



North Korea: What Next?

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Introduction

JOANNE MYERS: Good afternoon. I'm Joanne Myers, Director of Public Affairs Programs, and on behalf of the Carnegie Council I'd like to welcome our members and guests and to thank you for joining us.



[Joanne J. Myers](#)

It is said that timing is everything. With the ongoing crisis on the Korean Peninsula, we could not be more pleased than to have as our guest this afternoon Victor Cha.

As former Director of Asian Affairs at the National Security Council and as [President Bush](#)'s top advisor on North Korean affairs, Professor Cha is quite familiar with the issues relating to this unpredictable nation.

Tension is mounting on the Korean Peninsula. Within a day of conducting a nuclear test last week, North Korea further antagonized the international community by test firing six short-range missiles. Since then, the South Korean paper *The Chosun*

Ilbo reported that North Korea is preparing to fire mid-range missiles and could potentially launch an intercontinental ballistic missile at the same time. These recent developments have sharpened the confrontation between North Korea and much of the world, especially the United States, while also posing a challenge to the international nonproliferation regime.

Although North Korea's nuclear weapons program continues to be a work in progress, these latest events are inherently significant for several reasons.

First, North Korea has carried out the only two nuclear detonations the world has seen in the 21st century.

Second, following DPRK [Democratic People's Republic of Korea]'s claims to have conducted a nuclear test in October 2006, the UN Security Council had demanded that it not conduct any further nuclear tests or launch any ballistic missiles; yet, North Korea defied the UN's cease-and-desist orders.

Third, Pyongyang announced that it is no longer bound by the [1953 Armistice](#) that halted the [Korean War](#). Fourth, North Korea is threatening to launch military strikes against South Korea, and may have resumed production of nuclear fuel.

And finally, the fact that North Korea has and is still willing to explore this weapon technology is almost as dangerous as anything they have actually physically done.

As North Korea prepares for future provocations, this crisis revives several vexing questions about this

regime—for example, the extent of its nuclear capabilities, its seeming imperviousness to sanctions, the limits of multilateral diplomacy aimed at denuclearization, its murky succession politics, and lastly, what can we expect if [Kim Jong-il](#) actually steps down and cedes power to his 26-year-old son.

To address these issues and to encourage us to think about what is the most practical strategy for dealing with a belligerent, erratic, and frightening nuclear North Korea, we are very fortunate to have the expertise of Professor Cha. In fact, he just returned from South Korea, where he was part of the U.S. delegation attending the funeral of [President Roh](#).

At this time I would like to ask you to please join me in giving a very warm welcome to Professor Cha, who traveled up from Washington to be with us this afternoon. Thank you so much.

Remarks

VICTOR CHA: Thank you, Joanne.

And you're right, timing is everything. Little did we know that when we decided to have this event we would have all these things happening right now. So your timing is impeccable.

It is a real pleasure to be here at the Carnegie Council for Ethics in International Affairs.

I have a longer history with this Council than probably most people here might be aware of, in the sense that I was very good friends with the first President of the Council, [Bob Myers](#), who was a very good friend of mine, out in California when I was out there.

I am also a native New Yorker, so it's always good to be back in New York City. I was born and raised on the Upper West Side of Manhattan.

I was reminded as I was coming over here of how difficult cross-town traffic is at this time of day, especially when it's about to rain. I was actually over at 3, Times Square, doing a live pretape for the "Lehrer News Hour" tonight. So if you don't get enough of me now, you can go home and turn on your TV and I'll probably be saying the same thing over again, but in much shorter sound bites.

I did work for the Bush Administration for three years on the National Security Council as Director of Asian Affairs and also as our Deputy Head of Delegation for the six-party talks. But in the spirit of bipartisanship, I should also let you know that I'm a graduate of Columbia College, Class of '83, and one of my classmates was the current president, [Barack Obama](#), although back then he was known as Barry. He was involved in various student groups. We used to interact through some of the student association things. He has obviously done a lot better than I have, so he's doing something right.

As Joanne said, I have just returned from the funeral for President Roh Moo-hyun, who was the South Korean president prior to the current one, who under the pressure of charges of corruption, very tragically committed suicide. President Obama asked for a presidential delegation to go there and attend the funeral. I was asked to participate in it.

I would say that the United States was the only foreign country to send a presidential delegation. There were two other countries that sent people, Japan and Uzbekistan—Uzbekistan because of the large commercial relationship with Korea, and Japan obviously because it is so close. But Japan will never get credit from the Koreans for sending a foreign prime minister. But the United States did send a presidential delegation. Again, I think it is a testament to the strength of the U.S.-South Korea relationship.

