

## **Chapter 3**

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### **The Korean Peninsula— The Nuclear Threat of North Korea, The Self-reliance of South Korea**



On October 9, 2006, the Democratic People's Republic of Korea (DPRK or North Korea) conducted a nuclear test, giving another dangerous twist to its brinkmanship diplomacy. As nuclear weaponry is its only bargaining chip, North Korea has to achieve the eventual goal of normalizing relations with the United States by nuclear diplomacy. Earlier, in July 2006, North Korea launched seven missiles without prior notification and these missiles fell in the Sea of Japan. In a statement issued after the nuclear test, North Korea mentioned its position vis-à-vis the United States. However, after the launch of the missiles, it appeared concerned about its relations with Japan. This is because the Japan-DPRK Pyongyang Declaration (September 2002) that provided for the normalization of Japan-DPRK relations included an agreement for settling missile issues. What constructive role Japan can play in settling the missile issue can have a significant impact on Japan's position in East Asia in coming years.

Meanwhile, President Roh Moo-hyun of the Republic of Korea (ROK or South Korea) on the one hand is seeking to strengthen South Korea's position in bilateral relations with the United States while on the other is seemingly trying to distance it from the United States on the North Korean problems because of South Korea's emphasis on economic cooperation with the North. As illustrated by the stance South Korea has taken on the Gaeseong Industrial Complex issue in the negotiations for a free trade agreement with the United States, the Roh administration has gone so far as to demand that the United States modify its North Korea policy. Moreover, President Roh defined the transition of wartime operational control to the ROK armed forces as a step toward recovering South Korea's "sovereignty." In truth, however, the ROK-US Military Committee, which issues strategic directives and operational guidelines to the ROK-US Combined Forces Command (CFC), is under the control of the chairmen of the Joint Chiefs of Staff of both countries. President Roh's logic may well suggest his stance to settle the issue in terms of asserting self-reliance.

South Korea and the United States need to consider how to cooperate on a wide range of issues to develop the bilateral alliance in the future. North Korea's nuclear diplomacy seems to have cast a damper on such possible talks between the two allies.

## **1. North Korea's Development of Nuclear Weapons and Ballistic Missiles**

### **(1) The Nuclear Diplomacy**

On October 9, 2006, North Korea at long last conducted a nuclear test and raised its brinkmanship diplomacy to a more dangerous level. However, its stance exploiting nuclear development as a diplomatic lever is not new. North Korea has been pursuing nuclear diplomacy to achieve wide-ranging objectives by making the most effective use of its limited resource—nuclear weapons.

In a statement giving prior notification of its nuclear test on October 3, 2006 to its neighboring countries, the North Korean government said that “the ultimate goal of the DPRK is not a ‘denuclearization’ to be followed by its unilateral disarmament but one aimed at settling the hostile relations between the DPRK and the US and removing the very source of all nuclear threats from the Korean Peninsula and its vicinity.” In its statement, North Korea stressed the necessity of denuclearizing the Korean Peninsula; however, that is not the North’s only objective. Mention of its aim to resolve deteriorated US-DPRK relations shows that North Korea is looking to gain a larger payoff for dismantling its nuclear program than just the denuclearization of the Korean Peninsula.

North Korea had been attempting as much even before the nuclear test. The problem-solving process—called “action for action”—which North Korea insisted on was implicitly designed to exclude the settlement of non-nuclear issues from the conditions on which countries participating in the Six-party Talks would reward North Korea for dismantling its nuclear program. The action-for-action principle already agreed by the countries concerned calls on these countries to give assistance to North Korea when it fulfills its obligation. The joint statement issued after the fourth meeting of the Six-party Talks in September 2005, in fact, states that the parties to the talks will carry out the items of commitment—dismantling of the nuclear program by North Korea, normalizing diplomatic relations between Japan and North Korea, also between the United States and North Korea, providing energy assistance to North Korea, and building a peaceful regime in the Korean Peninsula—in accordance with the commitment-for-commitment and action-for-action principle. However, given that North Korea’s obligation is confined to nuclear-related issues under the action-for-action

principle, it can still receive various forms of assistance from the countries of the Six-party Talks, even if serious problems other than the nuclear issue remain.

The joint statement of the fourth meeting of the Six-party Talks states that “The other parties expressed their respect and agreed to discuss, at an appropriate time, the subject of the provision of a light water reactor to the DPRK.” North Korea interpreted this as meaning it could receive the light water reactor ahead of dismantling its nuclear program. It gave no explanation to substantiate this claim, and tried to bring forward the date by which it would be rewarded, interpreting the terms of exchange for dismantling its nuclear program not as discussions on the provision of a light water reactor but on the delivery of a reactor. On that occasion, North Korea clarified its position by saying that “we will feel no need to keep even a single nuclear weapon if the DPRK-US relations are normalized.” According to the view expressed in that statement, North Korea’s only obligation based on the action-for-action principle for normalizing its relations with the United States is the dismantling of its nuclear program.

At the first session of the fifth Six-party Talks held on November 9, 2005, the Japanese government demanded that the areas of negotiation for the implementation of the joint statement of the fourth Six-party Talks be divided into a number of different fields and that discussions be held in parallel with one another. The basic approach suggested by Japan was reflected in the chairman’s statement issued by China after the meeting, which said that the parties will carry out the joint statement comprehensively by building confidence in one another and that they will carry out all commitments they made in various fields. At the second session of the fifth Six-party Talks held in December 2006, four countries other than North Korea had discussions with Japan with the understanding that negotiations for various issues would be held in parallel with one another. This approach would make it easier for different parties to take up non-nuclear issues as an obligation of North Korea in accordance with the action-for-action principle. In response to these developments, the denuclearization action plan adopted at the third session of the fifth Six-party Talks included establishment of five working groups to address the undertaking made in the joint statement of the fourth round of the Six-party Talks (denuclearization of North Korea, normalization of US-DPRK relations, normalization of Japan-DPRK relations, provision of economic and energy cooperation, and establishment of a peace and stability mechanism in Northeast Asia) and to hold their meetings within the following 30 days.

One of the reasons that North Korea has tried to raise the price for giving up its nuclear program is its awareness of how seriously the United States also regards non-nuclear issues including the North's development of missiles and biological and chemical weapons. In testimony given before the US Senate Committee on Foreign Relations on June 14, 2005, Christopher Hill, assistant secretary of state for East Asian and Pacific affairs, stated that "to achieve a wholly transformed relationship with the United States, North Korea must address other issues of concern to us and the international community as well." As specific matters of US concern, he stated that North Korea must change its behavior on human rights, address the issues underlying its appearance on the US list of state-sponsored terrorism, eliminate all its weapons of mass destruction (WMD) programs and missile technology proliferation, adopt a less provocative conventional force disposition, and stop illegal financial activity. For its part, North Korea wants to normalize its relations with the United States merely by dismantling its nuclear program and has sought to avoid other issues.

For North Korea, nuclear weapons are just about the only bargaining chip at its command. Therefore, it must avoid its nuclear diplomacy ending without an agreement to normalize its relations with the United States. In other words, North Korea is unlikely to repeat the mistake it made with the Agreed Framework of 1994 under which the nuclear freeze failed to lead to normalization. If that happens, North Korea will be forced to negotiate for normalization from a position in which it has no effective bargaining chip. For North Korea, the dismantling of its nuclear program must put an end to the hostile US policy toward it and not be hampered by other issues.

