain's Blair, Australia's

Howard, and Japan's Koizumi (later Abe) undoubtedly helped make war on Iraq possible and protracted, and helped prolong and intensify the North Korean crisis.[55]

Between the crisis of 2006 and the promise of 2007, the frame of the "North Korea problem," and of East Asian diplomacy shifted radically, East Asian Confucian realism and humanism displacing Western neo-conservative fundamentalism. Yet the balance of forces remains fragile. Whether North Korea and the US, on the one hand, and North Korea and Japan on the other, can build trust in sufficient measure to outweigh the accumulated half-century (and in the Japanese case a full century) of hostility remains to be seen.

If there is a North Korean "lesson" relevant to global crisis points in this record of North Korea in its confrontation with, and looming triumph over, George W. Bush, however, it might be the paradoxical one that it pays to have nuclear weapons and negotiate from a position of strength (unlike Saddam Hussein, or the present leadership of Iran), and that it helps to have no oil (at least no significant and verified deposits), no quarrel with Israel, few Arabs or Muslims, and no involvement (despite the rhetorical excesses of the Bush administration) in any "axis of evil." Undoubtedly, too, it pays to have neighbors like North Korea's, who have ruled out any resort to force against it.

Despite the apparent progress of 2007, the commitment of the Bush administration to carry forward the radical (Condoleezza) Rice-(Christopher) Hill agenda remains uncertain. Has the president really signed off to normalize relations with one he loathes as much as Kim Jong Il? And even if he has, has he the time left in his lame-duck phase to carry it through? Many within the Bush regime will resist meeting US obligations to lift the terrorist label and end sanctions, let alone "trust" and relate normally to a regime it has hated passionately. As for North Korea, Kim Jong Il will have to deploy all his power and prestige to enforce his commitment to submit the inventory of his nuclear weapons, materials, and facilities, abandon the 50 kilos of plutonium the US estimates it holds,[56] and then dismantle its works. Can he really reverse 50, or even 80, years of guerrilla state mobilization, and persuade his military to accept the goal of becoming the Libya, rather than the Pakistan of East Asia? South Korea faces imminent presidential elections, but seems to offer the prospect of policy continuity irrespective of its outcome. As for Japan, however, North Korea is the concentrated expression of multiple security, diplomatic, and even identity dilemmas. Facing isolation unless it "makes a substantial course correction in its North Korean policy"[57] as the Beijing parties head towards a new, multi-polar and post-US hegemonic order in Northeast Asia, North Korea constitutes for Japan a crucial test.

All of these countries stand at a crossroads. The vigorous support of the civil societies of them all, and of the world, will be necessary to ensure the governments concerned do not backtrack and that the promise of February 2007, the best chance the region has ever had to set the troublesome 20th century behind it and advance the 21st century agenda of regional peace, cooperation and prosperity, is borne out in the months ahead.

For other recent Japan Focus papers on North Korea issues see

Bruce Cumings, Kim Jong Il confronts Bush — and wins. A New Page in North-South Korean Relations

(<http://japanfocus.org/products/details/2539>)

John McGlynn, North Korean Criminality Examined: the US Case

(<http://japanfocus.org/products/details/2423>)

This is a paper delivered to the international conference on “North Korea—Policy, Modernity, Fantasy,” held at the University of Iowa on 19-20 October 2007 and is part of a forthcoming volume of conference papers to be edited by Sonia Ryang. Posted at Japan Focus on October 24, 2007.

Paik Nak-chung, Democracy and Peace in Korea Twenty Years After June 1987: Where Are We Now, and Where Do We Go from Here?