On North Korea, let me divide my comments up into three sets of things. I won't go through a chronology of what has happened, because in many ways Joanne has set that up already, telling us what has happened thus far over the past six months or so in terms of North Korean provocations.

What I will do is I will try to surmise what some of the causes are for the behavior that we are seeing from the DPRK, from North Korea, and then talk about the question of: What is it that they want? The

North has done these things over and over again, and we have seen the history of it going back, not just to the Bush Administration, but the [Clinton](#) administrations and the first [Bush](#) administration. So what is it that they want? What is it that they are looking for?

And then, my third set of remarks will be on the road ahead, where I think we are headed here in New York in terms of the UN Security Council, and also, more generally, where I think we are headed in terms of the negotiations.

First, in terms of causes, as Joanne had said, the North Koreans did a second nuclear test last week. That was preceded by a ballistic missile test, which was preceded by a walking-away at the end of the Bush Administration from the ongoing [six-party negotiations](#), in which a good bit of progress had been made in terms of shutting down the main facility in North Korea from which they produced plutonium for nuclear weapons and actually beginning a process of starting to roll back that problem, what we call disablement, a process of disablement. So they walked away from that.

Then they did a ballistic missile test. Then they did the nuclear test. There is talk about another possible nuclear test. They have done seven short-range missile tests. And now, apparently, both intelligence satellites and commercial satellites are picking up another long-range ballistic missile that they are moving slowly by railbed to a launch pad on the west coast of the peninsula. So they are clearly setting up to do another test.

What is causing all of this behavior? Well, in the past, the first place that people would look—this is not the first place that I would look—to explain the causes of North Korean behavior in the past was U.S. policy. Basically, any time the North Koreans did anything that was somewhat provocative, the immediate reaction was to say: "It's because of the Bush Administration's policy or because of the hard-line U.S. policy. The United States doesn't want to talk to North Korea; it refuses to engage in negotiations with them. Therefore, the North Koreans are taking provocative actions to try to draw the United States into a high-level bilateral negotiation."

The problem with that explanation is it just doesn't work any more. Personally, I didn't believe that was the reason. But today that explanation just doesn't work anymore.

When the Obama Administration came in, it was very clear about its interests in picking up where the Bush Administration left off in terms of the missile agreements. It had none of the baggage of the Bush Administration with regard to North Korea. It stated very clearly, "We're ready to move forward with this process and we're ready to do it within the context of the six-party talks. We're also ready to engage in bilateral negotiations with North Korea if that helps the process move forward."

This was conveyed to other parties in the region—China, Japan, South Korea, and Russia—and to North Korea through channels here in New York, through the UN Mission, as well as through the visits by the new U.S. Envoy for North Korea, [Steven Bosworth](#), the Dean of the Fletcher School at Tufts and a very experienced diplomat when it comes to Korea issues.

So it was made very clear from the outset that the United States was willing to engage with North Korea in six-party talks at a very high-level bilateral level. So the explanation that "it's U.S. policy" just doesn't work. That just doesn't work as an explanation anymore.

Another possible cause for why they are doing this is really the simplest and most direct one, which is that North Korea tests ballistic missiles and does nuclear tests because it wants to further develop its ballistic missile and nuclear weapons program. It's the simplest explanation.

The April 2009 ballistic missile test went further than the ballistic missile test they did in July of 2006. These are longer-range missiles that they tried to fly over Japan to try to put a satellite into orbit.

The last time they did this—I remember it very clearly—was July 4, 2006 (July 5th in North Korea), which happened to be President Bush's birthday. This test they did in April of 2009 didn't put a satellite into orbit but it demonstrated the capability that failed in the July 2006 test. So they clearly showed some

improvement.

The nuclear test, although we don't have all the raw data in front of us—the seismic activity associated with the second nuclear test done on Memorial Day here in the United States, people approximate was somewhere along the approximation of a ten- to 20-kiloton bomb, which was much more than the seismic activity associated with their first nuclear test in October of 2006.

So clearly, one of the reasons why they do this is they are just trying to develop their ballistic missile and nuclear weapons programs. They learn a lot from testing. They both demonstrate to the world their capabilities and they learn a lot from testing these capabilities as they try to improve them.

The third possible cause for the behavior that we are seeing has to do with the internal leadership transition that is taking place in North Korea. As many of you may know or have read or seen on TV, the North Korean leader, Kim Jong-il, who has been leader of the country since 1994, is ill, he's not well.

Most people believe he suffered a stroke last year. While there was initial speculation that he had suffered a stroke but had recovered and it looked as though everything was back under control in North Korea, the few pictures that we have seen of him clearly show a man who has not recovered. He was last seen at the annual legislative gathering in North Korea, the [Supreme People's Assembly](#), last April, where he looks like he had lost about 40 or 50 pounds. It wasn't the sort of thing where you'd say, "Oh, he's been exercising, that's why he's lost it." He doesn't look well. He is clearly a recovering stroke victim, and not recovering very well.