That nuclear weapons are the only bargaining chip North Korea has makes a solution to the nuclear issue much more difficult, since North Korea can push ahead with the nuclear development program in order to negotiate to its advantage on issues that are not directly related to its security. In fact, North Korea takes the view that it carried out its nuclear test to counter the "financial sanctions" imposed

by the US Department of the Treasury. In a statement issued on November 1, 2006, in connection with its return to the Six-party Talks, the Foreign Ministry of North Korea justified its nuclear test by saying that “The DPRK recently took a self-defensive countermeasure against the US daily increasing nuclear threat and financial sanctions against it.” Having said that, North Korea clarified its position by stating that “The DPRK decided to return to the Six-party Talks on the premise that the issue of lifting financial sanctions will be discussed and settled between the DPRK and the US within the framework of the Six-party Talks.” In other words, according to North Korea, one of the reasons that had prompted it to conduct the nuclear test was the “financial sanctions” imposed on it by the US Department of the Treasury, and now that there are prospects for settling this issue, it decided to return to the Six-party Talks. At the first session of the fifth Six-party Talks, North Korea already condemned in strong terms the crackdown on money laundering by the US authorities and argued that the United States should abandon its hostile policy toward North Korea. Also, on December 2, 2005, North Korea said that if the United States wants to the Six-party Talks to move forward, it should lift the “financial sanctions.” The nuclear test conducted by North Korea in October 2006 may be considered as a ploy to break the deadlock of the Six-party Talks.

It is not clear how much damage the freezing of its accounts at Banco Delta Asia has done to North Korea under the US “financial sanctions.” (More than \$25 million in accounts connected with North Korea was frozen.) North Korea’s complaint was not so much about the damage caused by freezing its accounts, but about the US attitude toward the country. For instance, on November 12, 2005, Chief Delegate Kim Gye Gwan, North Korea’s vice minister of foreign affairs, maintained that “Most important among them is to implement the joint statement through simultaneous actions on the principle of ‘action for action,’” and he criticized “the financial sanctions” imposed by the United States as being in “contravention of the joint statement.”

Even before the nuclear test, the United States had shown some interest in the North Korea’s concern over financial problems. On September 21, 2006, Assistant Secretary of State Hill proposed that if North Korea returned to the Six-party Talks, he would hold a bilateral working group to deal with the financial issues. The Six-party Talks were resumed after the nuclear test due to the fact that North Korea accepted Hill’s offer. However, since North Korea was intending to use its nuclear

development as a lever in dealing with non-security issues, it had to do so in DPRK-US discussions about the financial issue. Therefore, it insisted that it would not participate in any discussion about the implementation of the joint statement until the “financial sanctions” imposed by the United States had been lifted.

The “financial sanctions” were merely one of several factors influencing North Korea’s timing of the nuclear test. In the first place, the present nuclear crisis was touched off by North Korea’s development of nuclear materials through enriching uranium. Under the guise of the Agreed Framework, North Korea continued to develop nuclear materials by exploiting uranium enrichment technology, which is easy to hide. Subsequently, when the clandestine operation was revealed, North Korea no longer needed to conceal its nuclear development program and it resumed the extraction of plutonium, useful for miniaturizing nuclear weapons. Thus it was not the financial sanctions—a short-term issue—that forced North Korea to develop nuclear weapons. Spurring North Korea’s nuclear program since the second half of the 1980s has been concern over national insecurity. How to defuse this concern is a basic challenge for countries concerned to solve the nuclear issue.

At the third session of the fifth Six-party Talks held in Beijing in February 8–13, 2007, an agreement was reached on “Initial Actions for the Implementation of the Joint Statement.” In that document, as steps to be taken within 60 days by North Korea and other parties to the talks, it was agreed (a) that North Korea will shut down and seal the nuclear facilities including the reprocessing facilities in Yongbyon for the purpose of ultimately abandoning them, and (b) that it will allow representatives of the International Atomic Energy Agency (IAEA) to return to North Korea for carrying out all necessary monitoring and verifications as agreed between the IAEA and the DPRK. The other parties will provide North Korea with aid in the form of 50,000 tons of heavy oil in parallel with the action taken by North Korea.

Moreover, during the next phase, in which North Korea is to declare its entire nuclear development program, and disable all its existing nuclear facilities, the other parties will provide North Korea with a maximum of 950,000 tons worth of economic, energy, and humanitarian aid in addition to the 50,000 tons of heavy oil delivered initially. The Six-party Talks have produced certain results. However, the situation does not yet warrant optimism, as the North Korea News Service, the state-run broadcaster of North Korea, insisted right after the third

**Table 3.1. North Korean demands and US responses**  
(since the fourth Six-party Talks)

US-DPRK Bilateral Relations	
North Korea	<ul style="list-style-type: none"> <li>- North Korea will not possess nuclear weapons when its relations with the United States are normalized, sufficient confidence is built in one another, and the nuclear bombs of the US no longer pose a threat to North Korea. (Foreign Ministry on September 20, 2005)</li> <li>- The ultimate objective of North Korea is not a denuclearization through unilateral disarmament but the cessation of hostile relations between the DPRK and the US and a denuclearization that will completely remove all forms of nuclear threat from the Korean Peninsula and its surrounding areas. (Foreign Ministry on October 3, 2006)</li> <li>- The must abolish all legal and institutional systems that are hostile to North Korea. (Kim Gye Gwan, vice minister of foreign affairs, at the second session of the fifth Six-party Talks)</li> </ul>
The US	<ul style="list-style-type: none"> <li>- Standing in the way of completely turning around the US-DPRK relations are, in addition to the nuclear development program of North Korea, outstanding issues such as the development of all forms of WMD, proliferation of missile technology, the provocative positioning of conventional arms, illegal financial activity, and the human rights issues. (Assistant Secretary of State Christopher Hill on June 14, 2005)</li> <li>- If North Korea abandons its nuclear ambitions, the United States will start negotiating a new security accord with North Korea and move forward new economic incentives for the North Korean people. (President George W. Bush on November 18, 2006)</li> <li>- The president is ready to formally announce an end to the Korean War. (White House Spokesman Tony Snow, November 19, 2006)</li> <li>- The US can increase political contacts over time to explore the possibility of normalizing its relations with North Korea in the context of denuclearization of the Korean Peninsula pursuant to the joint statement of the fourth Six-party Talks. (Secretary of State Condoleezza Rice on December 12)</li> </ul>
Energy Assistance	
North Korea	<ul style="list-style-type: none"> <li>- If the US provides us with a light water reactor as a basis of confidence building pursuant to the joint statement of the fourth Six-party Talks, North Korea will rejoin the NPT forthwith. (Foreign Ministry on September 20, 2005)</li> <li>- Dismantling of the nuclear development program is conditional upon the provision of a light water reactor and alternative energy until the construction of the light water reactor is completed (Kim Gye Gwan, vice minister of foreign affairs, at the second session of the fifth Six-party Talks)</li> </ul>
The US	<ul style="list-style-type: none"> <li>- North Korea needs to dismantle its nuclear development program, rejoin the NPT, and receive safeguards of the IAEA, and then the US will discuss the provision of a light water reactor. (Secretary of State Rice on September 19, 2005)</li> <li>- We would be talking about economic and energy assistance in the context of denuclearization. (Secretary of State Rice on December 12, 2006)</li> </ul>
Financial Issue	
North Korea	<ul style="list-style-type: none"> <li>- We decided to return to the Six-party Talks on the assumption that the US and North Korea will discuss the question of lifting the "financial sanctions" within the framework of the Six-party Talks. (Foreign Ministry of North Korea on November 1, 2006)</li> <li>- If the "financial sanctions" of the US and the UN sanctions that were imposed after the fourth Six-party Talks are lifted, North Korea will participate in discussions about the implementation of the joint statement of the fourth round of the Six-party Talks. (Kim Gye Gwan, vice minister of foreign affairs, at the second session of the fifth Six-party Talks)</li> </ul>
The US	<ul style="list-style-type: none"> <li>- We made it clear that we consider the financial issue is an entirely separate issue from denuclearization. (Assistant Secretary of State Hill on December 21, 2006)</li> </ul>