(<http://japanfocus.org/products/details/2440>)

For other papers by the author on North Korea, the US and Northeast Asia see

Wada Haruki, The North Korean Nuclear Problem, Japan, and the Peace of Northeast Asia

(<http://japanfocus.org/products/details/2376>)

A Denuclearization Deal in Beijing: The Prospect of Ending the 20th Century in East Asia

(<http://japanfocus.org/products/details/2354>)

Criminal States: Soprano vs. Baritone – North Korea and the US

(<http://japanfocus.org/products/details/2189>)

Notes

“The North Korean Problem”, Japan and the US: The Politics of Hypocrisy

(<http://japanfocus.org/products/details/1909>)

[1] “Initial Actions for the Implementation of the Joint Statement,” Joint Statement from the Third Session of the Fifth Round of the Six-Party Talks,

- 13 February 2007. Nautilus Institute, Special Report, 13 February 2007. See detailed discussion in Charles L. Pritchard, *Failed Diplomacy: The tragic story of how North Korea got the bomb*, Washington, Brookings Institution Press, 2007, p. 159.
- [2] "Dokyumento - Gekido no Nanboku Chosen," Sekai, June 2007, pp. 263-70, at p. 269.
- [3] "Heiwa kyotei 9 gatsu made ni," Asahi shimbun, 11 May 2007.
- [4] Limb Jae-un, "Thing tank assigns 116 trillion won tab for South-North deals," Joongang ilbo, 17 October 2007.
- [5] Unification minister Lee Jae Joung spoke of the "reconnecting the severed bloodlines of the Korean nation."
- [6] "Sanbutsu wa toitsu? Gaika?" Asahi shimbun, 15 June 2007; Dick K. Nanto and Mark E Manyin, "The Kaesong North-South Korean Industrial Complex," CRS Report for Congress, 19 July 2007.
- [7] "Dokyumento - gekido no nanboku Chosen," Sekai, September 2007, pp. 302-309, at p. 308.
- [8] See Wikipedia (http://en.wikipedia.org/wiki/Pyongyang_University_of_Science_and_Technology).
- [9] George W. Bush at APEC summit in Sydney, September 2007, was explicit on this when pressed by President Roh Moo-Hyun. (And see "New era of peace is coming on the Korean peninsula," *The Hankyoreh*, 8 September 2007.)
- [10] Reports of the September Six-Party working group sessions between US and North Korea in Geneva and between Japan and North Korea in Ulan Bator. On Japan: Takashi Horiuchi and Yoshihiro Makino, "Japan to answer N. Korea's call," *Asahi shimbun*, 6 September 2007.
- [11] Paik Nak-chung, "Twenty years after June 1987: Where are we now, and where do we go from here?" (<http://japanfocus.org/products/details/2440>) Keynote speech to International Symposium on "Democracy and Peace-Building in Korea and the Choice of 2007," Los Angeles, 12 May 2007.
- [12] Gavan McCormack, *Target North Korea: Pushing North Korea to the Brink of Nuclear Catastrophe*, New York, Nation Books, 2004.
- [13] Gavan McCormack, "Criminal States: Soprano vs. baritone — North Korea and the United States," *Korea Observer*, Seoul, The Institute of Korean Studies, Vol. 37, No. 3, Autumn 2006, pp. 487-511, and (in Korean) as chapter 1 of *Beomjoegukga: Bukhan Geurigo Miguk*, Seoul, Icarus, 2006, p. 15-40.
- [14] For a compendium of all US sanctions against North Korea prepared by the Atlantic Council, see "U.S.- North Korean Relations: An Analytic Compendium of U.S. Policies, Laws and Regulations," (http://www.acus.org/library-by_topic-asia.asp) April 13 2007.
- [15] "Kita Chosen uran noshuku honto," *Asahi shimbun*, 26 February 2007.
- [16] David E. Sanger and William J. Broad, "US had doubts on North Korean uranium drive," *New York Times*, 1 March 2007.