This has raised all sorts of speculation about who is going to replace him. There have been only two leaders of North Korea since the founding of the country in the late 1940s: [Kim Il-sung](#), who was handpicked by the Soviet Union when the Soviets occupied the northern part of the peninsula after World War II, ruled the country until 1994, when he died of a heart attack; and then his son, Kim Jong-il, who has run the country since July of 1994.

This is a dynastic succession in North Korea. It is all related to the family. The North Korean leader has three sons from three different marriages. There appears to be a leadership transition process taking place in which they are trying to set up the succession from Kim Jong-il to one of his sons, the youngest son, [Kim Jong-un](#). We can talk more about these individuals and what they mean.

In terms of causes for why the North Koreans are undertaking this sort of behavior, when you have dictatorships like they have in North Korea and the dictator gets sick and there is some sort of internal fluidity, generally that is going to be externalized in terms of more belligerent behavior. You don't often have faltering dictatorships where the behavior becomes all of a sudden very conciliatory on the outside. If anything, it's hardliners that seem to rise to the surface, and that gets externalized in terms of belligerent behavior.

So many people think there is some link between what is taking place internally within North Korea in terms of leadership and what we are seeing in terms of external behavior.

Those are some potential causes.

What is it that they want? This is the one question you often get whenever the North Koreans do something badly. It was the one question I often got when I had to go in and brief the president. He would say, "What do they want?" It was as simple as that. It was just "What do they want?" It's a tough question to answer. It's a really difficult question to answer.

I think many people say, "Well, they want security guarantees, they want to be accepted by the international community. They're a small, isolated power. The only way they can seek security is through nuclear weapons. They want negotiations with the United States." These sorts of things. That's often what you hear.

The problem with that particular explanation at this point in time is that many of the things that people say the North wants have been offered to them in the context of 16 years of negotiations with North

Korea.

During the Clinton Administration, that led to the first agreement with North Korea, negotiated by [Robert Gallucci](#), the 1994 [Agreed Framework](#). The second agreement was negotiated with North Korea under the Bush Administration, the 2005 six-party [Joint Statement](#).

All of this provided energy assistance, economic assistance, the promise of a more normal relationship with the United States and the world, the promise of a peace treaty to end the Korean War, the promise of a larger northeast Asian peace and security regime in which the North could live in a relatively benign environment if it were to give up its nuclear weapons.

The disappointing thing to me, having participated in these negotiations and having studied the history of them as an academic, is that many of the things that people think they want have already been offered to them, and yet they still continue to do the things that they do, which leads me to think that there are two other things that they want—and frankly, I think they are two things that we cannot give them.

The first of these things is they want to be a nuclear weapons state. They want to be established as a nuclear weapons state in which they would be happy to negotiate in arms negotiations with the United States. They would be happy to engage in mutual nuclear arms reductions talks with the United States. As they have said, "Like you used to do with the Soviet Union, we'd be happy to do that." So they would be happy to have negotiations as an established nuclear weapons state in which they, like the United States, would negotiate a reduction in their nuclear capabilities but would never really give up all of their capability.

So ironically, when I listened to President Obama give the [speech](#) in Prague, I thought: "The North Koreans would probably agree with this." They would probably agree, "Yes, we should all attempt to get to a zero option—we, all of us, the nuclear weapons states, we should try to get to zero," and see themselves as a part of this movement, but again, as an established nuclear weapons state that would never really go to zero.

For this reason, I think they will come back to negotiations, but they will come back to negotiations on their own terms, which is as an established nuclear weapons state in which they can have arms-reduction talks with the United States and with other members of the six-party talks.

In the end, what they would like—again, this is not anything that they have stated formally, but it's based on my experience negotiating with them and having studied the history of negotiations—in the end, what they would like basically is a deal like India's. They would like something like a civil nuclear deal, like the United States and India have, where the North Koreans would be assured of a civilian nuclear energy capability and they would also be able to carve off a portion of their nuclear programs outside of international inspection, which would then serve as their nuclear deterrent. In the end, I think that's what they want.

The second thing they want is a security guarantee, but not the sort of security guarantee that has been given to them thus far.

The sort of security guarantee that they have been given thus far is one in which the United States has said to North Korea very clearly: "The United States does not have a hostile policy towards North Korea and we have no intention to attack North Korea unprovoked." This was actually written down in a part of the 2005 Joint Statement, in which there is a line that says, "The United States will not attack North Korea with nuclear or conventional weapons."