Sources: Data from the websites of the Ministry of Foreign Affairs of Japan, the US White House, the US Senate, the US Department of State, the Ministry of Foreign Affairs and Trade of South Korea, and the Korean Central News Agency of the DPRK.

session of the fifth Six-party Talks that North Korea would suspend its nuclear program “temporarily.”

The joint statement of the fourth Six-party Talks recommended several measures to incorporate North Korea into the international community, including abandoning North Korea’s nuclear development program and normalizing its relations with Japan and with the United States. In particular, building a permanent peace regime to end the confrontation on the Korean Peninsula would provide security assurance to North Korea. On this point, a White House spokesperson made it clear on November 19, 2006, that President George W. Bush was willing to formally announce an end to the Korean War. Were President Bush to make such a declaration, it would be the first step to change the armistice agreement to a peace agreement.

## **(2) Japan’s Role in the Missile Issue**

On July 5, 2006, North Korea launched missiles without giving prior notification to neighboring countries and these missiles fell in the Sea of Japan. In resolving the missile issue, Japan could play a constructive role, because normalization of diplomatic relations between the two countries has potentially become an important factor in rehabilitating the North Korean economy. Furthermore, the Japan-DPRK Pyongyang Declaration signed in September 2002 provides for normalization of relations between the two and contains an agreement explicitly dealing with North Korea’s missile issue.

The prior notification of the nuclear test issued by the Foreign Ministry of North Korea was mainly addressed to the United States and not to Japan. On the other hand, the statement issued by its Foreign Ministry one day after the launch of missiles toward the Sea of Japan on July 5, 2006, devoted a considerable portion to Japan-North Korea relations. In that statement, North Korea’s foreign ministry claimed that the missile launching did not violate the Pyongyang Declaration or the Joint Statement of the fourth Six-party Talks. Though the joint statement did not directly touch on the missile issue, the Pyongyang Declaration deals with the issue explicitly, and North Korea could not ignore the declaration.

In the Pyongyang Declaration, the two countries expressed strong determination to sincerely tackle outstanding problems between them, and confirmed the necessity of resolving security problems including nuclear and missile issues by promoting dialogue. As long as North Korea adheres to the Pyongyang Declaration,

it cannot normalize its relations with Japan without showing an active stance on solving the missile issue.

What makes the Pyongyang Declaration important is the fact that there are no provisions in international law specifically regulating the development of missiles. Although the statement by North Korea's Foreign Ministry did touch on the Missile Technology Control Regime (MTCR), the MTCR is not a legally binding international regime. It relies on self-regulation based on domestic laws of individual countries. The MTCR does not cover missile development per se, and its main purpose is to restrict the export of missiles, dual-use goods related to missiles, and missile technology. North Korea claims that "it is not a signatory to the MTCR and, therefore, is not bound by any commitment made under it." This statement indicates that North Korea wanted to export missiles restricted by the MTCR.

Without any relevant international laws regulating missile development, there is no reason why North Korea had to put a statement in the Pyongyang Declaration committing itself to restricting its development of ballistic missiles. Even from the standpoint of arms control or arms reduction, there is no need for North Korea to discuss the missile issue with Japan, which has no ballistic missiles. Nevertheless, the fact that North Korea agreed to address the issue in the Pyongyang Declaration may be taken as an indication that it attaches importance to the normalization of its relations with Japan. In the declaration, the Japanese government expressed deep remorse and heartfelt apology for having caused tremendous damage and suffering to the people of Korea through its colonial rule, and promised to provide North Korea with grant aid and low-interest long-term loans after diplomatic relations were normalized. Despite its repeated harsh criticism against Japan, North Korea has never indicated scrapping the Pyongyang Declaration. North Korea could use economic assistance from Japan for reconstructing its economy, which is crucial to the survival of the present regime.

During the fourth Six-party Talks in 2005, the participating countries did not focus on the missile issue, but North Korea's launching of missiles in July 2006 attracted international attention. In response, the UN Security Council (UNSC) on July 15 passed a resolution (Resolution 1695) which affirmed that "such launches jeopardize peace, stability and security in the region and beyond, particularly in light of the DPRK's claim that it has developed nuclear weapons." Critical for Japan will be whether it can encourage negotiations at the Six-party

Talks, and how constructive a role it can play in solving the missile issue through the process of normalization of Japan-DPRK relations.

## **2. South Korea's Policy toward North Korea**

### **(1) The Roh Administration's Engagement Policy**

In a speech delivered on the alliance with South Korea and the North Korean problem at the National Press Club on October 13, 2006, Assistant Secretary of State Christopher Hill said, "we should make clear to our partners and allies that no country needs to consider making a decision in the direction of considering a nuclear option." He made this remark mindful of the possible anxiety among US allies in the region caused by North Korea's nuclear test. In fact, a staff report entitled *Recognizing North Korea as a Strategic Threat: An Intelligence Challenge for the United States* submitted to the House Permanent Select Committee on Intelligence on September 25, 2006, pointed out the possibility that a North Korean nuclear test might spur Japan and possibly South Korea to develop their own nuclear weapons. Aware of this possibility, Assistant Secretary of State Hill stressed the necessity for the United States to reaffirm its commitment to the security of its allies in the region. In a joint communiqué issued by the 38th Security Consultative Meeting on October 20, Defense Secretary Donald Rumsfeld assured the South Koreans that the United States would provide an extended deterrence under the US nuclear umbrella.

Such debates and actions taken in response to North Korea's nuclear test are intended to allay the misgivings the South Koreans had about the credibility of the US commitment to their security. However, the reaction shown by the Roh administration was different from that of the United States. In a comment made on October 9 immediately after the North Korean nuclear test, President Roh said that in fact room for emphasizing dialogue with North Korea has narrowed or disappeared and that the objective situation has thus changed. The policy he had specifically outlined in that comment was merely that he would listen to various views, domestic as well as foreign, and he did not come up with any positive measures to deal with the situation. In other words, he merely sought to fathom the impact the reaction of the international community has had on his pro-cooperation policy toward North Korea rather than stressing the necessity to counter the threat posed by North Korea.

At a press interview held on October 19 after he had met with US Secretary of State Condoleezza Rice, South Korea's Foreign Affairs and Trade Minister Ban Ki-moon said that the South Korean government would review measures to be taken to harmonize its policy on the Gaeseong Industrial Complex and the Mt. Kumgang Tourism Project, symbol projects for South Korea's cooperation with the North, in line with the resolution of the UNSC and the demand of the international community. His government may modify its policy on these projects if other countries so desire; it is not indicative of a positive commitment to reexamine its North Korea policy of its own accord. In reaction, Secretary of State Rice said "I did not come to South Korea nor will I go to any place else to try and dictate to governments what they ought to do in response to Resolution 1718." While Rice carefully chose her words in deference to the South Korean government, her comment implied that the response shown by the South Korean government to North Korea's nuclear test was extremely lukewarm.