- [17] See David Albright, "North Korea's alleged large-scale enrichment plant: yet another questionable extrapolation based on aluminum tubes," Institute for Science and International Security, 23 February 2007.
- [18] Reuters, "U.S. acknowledges gaps on N. Korea nuclear program," 22 February 2007.
- [19] The Sunday Times, 1 May 2005. See Mark Danner, *The Secret Way to War: The Downing Street Memo and the Iraq War's Buried History*, New York, New York Review Book, 2006.
- [20] Robert Gallucci (chief negotiator of the 1994 agreement), quoted in Richard J. Bernstein, "How not to deal with North Korea," (<http://www.nybooks.com/articles/19923>) New York Review of Books, 54, 3, 1 March 2007. ().
- [21] Charles L. (Jack) Pritchard, "Six Party Talks Update: False Start or a Case for Optimism," Conference on "The Changing Korean Peninsula and the Future of East Asia," sponsored by the Brookings Institution and Joongang Ilbo, 1 December 2005.
- [22] Funabashi Yoichi, *Za peninshura kueshon*, Asahi shimbunsha, 2006, pp. 610. See also Joseph Kahn and David E. Sanger, "U.S.-Korean deal on arms leaves key points open," New York Times, 20 September 2005.
- [23] C. Kenneth Quinones, "The United States and North Korea: Observations of an Intermediary," (<http://www.uskoreainstitute.org/events/index.htm>) lecture to US-Korea Institute at SAIS, Johns Hopkins University, 2 November 2006, audio link.
- [24] Tom Lantos, from January 2007 chair of the House International Relations Committee, quoted in Selig Harrison, "A humbled administration rethinks North Korea and Iraq," The Hankyoreh, 28 November 2006.
- [25] Tim Johnson, "Macao tycoon wants his bank back," McClatchy Newspapers, Washington Bureau, 6 July 2007.
- [26] David Asher, interviewed in Takase Hitoshi, "Kin Shojitsu o furueagareseta otoko," Bungei shunju, October 2006, pp. 214-221, at p. 216.
- [27] David Asher, senior adviser on North Korea matters to the Bush administration, interviewed, Takase Hitoshi, "Kin Shojitsu o furueagareseta otoko," Bungei shunju, October 2006: 214-221, at p. 216.
- [28] US Treasury figure of October 2006, Client State, p. 110.
- [29] Kevin G. Hall, "Swiss authorities question U.S. Counterfeiting charges against North Korea," McClatchy Newspapers, 22 May 2007.
- [30] Klaus Bender, "The mystery of the 'supernotes': Washington accuses North Korea of counterfeiting dollar bills on a huge scale, the evidence militates against it," Frankfurter Allgemeine Zeitung, 7 January 2007. See also Bender's *Moneymakers: The Secret World of Banknote Printing*, Weinham, Wiley-VCH, 2006.
- [31] "North Korea: Illicit activity funding the regime," (http://hsgac.senate.gov/files_042506merritt.pdf) US Senate Committee on Homeland Security

and Governmental Affairs," 25 April 2006.

[32] See my *Client State: Japan in the American Embrace*, London, Verso, 2007, p. 110.

[33] Glenn R. Simpson, "US tracks Saudi bank favored by extremists," *Wall Street Journal*, 26 July 2007.

[34] See part two of McGlynn, "Financial Sanctions and North Korea under the Patriot Act's Catch 22," North Korean criminality examined, *Japan Focus*, June 2007.

[35] Paul Bracken, "Financial warfare," (<http://www.fpri.org/enotes/200709.bracken.financialwarfare.html>) *Foreign Policy Research Institute, E-Notes*, September 2007.

[36] For two recent pieces in this genre, Sheena Chestnut, "Illicit Activity and Proliferation: North Korean smuggling networks," *International Security*, vol. 32, No. 1, Summer 2007, pp. 80-111, and Bill Powell and Adam Zagoria, (<http://www.time.com/time/printout/0,8816,1642898,00.html>) "North Korea: The Sopranos State," (<http://www.time.com/time/printout/0,8816,1642898,00.html>) *Time*, 12 July 2007

[37] See the three-part analysis by John McGlynn, "North Korean criminality examined: The US Case," *Japan Focus*, May-July 2007.

[38] "Briefing on Release of Annual Report on the Major Illicit Drug Producing Countries for FY 2008," (<http://www.state.gov/p/inl/rls/rm/92148.htm>) Christy McCampbell, Deputy Assistant Secretary for International Narcotics and Law

Enforcement Affairs, Washington, DC, 17 September, 2007, .

[39] Ryu Jae Hoon, "Rocky road ahead, and not a lot of time, for NK denuclearization," *The Hankyoreh*, 9 July 2007.