When we were doing the negotiations and that language was put in the draft—we did these negotiations in Beijing—I remember going to bed that night and thinking, "This will never get cleared back in Washington." When I woke up the next morning, to my surprise, we had gotten approval for this language.

We brought this to the six-party talks that morning. The Russians saw that it was cleared language. The

six parties are the United States, Japan, North and South Korea, China, and Russia, hosted and chaired in Beijing by China.

When that language was presented as accepted by the United States delegation, the Russians asked for a timeout. They wanted to have a bilateral meeting with the North Koreans. So they go have a bilateral meeting.

They come out of that meeting and we ask the Russians, "What did you say?"

They said, "We saw this language and we told the North Koreans that what this language basically constitutes is a negative security assurance: the United States will not attack North Korea with nuclear or conventional weapons. We consider this to be very significant language because we tried to get language like this from you during the Cold War and we could never get it. So the fact that you are now offering this language to us is very significant, and we told the North Koreans that."

So they have a security guarantee. But that is not the sort of security guarantee they want. The sort of security guarantee the North Koreans want now is qualitatively different. What they would like is a guarantee, not just of no attack from the United States, but a guarantee that the world will support the regime, a guarantee of regime stability and security.

The North Korean regime faces a fundamental dilemma, a dilemma that I wrote about in *Foreign Affairs* seven years ago. The fundamental dilemma they face is that they need to open up in order to reform, but that process of opening up could easily lead to the collapse of the regime.

So the sort of security guarantee they are looking for is their ability to start heading down a reform path with an assurance from all the other powers that they will support the regime and not allow it to collapse under the weight of this opening up and reform. Given the North Korean regime the way it is today, it is very difficult to imagine any country offering that sort of regime guarantee to North Korea.

So those are the sorts of things that they want. I think it is very difficult for the United States or parties to either give North Korea their own version of a civil nuclear deal or to offer them the sort of security guarantee where we guarantee the survival of the regime, especially given the regime's human rights record and the way it treats its own people, let alone foreign nationals, like these [two journalists that are going on trial tonight](#) in North Korea time.

In terms of the road ahead, what I think is going to happen, the broader picture, is all the countries involved feel that North Korea should be punished for the behavior that it has undertaken in terms of the nuclear tests and the ballistic missile tests and the other short-range missile tests through some form of sanction, but while they are being sanctioned I think all parties want to hold open the opportunity for a return to negotiations in the future. So nobody is looking for all-out conflict with the current situation. They are looking to punish the North and eventually get back to a negotiation path.

The punishment is largely going to come in the form of a UN Security Council resolution. There have been two UN Security Council resolutions against North Korea, one [[UN Security Council Resolution 1695](#)] in the aftermath of the July 2006 missile tests and then the main one, [UN Security Council Resolution 1718](#), which came in the aftermath of the October 2006 nuclear test.

The UN Security Council now is working on another resolution. I think it will be a Security Council resolution. I think it will be a very tough resolution in which parties will call for a variety of different measures against North Korea, including sanctions, what are now referred to popularly as financial sanctions—in other words, sanctions that are targeted at certain companies that are known to be funds for the financing of ballistic missile development or nuclear weapons development. I think there will be some sort of arms embargo that will be in this resolution, as well as the creation of some sort of inspection regime to go along with the [Proliferation Security Initiative](#) (PSI), which was created during the Bush Administration but has over 92 member countries now, which is aimed at preventing the proliferation of weapons of mass destruction.

So I think the resolution will be a fairly strong one. They have been working on it all of this week. I don't know whether it is something that will come out this week. I think that will be where the punishment will come.

A very key player in terms of the future is China. China is the only country that has any real material leverage on North Korea. The South Koreans used to have a lot of material leverage on North Korea, but under the new conservative government that has been in place for a little over a year now they have conditioned a lot of the inter-Korean assistance on progress in the six-party talks and the denuclearization negotiations. To me that makes common sense.

The [new president of South Korea](#), as some of you know, is a businessman. He's a businessman, so if he invests in something he wants a return on his investment. The South Koreans for the longest time have been throwing a lot of money in the direction of North Korea, a lot of it off the back of South Korean taxpayers, with not much in terms of return in denuclearizing or disarming North Korea. That has made South Korea provide less to the North. It also means they have less material leverage.

China is really the key. This will mean China working through the UN Security Council to enforce the sanctions and the inspection regime. But it also means the Chinese doing things on their own.

China has a very deep relationship with North Korea that covers a broad range of things, not just official assistance and official trade, but informal assistance and informal trade between the militaries and between the parties. So there are lots of ways in which the Chinese can use their pressure to try to bring the North Koreans back to the negotiations.