The tendency of the Roh administration to demonstrate a tolerance toward the threat of North Korea was seen before the nuclear test. In particular, an explanatory note on the *Balancer of Northeast Asia Initiative* released by the National Security Council (NSC) of South Korea in April 2005 betrayed a waning of concern by the South Korean government over the threat of North Korea. The *Balancer of Northeast Asia Initiative* envisions South Korea as a balancer that will play the role of defusing confrontation on the Korean Peninsula and its surrounding region. Underlying this concept is the regional perception of South Korea's NSC that the Korean Peninsula, Japan, and China are inseparably intertwined geopolitically. In the *Balancer Initiative*, the South Korean NSC envisions the external relations of the Korean Peninsula as a single entity of North and South with a role as "balancer." In fact, the explanatory note of the *Balancer Initiative* practically pays little attention to the confrontation between North and South and explains that the North Korean nuclear problem is not included in its policy goals. Based on such a perception, it is highly unlikely to view the threat posed by North Korea as a serious security concern.

Although the South Korean government subsequently supported UNSC Resolution 1718, it tried to narrow the scope of the economic sanctions. For instance, in response to a media report that US Assistant Secretary of State Hill had taken a negative view of the Mt. Kumgang Tourism Project, Vice Minister of Foreign Affairs and Trade Lee Kyu-hyung said on October 18 that he did not have to comment on a private remark made by a senior official of the US State

## **South Korea's Policy toward North Korea: Unification and Coexistence**

One great achievement for South Korea since the government of President Kim Dae-jung (1998-2002) was the North-South summit meeting held in June 2000. The joint statement issued after the summit said that the question of unification of North and South will be settled autonomously by the Korean people, and the two leaders pledged to cooperate with each other mainly in the economic field as a means to achieve it. The "peace and prosperity" policy pursued by the present Roh administration is also aimed, pursuant to the spirit expressed in that joint statement, at creating the foundation for a peaceful unification through cooperation while coexisting peacefully. However, the economic cooperation is based on the assumption that the two Koreas are separate entities. In other words, the South Korean policy toward North Korea is based on two competing concepts, namely, the coexistence of two separate entities each respecting the sovereignty of the other and a vision of unification that stresses the wish of both peoples to become a single state. Prior to the North-South summit, President Kim Dae-jung stated in the Berlin Declaration of March 2000 that it was practically difficult to rush the process of unification and declared that he did not intend to absorb North Korea. As his declaration suggested, the immediate aim of the North Korea policy of South Korea is coexistence rather than unification.

However, as long as South Korea advocates the necessity of unification of the two Koreas, the South Korean policy toward North Korea embraces the concept of treating North and South as a single entity. In particular, there is marked vacillation between unification and coexistence on the issue of human rights in North Korea. A unification-minded South Korea must actively assist North Korean defectors as compatriots, but for a coexistence-minded South Korea that considers North Korea as a separate state, defection of North Koreans is an internal affair of the North and therefore the South should not interfere. When a large number of North Korean defectors entered South Korea in July 2004, the ruling Uri Party highly praised the assistance given to them by the government. However, when in September the same year the US Senate passed the North Korea Human Rights bill under which the United States will provide assistance to organizations assisting defectors, the Uri Party, mindful of the charge leveled against the United States by North Korea, criticized the United States. The party pointed out that the law was interference in the internal affairs of North Korea and said the United States would encourage defections to the detriment of North-South relations and US-South Korea relations. Even among those who support the North Korea policy of the present administration, such vacillation on the part of the Uri Party suggests that it has yet to resolve the contradiction between unification and coexistence.

When the UN General Assembly took a vote in 2005 on a resolution on the North Korean human rights situation, South Korea abstained on the grounds that it was desirable to improve the human rights situation through cooperation with North Korea. It appears that South Korea avoided intervening in an issue that North Korea considered an internal matter in the interest of stable coexistence. However, North Korea made the South's position untenable by conducting a nuclear test, leading South Korea to cast a vote in support of the General Assembly resolution

about human rights abuses in the North in 2006. When South Korea's Human Rights Committee subsequently dropped North Korea from its list of targets of investigation following the nuclear test, the decision drew sharp criticism that the South Korean government was indifferent to the human rights abuses suffered by the South's compatriots in the North. In light of the future reunification, South Korea, more than any country in the region, is concerned about North Korea's internal situation. Therefore, in conducting its North Korea policy, it has been difficult for the successive South Korean administrations since President Kim Dae-jung to reconcile the contradiction between unification and coexistence.

Department, and that the economic cooperation between North and South had nothing to do with the UNSC resolution sanctioning North Korea.

During the South Korea-US negotiations for a free trade agreement (FTA), South Korea also claimed that goods produced at the Gaeseong Industrial Complex located in North Korea should be treated as products of South Korea. The South Korean government maintained this position in the face of the nuclear test. At the fourth round of talks for an FTA that began on October 23, 2006, while hinting at a change in its position on this issue depending on the circumstances, South Korea continued to demand that the United States recognize such goods as products of South Korea. The South Korea-US FTA talks are not its first attempt to facilitate the export of goods produced at the Gaeseong Industrial Complex. The FTA it signed with Singapore in November 2004 contained a provision that applied preferential tariffs to goods produced at the Gaeseong Industrial Complex.

The Roh administration calls on not only North Korea but also other neighboring countries to cooperate in its "policy for peace and prosperity" toward North Korea. According to the *Policy for Peace and Prosperity* released by the Ministry of Unification in December 2003, economic cooperation with North Korea and settlement of the nuclear and missile issue of North Korea are supposed to be pursued in parallel with each other. However, the nuclear and missile issue is not a matter of North-South relations but an international issue that is affected by North Korea's relations with the United States and Japan. In order for the South Korean government to carry out North-South cooperation, it is vital to improve North Korea's relations with the United States and Japan. If not, the South Korean government will have either to put its peace and prosperity policy on hold or to ask the United States and Japan to make their North Korean policies more relaxed and flexible.

The Roh administration chose the latter option, which caused friction with the United States over the question of the Gaeseong Industrial Complex. The differences that had arisen over the goods produced at the industrial complex were not merely over the high tariff imposed on the goods exported to the United States. The *Gaeseong Industrial Complex Guide* published by the Ministry of Unification in August 2005 mentions the restrictions against the export of materials to North Korea imposed by the Export Administration Regulations (EAR) of the United States as an obstacle to the development of the industrial complex. Under the EAR, exports of goods such as manufacturing machines that contain 10 percent or more of US technology or software are subject to a prior permit of the US Department of Commerce. Such regulations could prevent the introduction of South Korean-made goods into the industrial complex. If North Korea had not conducted a nuclear test and the South Korean government had continued North-South cooperation, the Roh administration might have asked the US government to exempt production goods for the Gaeseong Industrial Complex from the general application of the EAR.

