

**OPENING STATEMENT
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SENATE COMMITTEE ON FOREIGN RELATIONS
HEARING ON NORTH KOREA
MARCH 12, 2003**

Today the Foreign Relations Committee will examine the regional implications of the changing nuclear equation in North Korea. This will be the fifth hearing that we have held this year that has dealt with issues related to North Korea. On February 4, we reviewed the broad strategic implications of weapons of mass destruction on the Korean Peninsula. That same week we welcomed Secretary of State Powell, who addressed many questions related to North Korea. On February 25, the Committee considered the issue of global hunger with specific reference to North Korea. Last Thursday, we explored the possible structure and objectives of diplomatic engagement between the United States and North Korea.

We have devoted this concentrated attention to the Korean Peninsula because of the enormous stakes for U.S. national security. The stakes are high, in part, because North Korean pursuit of a nuclear weapons arsenal will change the security calculations of Japan, China, Russia, South Korea, and Taiwan. These are extremely important nations to the United States. Japan and China are our third and fourth largest trading partners. South Korea and Taiwan rank seventh and eighth respectively. The cooperation of each of these countries is critical to Northeast Asian security and the broader war on terrorism.

Given North Korea's extreme isolation, in past years it has been tempting to de-emphasize its impact on Northeast Asia outside of the Korean Peninsula. Commerce and economic development have moved forward in the region almost without reference to North Korea. But the continuation of North Korea's nuclear weapons program will force its neighbors to adopt new security strategies – perhaps including the acquisition or repositioning of nuclear weapons. Our analytic task would be simplified if all of the security responses of Northeast Asian nations were directed at North Korea like spokes connected to the hub of a wheel. But security enhancements undertaken by any of North Korea's neighbors will in turn change the calculations of the rest of the group. The North Korean nuclear weapons program could spark a Northeast Asian arms race that is fed by the interlocking anxieties of each of its neighbors.

President Bush is working to construct a multilateral approach to the escalation of nuclear activity by North Korea. Multilateral diplomacy is a key element to any long-term reduction of tensions on the Korean Peninsula. But it is vital that the United States be open to bilateral diplomatic opportunities that could be useful in reversing North Korea's nuclear weapons program and in promoting stability. We must be creative and persistent in addressing an extraordinarily grave threat to national security.

In reviewing the regional impact of North Korea's nuclear program and also considering previous testimony before this Committee regarding North Korea, many questions deserve close

attention:

1. If North Korea does not abandon its nuclear program, will South Korea, Japan and Taiwan eventually develop nuclear capabilities?

2. Given our lack of knowledge about North Korea and our inability to verify operational details of their weapons of mass destruction programs, how can we be certain that North Korea is not already exporting plutonium or perhaps biological or chemical weapons components?

3. There are recent reports that China has sold North Korea large amounts of a chemical known as tributyl phosphate (TBP), which can be useful in extracting material for nuclear bombs from spent nuclear fuel. Although TBP also has commercial applications, is this sale evidence that China is not fully engaged in helping achieve a peaceful solution? How can we involve China as a positive influence on North Korea?

4. How do calculations in China and South Korea about the possibility of an abrupt collapse of the North Korean regime impact the ways in which China and South Korea approach the North Korean crisis?

5. Russian officials have visited Pyongyang as part of their diplomacy in response to the crisis on the Korean Peninsula. How can the United States maximize cooperation with Russia on this issue?

6. In the event that North Korea does not agree to suspend its nuclear weapons program and subscribe to full verification, how should our security guarantees to Japan, South Korea and Taiwan be adjusted and should we pursue a common theater missile defense for the region?

These questions only scratch the surface of the security challenges that we face in regard to the Korean Peninsula. Currently, the United States is deeply engaged in diplomatic efforts related to Iraq. But simultaneously, we must be working with allies in Asia to develop an effective strategy toward North Korea. The Committee looks forward to the testimony of each of our witnesses as we continue our inquiry into this critical problem.

First we will hear from Assistant Secretary for East Asian and Pacific Affairs, James Kelly. The second panel is composed of Ambassador James Lilley, now with the American Enterprise Institute; Dr. Victor Cha, Associate Professor of the Department of Government and the Edmund Walsh School of Foreign Service at Georgetown University; and Dr. Bates Gill, Freeman Chair in China Studies at the Center for Strategic and International Studies.