I think we will probably see between the United States and South Korea greater joint exercising between these two countries in response to what is emerging as a very serious ballistic missile and nuclear weapons threat from the North, something that the Alliance when it was first crafted in 1953 was not prepared for. So I think you will see more joint exercising and more improvements to the Alliance relationship.

The South Korean president is coming to Washington June 16th to meet with President Obama for a summit. Obviously, this will be one of the things they will discuss, among many things that they will discuss, including the financial situation. South Korea is chairing the next [G-20](#) meeting, so they are an integral player in the larger collective response to the global financial crisis.

I always try to end on a positive note, but it is difficult to find the silver lining in this particular cloud as the storm rages over our head (and outside) this evening. But I think the one good thing in all of this is that one of the real challenges, I have to admit, when we were working on this issue under the Bush Administration was the United States was never very well positioned in the multilateral negotiations, because often people thought we were as much the problem as North Korea was.

I think one of the things you can give the Obama Administration credit for is that it came in and put itself in a very good position if the North Koreans were going to provoke. The North Koreans have provoked, in spite of the hand that President Obama extended to many of these problem countries around the world. That hand has been slapped.

For this reason, the United States is very well positioned in terms of multilateral diplomacy, where it can call for sanctions as they are needed or call for a punitive response, and there is a lot of support among the Permanent Five on the UN Security Council as well as the six parties and other countries in Asia and Europe to follow the U.S. lead and try to craft some sort of solution. So that's the one positive thing, I think, that comes out of this.

We all remain hopeful that the new team that is there, a very good team of nonproliferation people and an Asian team, will be able to handle these challenges. But, indeed, they are daunting, daunting problems.

With that as opening remarks, Joanne, thank you all for coming.

Questions and Answers

QUESTION: If one assumes the inevitability of independently developed national nuclear abilities, would the world be better served by permitting this trend with the significant proviso that once in the nuclear club no member would be permitted to use in a first strike or hand off to others or terrorists at the peril of instantaneous joint lethal action by all members of the club? This would apply to Iran, North Korea, potentially many others.

VICTOR CHA: It's an interesting question. It's not one that I feel qualified to answer more broadly in terms of the nonproliferation regime. I can attempt to answer that question in the context of how it would affect the United States and its relationships in Asia.

I think that if it were to move in that direction of either *de facto* or *de jure* recognition of countries as nuclear weapons states with the very specific provisos that you just delineated, the main problem would be that countries like Japan and South Korea may not react positively to the notion of the United States basically accepting North Korea as a nuclear weapons state.

I think the conditions you lay out would be the conditions that would enable the United States to say, "We still maintain our nuclear umbrella over these countries," extending nuclear deterrence guarantees. But simply the political act of accepting North Korea as a nuclear weapons state I think would raise a lot of questions in these countries about whether they could really rely on a U.S.-extended deterrence guarantee.

Now, it could be that then they choose to become nuclear as well—Japan could become nuclear, South Korea could become nuclear—but that raises all sorts of other questions and ripple effects in the region. If Japan becomes nuclear—and Japan could do it, very clearly, very quickly, and they would probably be very good at it too; they would probably be very small weapons, and they would probably be very good too, like everything they make—and the South Koreans went in that direction, then the question is: Will Taiwan want to go in that direction? And if Taiwan wants to go in that direction, how will China feel about that? Will China feel the need to preempt? So there are all sorts of ripple effects from a decision of that nature.

Having said that, the nonproliferation regime is under assault. We see creeping proliferation—India, Pakistan, North Korea, Iran. We clearly do see creeping proliferation now. So it is a real challenge for the nonproliferation regime.

QUESTION: How much influence do you think Beijing leadership has over North Korean leadership?

VICTOR CHA: Well, when you ask them, they say, "We don't have any." They say, "We try, but they don't listen to us, they don't listen to anybody." That's what they say. After the October 2006 nuclear test, the Chinese said, "See, we don't have any influence. They did the test anyway."

Having said that, though, I think they still do have quite a bit. They clearly still have connections.

When Chinese party leadership goes to North Korea, they meet with Kim Jong-il, they meet with the top people. So they clearly have the ability to communicate and convey messages. And it is a fact that China does have tremendous material influence over North Korea.

That combination would lead one to believe that they can send messages, while twisting at the same time, that would compel the North Koreans at least to listen. How they react to that message nobody knows. They could react by throwing another temper tantrum, or they could react by trying to find a way back to negotiations so the pressure comes off.

My own view is that the algorithm that works is when the Chinese are quietly pressing hard, twisting their arm from behind the scenes, and the South Koreans are not providing a lot of assistance to the North and the United States is ready to engage. That's the combination that gets North Korea back to the table.