The Roh administration has thus tried to limit the scope of the economic sanctions against North Korea in spite of its nuclear test. The administration has also sought to persuade the United States to change its policy toward North Korea. By promoting its peace and prosperity policy, the Roh administration tried to elevate the international position of the Korean Peninsula, embracing both North and South Korea. As an objective of the peace and prosperity policy, the Roh administration aims to make the Korean Peninsula into a “pivot of Asia and the world.” In continuing North-South cooperation, the nationalism of the Korean Peninsula (including North Korea) has been the driving force of North-South cooperation. However, at the same time, South Korea has to address the concerns of major powers about North Korea’s nuclear and missile development.

The peace and prosperity policy underpinning North-South cooperation will spread information about the outside world among the North Koreans, which will eventually transform the present regime. However, these effects will be a long time coming and North Korea is unlikely to change in the direction that the Roh administration hopes. Under the present situation created by North Korea, the success of South Korea’s peace and prosperity policy depends on the measures taken by major powers toward North Korea.

## **(2) South Korea's Quest for Equality in the US-ROK Alliance**

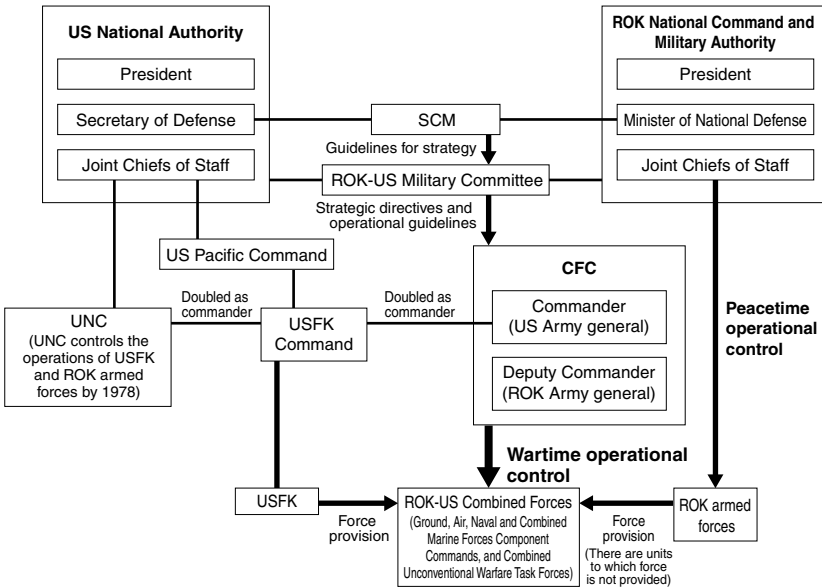
On March 3, 2006, the President's Office published a position paper summarizing the achievements of the Roh administration's US policy. According to this paper, the major achievements are as follows: the relocation of the Yongsan Garrison located in the central district of Seoul and the reduction in the relocation cost borne by the South Korean government; a cut in host nation support; discussions with the United States over the redemption of wartime operational control authority; and its success in making the United States acknowledge South Korea's concern of being entrapped in a conflict possibly caused by the flexibility of US maneuvers outside the Korean Peninsula. Almost all the results the Roh administration underlined were those aimed at redressing the frustrations South Korea had against the US forces in Korea.

However, the redemption of the wartime operational control authority does not necessarily indicate the superiority of one country over the other. The ROK-US CFC, which has command over the US Forces Korea (USFK) and the South Korean armed forces in wartime, receives strategic directives and operational guidelines from the ROK-US Military Committee, which is under the control of the chairmen of the Joint Chiefs of Staff of the respective countries. The United Nations Command (UNC), which was established during the Korean War, did not have such a mechanism, and it is the CFC, not the UNC, that has had operational control over the ROK armed forces since 1978. In fact, the South Korean government also has controlled the ROK-US Combined Forces since the second half of the 1970s. However, President Roh asserted on August 9, 2006, that South Korea was the only country that did not have command control authority over its own troops, and that South Korea had to regain its status as an independent nation. He argued that the Yongsan Garrison must be relocated even if South Korea had to bear the cost to some extent and that operational control authority has to be returned to South Korea even if the South Korean government has some concerns about it. He has thus characterized the negotiations about the wartime operational control authority as part of his effort to improve the status of South Korea vis-à-vis the United States and to recover its "sovereignty".

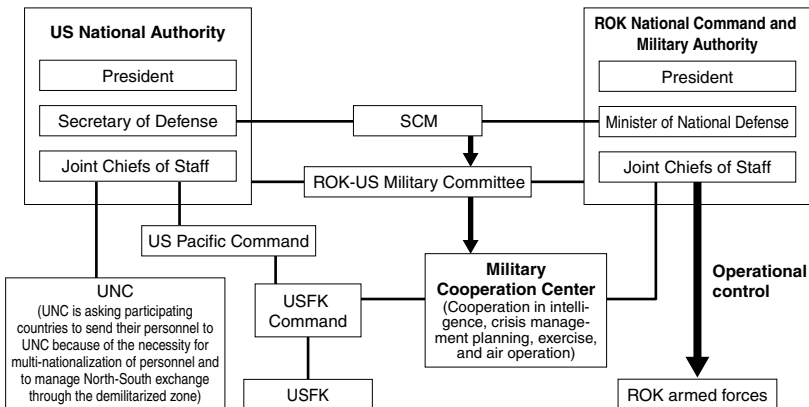
Negotiations for the transfer of wartime operational control authority were initially proposed by President Roh Moo-hyun in 2003, and his proposal was taken up at the 37th Security Consultative Meeting (SCM) held on October 21, 2005, at which the South Korean foreign minister and the US secretary of state

**Figure 3.1. Chain of control of the USFK and the ROK armed forces**

**Prior to the Transfer of Wartime Operational Control**



**After the Transfer of Wartime Operational Control**



Source: Testimony by ROK-US Combined Forces Commander Burwell Bell before the Senate Armed Services Committee of the United States (March 7, 2006), and 2004 and 2006 Defense White Papers, the ROK Ministry of National Defense.

agreed to appropriately accelerate discussions on command relations and wartime operational control authority. Since then, debates have continued in earnest. Prior to that, on October 1, 2005 (Armed Forces Day), President Roh clarified his stance of actively taking up this problem with the United States by saying that “Particularly, through the exercise of the wartime operational control authority, the ROK armed forces would emerge as truly self-reliant forces, both in name and substance, that is responsible for maintaining security on the Korean Peninsula on our own.”

Although President Roh expressed his intention to regain wartime operational control authority as a symbol of sovereignty, the United States, which had kept the post of CFC Commander, was not exactly averse to transferring the wartime operational control authority to the ROK armed forces. In fact, the United States actually proposed as early as August 2006 to transfer the authority in 2009, not 2012 as the South Korean Ministry of National Defense (MND) proposed. The United States also wanted to change the command structure in which the CFC held wartime operational control authority over both the ROK armed forces and the USFK. This is primarily because the situation has been changing in a direction where the USFK has not necessarily to be directed only toward North Korea.

At present, the reorganization of the 2nd Infantry Division of the US Army is being carried out as part of the US force transformation with a view to increasing the modularity of units so that personnel and equipment can be deployed flexibly. When completed, this would lead to a change in the role of the USFK, which has been exclusively directed toward the threat of North Korea. In fact, at the Future of the ROK-US Alliance Policy Initiative (FOTA) meetings initiated in April 2003, the United States stressed the necessity of strategic flexibility to enable the USFK to be deployed for missions outside the Korean Peninsula. Under the current transformation plan, the basic fighting unit of the entire US Army will be changed from a division to a brigade combat team (BCT). In this context, the reorganization of the 2nd Infantry Division of the US Army was completed in June 2005.

