DEALING WITH NORTH KOREA: THE CASE OF THE AGREED FRAMEWORK

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The “Agreed Framework,” a deal that the United States and the DPRK cut in Geneva in October 1994 on the North Korean nuclear issue, now approaches the first of its checkpoints to pass a test as to whether it really has a chance to survive. The United States is required to secure by April 21, 1995, a “supply contract” for the provision to North Korea of a light water reactor project as a quid pro quo for North Korea’s eventual dismantlement of its suspected nuclear weapons program over a period of ten or more years. With the reactor issue looming as but the tip of the iceberg that results from the many “ambiguities” and “omissions” of the Agreed Framework, the United States now enters a stage where it will have to brace for another wave of North Korea’s “diplomatic brinkmanship” featured again by threats of reneging on the Agreed Framework and involving the United States in a renewed military conflict on the Korean peninsula.

After nearly five months of its implementation, the Agreed Framework between the United States and North Korea, a deal that the two countries cut in Geneva on October 21, 1994, on ways to resolve North Korea’s suspected clandestine nuclear weapons development program, is rapidly approaching the first of its checkpoints to pass the test as to whether it really has a chance to survive. By April 21, 1995, a date that is now only five weeks away, the United States is required under the Agreed Framework, albeit on a “best effort” basis, to secure the conclusion of a supply contract between an “international consortium” and North Korea for the provision to North Korea of a light water nuclear reactor project with a total generating capacity of approximately 2,000 MW(e) by a target date of 2003.

On March 9, the “international consortium” to “finance and supply” the LWR project for North Korea became a reality. The Korean Peninsula Energy Development Organization (KEDO) was launched with the United States, the Republic of Korea (ROK), and Japan making up the Executive Board. However, it is questionable at best whether the United States will be
able to have a "supply contract" in place on schedule as the United States and North Korea remain wide apart over one of the most critical issues in the course of the implementation of the Agreed Framework: Who builds which reactor for North Korea?

Under the Agreed Framework, the United States has tasked itself with a unique role in its implementation: With KEDO organized under its "leadership" the United States is required to "represent" the consortium, serving as the "principal point of contact" with North Korea. Furthermore, in a separate letter dated October 20, 1994, President Bill Clinton assured North Korea's Kim Jong II, addressing him merely as "Supreme Leader" of the Democratic People's Republic of Korea (DPRK), that, "while using the full powers of my office to facilitate arrangements for the financing and construction of a LWR project within the DPRK," he would "use the full powers of my office to provide, to the extent necessary, such a project from the U.S., subject to approval of the U.S. Congress," in the event that the LWR project was not completed "for reasons beyond the control of the DPRK."

It was nevertheless by no means a U.S. position from the very beginning to assume a prominent role when it actually came to the business of having the LWRs built and financed for North Korea. The United States literally took the matter into its own hands when, in the absence of any reference to that effect in the Agreed Framework, it assigned Seoul with a "central" role, and Tokyo with a "significant" role, in financing and building the LWRs for Pyongyang. To make it smooth for Seoul to bear the bulk of the financial burden, estimated to be in the ballpark of $4 billion, the United States has designated South Korean reference reactors, referred to as "Ulchin III and IV" types, as the types of reactor to be built for North Korea so that Seoul might be their prime supplier. For some time in the wake of the Geneva accord, the United States even went on to argue that there had actually been a "tacit" if not "explicit," unwritten agreement with the North Korean negotiators that the reactors for the North would be South Korea's "Ulchin III and IV" types.

Speaking at a variety of congressional committee hearings, senior U.S. administration officials such as Secretaries Warren Christopher of State and William Perry of Defense as well as Ambassador Robert Gallucci and Deputy Assistant Secretary of State Thomas Hubbard were all in one voice saying that there was "no alternative" to South Korean reactors. At its inaugural meeting in New York on March 9, KEDO also specified, in its charter, a "standard Republic of Korea design reactor" as the reactor type to be supplied to North Korea. Speaking at KEDO's inaugural meeting, Ambassador Gallucci was quoted as having termed North Korea's refusal to accept a South Korean reference reactor a "violation of the Geneva Agreed Framework," saying that it was an issue "raised, discussed and, I would argue, disposed of in our negotiation."