Now, when the United States tries to get China to do this it's a very delicate thing, because the last thing the Chinese want to do is to be seen as kowtowing to U.S. pressure. China does not want to go to North Korea and say, "We're twisting your arm because the Americans make us," or they don't want the public to view it that way. So it's a delicate balance, trying to push the Chinese to push the North Koreans and allow the Chinese to do it in a way that's not necessarily public, so that people don't say, "Oh, you're just kowtowing to the Americans."

Every time the Chinese come to deliver a message to the North Koreans—and you could hear them in the other room when we were at a the six-party talks—the North Koreans were always saying, "You're just a lackey of the United States now. You're just their little pawn. Big China, rising China, you're just a pawn of the United States." The Chinese hate that.

It really is managing a delicate balance where the Chinese are doing things of their own volition, they're not being seen as being pushed by the United States, and they are doing it in ways that really do get the attention of the North Koreans, but not in ways that are publicly seen as ruining the long friendship between these two countries.

QUESTION: Two quick questions.

What good are sanctions against a nation that is so totally impoverished, desperately poor, there would be no sense of punishment whatsoever?

Following up on that, part of the sanctions would be examining all transport into and out of North Korea. North Korea has stated that they would consider that an act of war. So what good, as I asked you, are the sanctions? And would we actually be able to intercept or to examine transport going in with this threat hanging over our head, or actually over the head of South Korea?

VICTOR CHA: With regard to the first question, it's a very good question. You're absolutely right. Slapping more sanctions on North Korea, a country that has already been under U.S. sanctions, [Trading with the Enemy Act](#) sanctions, for 50 years now aren't really going to have much of an effect.

What has had an effect, though, is what is popularly termed financial sanctions. What happened was that in 2005 the Treasury Department issues what was known as a [311](#) action against a bank in Macau. A 311 action was basically an advisory to U.S. financial institutions to beware of doing business with this one bank in Macau, called [Banco Delta Asia](#). The reason they were told to beware of business was because the Treasury Department believed that Banco Delta Asia was facilitating North Korea's attempts to spread U.S. counterfeit as well as allowing companies that were front companies for ballistic missile and nuclear weapons financing to operate in this particular bank.

Once that 311 advisory was issued and the explanation was given for why the U.S. financial institutions should beware of doing business with this bank, the rest of the world reacted. Then banks in China and in Europe and other places, regulatory agencies, started saying, "Let's look and see if we have any North Korean accounts that might be dirty." This is what later became known as financial sanctions, and they did affect the North Korean regime.

It essentially resulted in individual banks or regulatory agencies either telling North Korean account holders "Take your money out because we don't want it," or freezing their assets for investigation. With what ended up being just a simple advisory to U.S. financial institutions, the North Koreans all of a sudden found they couldn't get access to the international financial system. They couldn't do a wire transfer. They couldn't do anything.

And of course, the money that is held in all those banks is not the money of the shopkeeper or the farmer in North Korea. This is the elite. These are the generals and the party elite and these people. These sorts of financial sanctions have had an impact on North Korea.

QUESTIONER: With the global economy so crippled today, would we have that kind of impact on foreign banks today?

VICTOR CHA: I think what happens is you get a ripple effect. Suppose the UN Security Council resolution designates certain companies and says that "these are companies that are involved in North Korean ballistic missile financing; stay away from these companies." Financial institutions, in order to preserve their own integrity and reputation, are going to want to either seize those assets or tell the North Koreans to take them out. It will be very hard for the North Korean elite—that's very important, the elite—to operate in the international financial system, because they probably have accounts in Swiss banks and all these other places.

So that is actually a very effective sanction that was found to work during the Bush Administration, and the Obama Administration understands that, the UN understands it, and I expect to see it in the next Security Council resolution.

On your second question, the North Koreans have threatened that any attempt to inspect their cargo would be considered an act of war. That is obviously a concern.

The type of inspection that one can imagine is one where they have a ship that is leaving port that is suspected to have something dangerous on it and you have to interdict the ship. I think that decision will be a decision that will be made no place else but in the Oval Office. I think that's how important that decision is, with all the risks that it entails.

But the other way, I think, of containing North Korea's potential movement of these materials or weapons is through air space. This is where I think the Chinese and the Russians can be very helpful. If they close off their air space to North Korean planes, then it will be very difficult for North Korea to move these things by air.

If they move them by sea, you have many opportunities. Interdiction on the high seas is just one. Those ships have to go to ports. You can always try to work with the country of the port where the ship is expected to go to try to inspect the cargo as part of an enhanced Customs regime inspection.

So there are ways of doing this without making it a high seas interdiction, which the North said would be an act of war. You just have very stringent Customs inspections when in ports in Egypt or wherever as it's moving to its final destination. There are other ways of doing it that, hopefully, would not trigger the sort of reaction that the North threatens.