These changes suggest that the USFK has taken on other missions than responses to the North Korean threat. The United States needed a mechanism that would reduce its involvement in the security on the Korean Peninsula. In fact, after the wartime operational control authority is transferred from the CFC to the ROK armed forces, a system is expected to be built under which the ROK armed forces will play a leading role in operations against North Korea while the USFK

will provide support. Thus, the United States wants the ROK armed forces to share a larger responsibility for dealing with North Korea.

According to a statement released by the President's Office and the Ministry of Defense of South Korea on September 7, 2006, the ROK-US Military Committee that controlled the CFC will remain even after the transfer of the wartime operational control authority, and a Military Cooperation Center will be established in place of the CFC. The Military Cooperation Center will not have operational control authority over subordinate units. However, it will, under the authority of the ROK-US Military Committee, oversee ROK-US cooperation in intelligence, crisis management, planning, exercise, and air operations.

As mentioned above, the Roh administration has devoted major efforts to alleviate popular discontent with the USFK and to enhance the status of South Korea in the alliance. Therefore, the administration used the issue of the wartime operational control authority to address popular discontent. Despite the fact that the CFC, which has the wartime operational control authority, is run jointly by both the United States and South Korea, President Roh released a position paper on August 8, 2006, that explained the reason why he used the term “redemption” (*hwansu* in Korean). According to this position paper, when the peacetime operational control authority was transferred to South Korea in 1994, both the United States and South Korea used the term “withdrawal” and this term also meant “*hwansu* (redemption).” However, it is unclear whether the term “withdrawal” was used in the sense of redemption or not. The joint communiqué of the 25th SCM held in November 1993 states that the peacetime operational control authority would be “transferred” to the chairman of the Joint Chiefs of

Staff of the ROK armed forces, while the joint communiqué of the 38th SCM held in October 2006 used the word “transition.” Judging from its choice of the term, the Roh administration chose a particular term emphasizing the autonomy of South Korea.

As noted earlier, South Korea hoped to transfer wartime operational control authority in 2012 while the



**A joint press interview following the 38th ROK-US Security Consultative Meeting (October 20, 2006)**  
(Photo by the Defense Media Agency of South Korea)

United States planned to complete it by 2009. In the end, both sides agreed at the 38th SCM to complete the transfer of the operational control authority to South Korea after October 15, 2009, but not later than May 15, 2012. A detailed joint implementation plan is to be developed within the first half of 2007 in accordance with the agreed roadmap. In February 2007, as a result of subsequent discussions, the United States and South Korea agreed to implement the transition of the wartime operational control authority by 2012.

While the CFC will be disbanded, the joint statement of the 38th SCM recognized the importance of the UNC, which had held the operational control authority until the CFC was installed, in regard to the role of the ROK-US alliance to ensure security on the Korean Peninsula and stability in Northeast Asia. In line with this statement, the United States tried to increase the number of UNC personnel leading up to the 38th SCM. In particular, in testimony given before the Senate Armed Services Committee on March 7, 2006, Commander Gen. Burwell Bell of the UNC (who doubled as commander of the CFC and commander of the USFK) disclosed that "It is the Command[UNC]'s intent to create a truly multinational staff by expanding the roles of the member nations and integrating them more fully into our contingency and operational planning and operations. This integration is even more vital with the recent opening of two inter-Korean transportation corridors crossing the Demilitarized Zone." In response to Bell's comment, the South Korean MND said on March 8 that the proposed increase in the number of UNC personnel to deal with the expanding exchanges between North and South would not change the function of the UNC, while National Defense Minister Yoon Kwang-ung said that he would confirm what Commander Bell really meant by his comment. From these statements, there is a possibility that the South Korean government may not have expected the US policy to create a multinational staff and increase the number of personnel of the UNC.

The transfer of wartime operational control authority as envisaged by both the United States and South Korea in the past would entail the disbanding of not only the CFC but also the UNC, because the wartime operational control authority would be transferred to South Korea only after a peace regime has been established between North and South by replacing the armistice agreement with a peace agreement. As the UNC was established to execute the Korean War, the establishment of a peace regime is highly likely to lead to the disbandment of the UNC.

The joint communiqué issued by the fourth round of the Six-party Talks in September 2005 said that “The directly related parties will negotiate a permanent peace regime on the Korean Peninsula at an appropriate separate forum.” At a Security Policy Initiative (SPI) meeting held late in September the same year, the South Korean government proposed once again the transfer of the wartime operational control authority to South Korea. At that time, the United States reportedly responded by pointing out the necessity to step up studies on the future of the ROK-US alliance related to the peace regime (October 13, 2005, issue of the *Korea Defense Daily*). The transfer of the wartime operational control authority was linked to the process of settling the North Korean problem through the establishment of a peace regime.

However, the joint communiqué of the 38th SCM confirmed continuing existence of the UNC, which implies that South Korea and the United States will transfer the wartime operational control authority even in the absence of any prospect for building a peace regime. Moreover, the testimony given by Commander Bell on March 7, 2006, was based on the assumption that there was no immediate prospect for building a peace regime. The US policy to return the wartime operational control authority sooner than South Korea proposes may indicate the US intention to scale down its role in dealing with North Korea without a peace regime.

Despite a difference in their political backgrounds, there seems to be a convergence of policy between the two countries. In fact, President Roh himself expressed the view on August 9, 2006, that he would accept an earlier transfer of the wartime operational control authority than 2012 and responded positively to the target year of 2009 suggested by the United States. The resolve of President Roh to enhance the position of South Korea in the alliance relationship and the US intention to reduce its involvement in dealing with North Korea have combined to accelerate the process of transferring the wartime operational control authority to South Korea.

### **3. The Military Situation on the Korean Peninsula**

#### **(1) South Korea's Defense Reforms amidst a Change in the ROK-US Alliance**

Until recently, the role of the ROK-US alliance was confined to responses to the North Korean threat. The issue of wartime operational control authority was also

discussed in this context. On the other hand, it has long been argued that in order to maintain the ROK-US alliance, South Korea will have to cooperate in dealing with challenges other than—and in addition to—the threat of North Korea. The mounting immediate threat posed by the nuclear diplomacy of North Korea put the debate on the future of the ROK-US alliance on hold.

Debates about ROK-US cooperation in dealing with security challenges other than the North Korean threat already started in the early 1990s. A joint study on the future of the ROK-US alliance carried out by the Korea Institute for Defense Analyses (KIDA) and the RAND Corporation pursuant to an agreement reached between the two countries at the 24th SCM in October 1992 recommended that the United States and South Korea maintain their security relationships should North Korea no longer pose a major threat to peace and stability on the Korean Peninsula. They also recommended that the alliance be given a mission to deal with threats arising outside the Korean Peninsula. This meant a redefinition of the ROK-US alliance and called for South Korea to cooperate with the United States in the pursuit of US policy toward China. The recommendation was reported to the defense ministers of the two countries at the 26th SCM held in 1994.