[40] John Bolton, "Pyongyang pussyfooting," *Wall Street Journal*, 3 July 2007.

[41] "Kim Jong Il and the prospects for Korean unification," (<http://www.uskoreainstitute.org/events/index.htm>) US-Korea Institute, School of Advanced International Studies, Johns Hopkins University, 28 November 2006.

[42] Japanese historian Wada Haruki's term, in his various writings on the modern history of North Korea.

[43] This matter is addressed in detail in my *Client State: Japan in the American Embrace*, London, Verso, 2007.

[44] "Keri moto Beikokumu jikanho rachi 'Nihon wa kibishii ketsudan mo'," *Asahi shimbun*, 29 April 2007.

[45] "North Korea may still be nuclear in 2020," *The Hankyoreh*, 18 February 2007.

[46] For detailed analysis: Gavan McCormack and Wada Haruki, "Forever stepping back: the strange record of 15 years of negotiation between Japan and North Korea," in John Feffer, ed, *The Future of US-Korean Relations: The imbalance of power*, London and New York, Routledge, 2006, pp. 81-100.

[47] Most recently Abe on 16 June 2007, quoted in "Shusho no doshi uttae tesaguri," *Asahi*

shimbun, 28 June 2007.

[48] See my “Reshaping the Japanese State: the Koizumi and Abe Agenda,” in forthcoming Routledge volume edited by Glenn D. Hook and Hiroko Takeda of Sheffield University.

[49] Naohito Maeda and Nanae Kurashige, “With US shift, Abe’s N. Korea containment policy falls apart,” Asahi shimbun, 15 February 2007.

[50] Tessa Morris-Suzuki, *Exodus to North Korea: Shadows from Japan’s Cold War*, Lanham, Maryland: Rowman and Littlefield, 2007.

[51] For a brief account, “Criticism of Iraq war,” editorial, Asahi shimbun, 8 February 2007.

[52] Speaking on TV Asahi on 16 September, quoted in “Rokusha kyogi ridatsu mo,” Asahi shimbun, 16 September 2007.

[53] North Korea seems eager to become an American friend. Vice Foreign Minister Kim Gye Gwan in New York in March suggested the United States think of using North Korea as a kind of buffer to contain China. A similar point

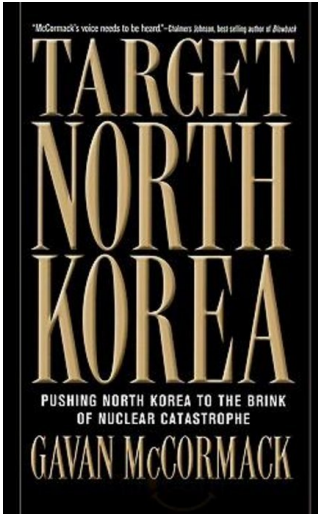
was made to visiting New Mexico Governor Bill Richardson on his April visit to Pyongyang. (Quoted in “Bei to no kyori Kankoku hyoryu,” Asahi shimbun, 16 March 2006.)

[54] On this controversial point, see the writing of James Carroll, in most succinct form the following interview “Tomdispatch interview – American fundamentalisms,” (http://www.tomdispatch.com/post/174837/tomdispatch_interview_james_carroll_american_fundamentalisms) TomDispatch, 17 September 2007.

[55] All these state might learn from South Korea. Both South Korea’s current president, Roh Moo Hyun, and his predecessor Kim Dae Jung, have been noted for plain-talking to their opposite number in Washington.

[56] Christopher Hill, quoted in Brian Lee, “No peace with plutonium, Hill says,” Joongang ilbo, 17 October 2007.

[57] Gerald L. Curtis, “The US in East Asia: not architecture, but action,” *Global Asia*, 5, 2, Fall 2007, pp. 43-51, at p. 51.



(<http://www.amazon.com/dp/1560255579/?tag=theasipacjo0b-20>)

Click on the cover to order.



(<http://www.amazon.com/dp/184467133X/?tag=theasipacjo0b-20>)

Click on the cover to order.