QUESTION: Could you say something about the three sons?

VICTOR CHA: Sure. "My Three Sons," right?

The youngest son is the one that is considered to be the one that will be the next leader. As Joanne said, he is 26 years old, doesn't have the revolutionary credentials of his grandfather or the authority of his father, but clearly is seen as the one.

The caveat here is a lot of this information is based on anecdotal evidence. There is not a lot of good information about these folks.

The first son, [Kim Jong-nam](#), has a reputation of being a bit of a playboy, kind of the spoiled first son. He became most famous for being detained in Narita Airport in Japan because he was on a fake passport, a Dominican passport. When he was asked by immigration officials why he was in Japan, he said he wanted to go to Tokyo Disney World with his family. He has a condo in Macau and he gambles and stuff like this. So he wasn't seen as being likely leadership material.

Even less is known about the second son, [Kim Jong-chul](#). The only thing we hear about him is that the leader does not like him because he is considered to be not masculine enough to be a North Korean leader, whatever that means.

That leaves the third son, Kim Jong-un, who is said to be smart. He has spent some time abroad. He studied abroad. I was just actually giving lectures in Geneva last week, where the Swiss made clear to

me that the youngest son had studied in Switzerland at the International School in Switzerland. So he has more of a cosmopolitan air about him than the current generation in North Korea. So that's why people think he is likely to be the successor.

Now, he is not going to take over the country at 26 years old. The other individual that is most likely involved is the brother-in-law of Kim Jong-il, the brother of his third wife, the mother who gave birth to the third son. That brother-in-law, [Jang Song-taek](#), has been appointed to a very high position within the key decision-making body in North Korea, called the [National Defense Commission](#).

Interestingly enough, Jang Song-taek has been purged before. He was purged when he was a reformer. So now he has come back as a hardliner, which just goes to show you in North Korea there is no such thing as reformer or non-reformer, it's all about power. If you can rise by being a reformer, that's what you are. Jang Song-taek is now rising as a hardliner.

He most likely will be the regent, if you will. He and a group will both protect and cultivate this third son.

This may all sound like it comes from a movie, but this has happened in Korean history in the past, where you've had a point where a Korean king died and the successor was just a young boy, and they formed a group of regents around him to help this person govern the country. So it's not unheard of in Korean history when Korea was one, not when it was two.

QUESTION: When we talk about U.S. policy and we talk about some of the things that Korea is absent about looking at, we look at a lot of the transition points that North Korea has had, and most of the time as we see those transition points during one of our global transition points, which is obviously a cat-and-mouse game for policy and what we have the time, will, power, and energy to battle at the point.

Now we see this coming during a transition of power through our country. Could there be at this time also a possible threat to an overtaking with one of the relatives for power in North Korea, a possible coup? The successors don't seem to be very applicable for the position. Obviously, one doesn't have the ability to power, the other one is a philanderer. So there is obviously a lot of issues on them maintaining where they're at today with their power and their cat-and-mouse game.

VICTOR CHA: Yes. Again, we have no information on this. But if you were to imagine what would be the preconditions for some sort of factional infighting in a leadership succession, it doesn't get any better than this, right? I mean the youngest son being anointed as the one, which obviously the first son probably doesn't like, and who knows about the second son? Probably each of them has their own friends within the North Korean military and party. So sure, the permissive conditions are there for some sort of infighting. But we have so little information about this.

The other thing is, I know in the press they are talking about how this is a leadership succession: It looks as though it's happening, we're naming people who are going to be successors. But the fact of the matter is, we don't know whether we are at the beginning of a leadership transition or whether we're at the end of a leadership transition. That is how little reliable information we have about North Korea.

So we look at these nuclear tests and missile tests and say, "This is linked to the leadership transition." But we don't know whether that represents the end of a process or that represents the beginning of a process. Like you see smoke, and you don't know if it's the beginning of the fire or the end of the fire. That's the basic challenge that we have with North Korea, because there is so little good information.

QUESTION: Could you talk a little bit about what we know and are guessing about the role of North Korea in nuclear proliferation, particularly in the Middle East and this interesting episode in Syria a year or so ago?

VICTOR CHA: All of you are familiar with the [episode in Syria](#), where the Israelis took out a reactor in Syria that looked exactly like the [Yongbyon](#) nuclear reactor in North Korea. There was footage released on YouTube or somewhere—because that's the source for everything—where there is footage actually of what looked like North Korean scientists with Syrian scientists. So there is this question of the extent to

which North Korea is involved in proliferation activities.

This was one of the things again, quite frankly, that the Bush Administration didn't handle well in its negotiations. In the end, this issue of proliferation was not addressed well in the context of the nuclear negotiations. The focus was on the Yongbyon nuclear reactor and disabling that. The proliferation issue and the second arm of nuclear weapons development through uranium enrichment was not well addressed.