However, the assumption of the report that “North Korea will no longer pose a major threat to peace and stability on the Korean Peninsula” in the foreseeable future was no longer relevant due to the fact that North Korea’s nuclear development program came to light in 1994. As a result, an additional reduction of the USFK, which had been scheduled for 1993–95 as the second stage of the *East Asia Strategy Initiative* (EASI), was postponed. Although North Korea’s nuclear problem was temporarily defused by the Agreed Framework of 1994, the second stage of the EASI was not implemented. In 1995, the United States released the *East Asia Strategy Report* (EASR) that announced the maintenance of the status quo in the USFK. Since 1997, the SCM has expressed concern about the threat posed by North Korean WMD including biological and chemical weapons. Because of the North Korean threat, the ROK-US alliance was maintained without significant change even after the end of the Cold War. The United States and South Korea did not redefine the alliance relationship, unlike the Japan-US alliance has done, nor were the conceptual changes recommended in the joint study of KIDA and RAND implemented.

It was under the Roh Moo-hyun administration that the debate about a redefinition of the ROK-US alliance was revitalized. For instance, in April 2003,

FOTA was started with the aim at adapting the alliance to cope with changing regional and global security circumstances. During a ROK-US strategy dialogue held in January 2006, both sides agreed to assign the USFK missions outside the Korean Peninsula under the concept of strategic flexibility. However, FOTA meetings ended in 2004 without producing any initiative for the future of the ROK-US alliance. The SPI that had succeeded FOTA also failed to redefine the ROK-US alliance. As to the agreement on the strategic flexibility of the USFK, then Foreign Minister Ban Ki-moon added the qualification that South Korea “shall not be involved in a regional conflict in Northeast Asia against the will of the Korean people.” While expressing his full understanding of the necessity of strategic flexibility of the USFK in the context of the US global military strategy, Ban Ki-moon emphasized South Korea’s cautious attitude in supporting the USFK operating in neighboring areas.

Maintaining strategic flexibility in areas surrounding South Korea will be critical to maintain the ROK-US alliance. In testimony given before the Senate Armed Services Committee in March 2006, Adm. William Fallon, commander of the US Pacific Command, stated that the US-ROK alliance must remain adaptable in light of the changing security environment, including China’s military modernization, and he welcomes Korea’s adoption of a more regional view of security and stability. As his testimony suggests, from a US standpoint, security problems in areas surrounding the Korean Peninsula provide rationale for maintaining the ROK-US alliance.

However, President Roh has long expressed his fears about South Korea being integrated into the US strategy toward East Asia. For instance, in a speech delivered at the Military Academy of South Korea in March 2005, President Roh pointed out that “There have been some voices worrying about possible expansion of the role of the US Forces Korea,” and stressed that “it should be clarified that we will not be embroiled in any conflict in Northeast Asia against our will. This is an absolutely firm principle we cannot yield under any circumstances.” In particular, the “some voices” he referred to in that speech were those citing fears about South Korea being integrated into the US strategy for China. In answer to criticisms made by an opposition assemblyman that the realignment of the USFK was targeted at China, the MND disclosed that while recognizing the importance of strategic flexibility, it reminded the United States of the necessity to assess the impact it might have on the domestic and foreign policies of South Korea. The

ministry also made clear that the South Korean government has not reached an agreement on this issue. These facts may reflect the political climate in South Korea, where concerns over the strategic flexibility of the US Forces Korea enjoy a certain level of popular support. The stance the Roh administration has taken in response to such popular concern is responsible for the stalemate of the debate on the future US-ROK alliance.

A joint communiqué issued by the Security Consultative Meeting on October 20, 2006, while welcoming the agreement reached between the United States and South Korea over the Joint Study on the Vision of the ROK-US Alliance, merely stated in vague terms that “the future alliance would contribute to peace and security on the Korean Peninsula in the region, and globally.” Neither did it make clear the specific agreements reached between the two countries on the vision of the alliance, nor did it deepen the debate about the role of the ROK-US alliance outside the Korean Peninsula. As happened in the first half of the 1990s, the North Korea nuclear issue pushed aside the opportunity to hammer out a future vision of the ROK-US alliance.

The North Korean nuclear issue has had an impact not only on the ROK-US alliance but also on the issue of the future of the ROK armed forces. The *Defense Reform 2020* released by South Korea’s MND in September 2005 proposes a sharp reduction of army personnel—the army that had played a central role in dealing with North Korea—and building a new force structure emphasizing naval and air forces. As factors underlying its new vision, the defense ministry predicts a gradual decline in the military threat posed by North Korea, and an arms race between Japan and China, and their expanding military influence, as military challenges. Thus, the *Defense Reform 2020* focuses on threats coming from outside the Korean Peninsula, not from North Korea. Immediately after the nuclear test conducted by North Korea, several news media in South Korea pointed out the necessity to revise *Defense Reform 2020*.

However, it must be noted that the *Defense Reform 2020* did not downplay the immediate threat posed by North Korea. The ministry did say that how to deal with the North Korean threat was a condition that had to be addressed in steadily implementing the defense reform. In its view, the gradual decline in North Korea’s military threat is a medium- to long-term prospect. Also, it seems that the term “threats posed by North Korea” means North Korea’s conventional military capability. the *Defense Reform 2020* states that the military capability of South

Korea will be strengthened continuously in order to deal with the asymmetric military capability (including nuclear weapons) of North Korea.

In fact, the objective of military reforms is to change the existing force structure focusing on North Korea's conventional military capability. The ROK armed forces have built up their war-fighting capability to counter the threat of North Korea. However, the *Defense Reform 2020* takes a negative view toward this traditional approach to modernization. In that position paper, the MND says that the ROK armed forces maintained their troop strength at a high level to cope with North Korea's massive conventional forces (some 1.17 million troops). Therefore, the ministry argues, their actual war-fighting capability remained at a low level even as they were rated highly internationally in numerical terms.

However, this is not the first time such a view has appeared in recent years. In the Study of 21st Century's Defense Posture and the five-year Plan of Defense Reform, "the 818 Plan", published toward the end of the 1980s, the Ministry of National Defense stressed the necessity to change the priorities of the arms buildup designed to match North Korea's massive conventional forces in quantitative terms. The 818 Plan proposed to reinforce the navy and the air force, which lagged behind the army. The plan argued that even in the face of the ongoing confrontation with the massive army of North Korea, South Korea should not continue an army-centered military buildup in keeping with the North. the *Defense Reform 2020* also stressed the necessity for building balanced forces, attaching greater importance to the navy and the air force than before. Since the 1990s, the ROK armed forces have thus been seeking to wean themselves away from the army-centered force structure emphasizing numerical strength.

The *Defense Reform 2020* points clearly the direction in which the military buildup should be pursued. According to the reform plan it advocates, the number of army personnel will be cut from the present 548,000 (10 army corps) to 371,000 (six corps), that of the navy from the present 68,000 (three fleets, one submarine flotilla, one aviation flotilla, and two marine corps divisions) to 64,000 (three fleets, one submarine command, one aviation command, one mobile flotilla, and two marine corps divisions), while the present number of air force troops will be left unchanged at 65,000 (the number of combat commands will be increased from one to two). It has thus given higher priority to the navy and the air force.

If the capability of the ROK armed forces to deal with threats other than those posed by North Korea is improved, it will contribute to stabilizing the ROK-US

alliance relationship in the medium and long term. The fact that the United States has proposed the strategic flexibility of its forces in South Korea indicates that US concern over the conventional military threat posed by North Korea has lessened relatively. At the same time, it also indicates that the value of South Korea as an ally cannot be measured only in terms of deterrence against North Korea. In the light of this situation, in order to redefine the ROK-US alliance, it will be necessary for South Korea to acquire the capability to cooperate with the United States in wide-ranging fields.