Clearly, one of the priorities, I think, for the Obama Administration, is they want a negotiation that will focus on all three of those things, not just on the Yongbyon reactor.

Again, we don't have a lot of good information on North Korean proliferation. We do have a lot of good information on their proliferation of missiles. They have sold missiles to Iran, to Pakistan. They sell lots of small arms to countries in Africa. But the question of nuclear proliferation obviously is the one that is most concerning.

The Syria situation, although it has never even been confirmed one way or the other, I think raises real alarm bells about the extent to which this country is willing to sell the technology or the material.

I think all of you heard [Secretary Gates](#) made a statement at the Shangri-la Conference, the annual meeting of defense ministers in Asia, where he stated very clearly that North Korean proliferation would constitute a grave threat to American national security, which in official language is very strong language to say that this is basically the true red line for the United States in terms of protecting its core interests.

Having said that, with North Korea there were never any good options. If you think about retaliating against North Korea, there are just no good options. Because of the proximity of North Korean artillery to South Korea, it would be—I think many of you understand this better than I—an extremely bloody, bloody conflict in which many, many people would die, if there were truly an outbreak of hostilities on the peninsula. That acts as a deterrent, I think, for a lot of people to consider the military option.

QUESTION: What period of time do you think it will be before North Korea actually gets a working nuclear weapon or a number of them? Did the tests indicate that they actually have the weapon now?

And then, a second question, if I may. How did you manage to hold your patience in negotiating?

VICTOR CHA: On the first question, again, we don't have good, reliable information. You will always hear people, U.S. government officials as well as experts, talking about the amount of plutonium that they have which would enable them to produce X many weapons. Clearly, they reprocessed a lot more plutonium over the past six to seven years. That increased the stockpile from which they could develop nuclear weapons.

Whether they have a nuclear bomb, I think they probably do. Whether they have one they could put on a missile, we don't know.

The first nuclear test they did in October 2006 you see often referred to as a fizzle, because the seismic activity related to the blast doesn't appear to be what would be particular for a nuclear test. The seismic activity associated with the second blast is a different question. It looks as though that was closer to a nuclear test than the first one.

But again, the information is very sketchy, so it is very difficult to say definitively how many weapons they have, whether they have any that they can put on missiles, which would truly be the threat.

In terms of patience in North Korea, the Chinese would always say, "The main problem with you Americans is you don't have patience. You have to understand North Korea. It's patient. You have to work with them. You cannot get angry, you cannot get upset."

Having said that, when the North Koreans did a nuclear test and missile tests, we didn't get upset. The United States focused on negotiation while it also focused on getting [Chapter 7](#) Security Council

resolutions that the Chinese and the Russians signed on to.

I think part of negotiation is being patient. I think the U.S. negotiators, myself included, have been very patient in trying to deal with this.

The funny thing, of course, is that the North Koreans are also very patient, because while we rotate in and out, they are there all the time. So many of the people who were involved in negotiating the 1994 agreement were still around to negotiate the 2005 Joint Statement.

When I was leaving the U.S. government and going back to Georgetown because I didn't want to lose my tenure and chair at Georgetown, they had heard that I was leaving. In one of our last rounds they said, "Dr. Cha, we hear you are going back to university. What is that?"

I said, "Much as I like you North Koreans, I need to return to my academic responsibilities."

They said, "Oh. Is [Ambassador Hill](#)"—who was one of our lead negotiators—"leaving as well?" I left in about year three of the second term of the Bush Administration.

I said, "No. I think he is going to stay until the very end."

They said, "Oh, good."

I said, "Why?"

He said, "Then we won't have to retrain all of you again."

[Laughter]

So they exercise patience as well. They can have a sense of humor as well too.

I'm sure you've had other speakers who have a much wider window on foreign policy and negotiation. In my research and teaching as an international relations professor and working in government, I cannot think of a negotiation that is harder than this, I really cannot. I mean Iran is certainly difficult, there are other negotiations that are difficult, but I really can't think of one more difficult than this, because there are no good options. It's always a choice between a bad option or a worse option. Every choice that the Oval Office makes will be criticized, regardless of who is there.

I think it is one of the most difficult negotiations that the United States faces today, and the stakes are very high.

JOANNE MYERS: I think we have learned just how opaque North Korea can be. Yet, with the right person to explain the issues and how he can address them in an illuminating manner, I think we are all the more fortunate.

His book is called [Nuclear North Korea: A Debate on Engagement Strategies](#). If you want to know more about the cost-benefit analysis, I think this is a book to read.

I thank you very much for being here.

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