However, if the United States reduces its role in coping with the threats of North Korea as a result of the transfer of the wartime operational control authority and the disbandment of the CFC, South Korea will have to “Koreanize” its national defense in ways to make up for the US deterrent capability against North Korea. It would not be easy for the South Korean government to press ahead with the military reform in the face of the increasingly unstable situation on the Korean Peninsula. As shown in the course of debate about the strategic flexibility of the USFK, there are increasing concerns in South Korea that it might be integrated into the East Asian strategy of the United States. In order to strengthen the ROK-US alliance, South Korea has also to calm domestic concerns over the alliance.

## **(2) North Korea: Improving Asymmetric Military Capability**

In the 1980s, when the military balance between North Korea and the ROK-US Combined Forces had altered in favor of the latter, the North focused on building up its asymmetric military capability. North Korea allegedly started producing chemical weapons, and, by 1989, had developed the capacity to produce chemical warheads and large quantities of chemical agents on its own. It also established a research laboratory to develop biological weapons early in the 1980s and has reportedly acquired the capability to produce cholera bacilli and anthrax.

It also sought to strengthen its capability of producing delivery vehicles for biological and chemical weapons. Between the late 1980s and early 1990s, North Korea introduced Scud missiles capable of striking anywhere in South Korea. In testimony given before the Senate Armed Services Committee in March 2006, Commander Bell of the ROK-US Combined Forces pointed out that “The North Korean ballistic missile inventory includes over 600 Scud missiles that can deliver conventional or chemical warheads across the entire peninsula.” Scud missiles that can be fired from a transporter erector launcher (TEL) are not easy to spot.

During the Gulf War, US forces could not destroy all of Iraq's Scud missiles before they were launched. During the Iraq War, also, the Iraqi Army fired a number of ballistic and cruise missiles toward positions of US and UK forces before their TELs were taken out by air raids.

The development of ballistic missiles by North Korea with a range beyond the Korean Peninsula caused concerns about its WMD among the countries in East Asia. The Nodong missiles, which North Korea has developed since 1988, can be launched from TELs with a range of 1,300 kilometers and can strike Japan. According to the testimony of the commander of the ROK-US Combined Forces, North Korea has already deployed 200 Nodong missiles.

Early in the 1990s, North Korea began developing Taepodong-1 missiles. The Taepodong-1 missiles use Nodong missiles as the first-stage booster rocket and Scud B/Cs as the second-stage booster, and have a range of more than 1,500 kilometers. The missile that flew over Japan in 1998 is believed to have been developed based on the Taepodong-1 missile. The two-stage missile Taepodong-2 now under development is supposed to have a range of about 6,000 kilometers. The first-stage booster rocket of the Taepodong-2 missile is said to be similar to the first-stage booster rocket used in China's CSS-2 and CSS-3. Thus, China is believed to have supplied certain parts of North Korea's nuclear missile technology. In his testimony given before the Senate Armed Services Committee, Commander Bell of the ROK-US Combined Forces warned that there was a possibility that North Korea will develop a three-stage variant of the Taepodong missile within the next decade. If that happens, North Korea, the world's leading supplier of missiles and related production technologies, would not only have the capability to directly target the continental United States but also threaten the stability of other regions.

Moreover, North Korea is reportedly developing a ballistic missile with a range of more than 2,500 kilometers that is based on SS-N-6, the submarine-launched ballistic missile (SLBM), developed by the former Soviet Union. The missile is believed to have land- and sea-based variants. The land-based MRBM launched from a TEL is estimated to have a range of 2,500-4,000 kilometers. There is also a possibility that the sea-based missile may be launched from container ships. A report released by the Congressional Research Service (CRS) on July 28, 2005, pointed out the possibility that North Korea obtained unarmed Kh-55SM cruise missiles that were left in Ukraine after the withdrawal of Russian forces. The Kh-

55SMs are air-launched cruise missiles produced from the mid-1980s with an estimated range of 3,000 kilometers. The CRS report points out that these Kh-55SMs could be modified into precision-guided Kh-555s.

In July 2006, North Korea launched seven missiles without prior notification and these missiles fell in the Sea of Japan. The third missile was launched from a Taepodong test site on the eastern coast of North Korea and is believed to have exploded in mid-air several kilometers above the ground without separating from its first-stage booster rocket and coming to earth near the test site some seconds after launching. The other six missiles were launched from Kittaeryong on the southeastern coast of North Korea and landed in the Sea of Japan after flying about 400 kilometers. These six missiles were believed to be Nodong or Scud missiles launched from TELs.

North Korea carried out its plutonium-based nuclear development program from the time it built a 5MWe reactor in 1980 until the reactor was frozen under the Agreed Framework of 1994. The present nuclear crisis was started by the US revelation that North Korea was attempting to develop nuclear weapons by enriching uranium. Although uranium-based nuclear weapons are not suitable for miniaturization, the process of enriching uranium is easier to hide than the extraction of plutonium. North Korea opted for uranium enrichment after signing the Agreed Framework most likely because it could conceal its nuclear development program.

When the fact that it had continued to develop nuclear weapons even after the Agreed Framework was revealed, it restarted the extraction of plutonium, since it is easier to miniaturize plutonium-based nuclear weapons. Should North Korea really be seeking to develop nuclear weapons for the purpose of deterring the United States, there is a possibility that North Korea will accelerate the development of nuclear warheads through conducting nuclear tests; it appears that North Korea has been stockpiling plutonium for further nuclear tests. When its nuclear development program was revealed in October 2002, North Korea had about 8,000 spent fuel rods that could be reprocessed into enough plutonium (25–30 kilograms) for producing four to six nuclear weapons. In March 2003, North Korea announced that it had removed these spent fuel rods and reactivated the 5 MWe reactor that had been shut down pursuant to the Agreed Framework. It is believed that North Korea subsequently resumed operation of the 5MWe reactor in August 2005. It is estimated that this reactor is annually capable of producing

enough spent fuel rods from which six kilograms of plutonium—sufficient to make one nuclear weapon—can be extracted. Furthermore, if North Korea completed 50MWe and 200MWe reactors, it could acquire the capacity to produce 200 kilograms of plutonium a year. However, there is no visible sign that it is constructing such reactors and it would take several years to complete them.

The nuclear test in October 2006 suggests that North Korea is developing operational nuclear warheads. The small scale of the test suggests the steady progress North Korea has made in miniaturizing nuclear weapons. In fact, before the nuclear test, the weight of the miniaturized nuclear weapon developed by North Korea was reportedly heavier than a Il-28 bomber's maximum payload of 3.5 tons (Minister of National Defense Yoon Kwang-ung of South Korea, the *Korea Defense Daily* dated February 18, 2006). Director Lowell Jacoby of the US Defense Intelligence Agency expressed the view that North Korea will have missiles that can reach targets in the continental United States but he qualified this as a "theoretical capability" (testimony before the US Senate Armed Services Committee on April 28, 2005). If the nuclear test conducted by North Korea in October 2006 represents the initial stage of its development of nuclear warheads, it is highly likely that North Korea will conduct additional tests to complete the miniaturized nuclear warheads in the near future.