

**A BREAKTHROUGH OR AN ILLUSION?
AN ASSESSMENT OF THE NEW SIX-PARTY AGREEMENT**

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The Third Session of the Fifth Round of the Six-Party Talks, held in Beijing from 8 to 13 February 2007 produced an agreement on “initial actions for the implementation of the Joint Statement of 19 September 2005.” Since the latter was merely a statement of principles, the latest agreement may be labeled the first substantive agreement since the Six-Party Talks began in August 2003.

Under the new agreement, North Korea will “shut down and seal” its nuclear facilities in Yongbyon, invite the International Atomic Energy Agency (IAEA) to “conduct all necessary monitoring and verification as agreed between the IAEA and the DPRK,” and take other measures within 60 days. In return for this, the North will receive “emergency energy assistance equivalent to 50,000 tons of heavy fuel oil (HFO)).

During the following phase, the North is obligated to provide a “complete declaration of all nuclear programs” and “disable” “all existing nuclear facilities” in return for “economic, energy and humanitarian assistance up to the equivalent of 1 million tons of HFO, including the initial shipment equivalent to 50,000 tons of HFO”.

Given the North’s track record of deception, one may be justified to wonder whether the new agreement will fare markedly better than the 1994 US-DPRK Agreed Framework, which collapsed in late 2002. To ponder this question, we need to scrutinize the new agreement and note the similarities and differences between it and the 1994 accord.

The 13 February Agreement

The 19 September 2005 joint statement, mentioned above, was the first agreement of any kind produced by the Six-Party Talks during two years of intermittent negotiations. Based on the principle of “commitment for commitment,” it embodied the DPRK’s commitment to “abandoning all nuclear weapons and existing nuclear programs and returning, at an early date, to the Treaty on the Non-Proliferation of Nuclear Weapons [NPT] and to IAEA safeguards.” In return for this, the US and Japan “undertook to take steps to normalize their relations” with the DPRK”; “China, Japan, the ROK and the US stated their willingness to provide energy assistance to the DPRK”; and the “ROK reaffirmed its proposal of July 12th 2005 concerning the provision of 2 million kilowatts of electric power to the DPRK.” Additionally, the North asserted its “right to peaceful uses of nuclear energy,” and the “other parties expressed their respect and agreed to discuss, at an appropriate time, the subject of the provision of light water reactor to the DPRK.” Finally, the joint statement stipulated that the “directly related parties will negotiate a permanent peace regime on the Korean Peninsula at an appropriate separate forum.”

The hope that a plan to implement these principles might be adopted at the Second Session of the Fifth Round of the Six-Party Talks, which had convened in Beijing in December 2006 after a 13-month hiatus, however, was rudely dashed, when the North insisted on Washington’s lifting of sanctions on Banco Delta Asia, a Macau bank in which the North held two dozen accounts valued at \$24 million.

The adoption of an action plan on February 13, 2007, therefore, was a notable milestone in the quest for denuclearization on the Korean Peninsula, which may signal a momentous breakthrough, depending on how its implementation unfolds in the coming months.

As noted, the new agreement envisages two phases. In the initial phase, in addition to the freezing of the “Yongbyon nuclear facility, including the reprocessing facility,” which will be subject to IAEA monitoring and verification, the North will ‘discuss with other parties a list of all its nuclear programs, including plutonium extracted from used fuel

rods.” What is more, the US and the North “will start bilateral talks aimed at resolving pending bilateral issues and moving toward full diplomatic relations.” The US will also “begin the process of removing the designation of the DPRK as a state-sponsor of terrorism and advance the process of terminating the application of the Trading with the Enemy Act with respect to the DPRK.”

Within 30 days—that is before mid-April—the parties are obligated to establish and activate five working groups (WG) dealing respectively with: (1) denuclearization of the Korean Peninsula, (2) normalization of DPRK-US relations, (3) normalization of DPRK-Japan relations, (4) economy and energy cooperation, and (5) Northeast Asia peace and security mechanism.

The most important phase will be the next phase, which will feature a “complete declaration [by the DPRK] of all nuclear programs and disablement of all existing nuclear facilities. The provision of additional assistance “up to the equivalent of 1 million tons of HFO, including the initial shipment equivalent to 50,000 tons of HFO” will occur in tandem with, or most probably after, disablement of all existing nuclear programs.

Two novel aspects of the February 13 agreement pertain to (1) the commitment to “hold a ministerial meeting to confirm implementation of the [19 September 2005] Joint Statement] and explore ways and means for promoting security cooperation in Northeast Asia” and (2) the designation of 19 March 2007 as the date for convening the Sixth Round of the Six-Party Talks in order to “hear reports of WGs and discuss on actions for the next phase.”

Comparison with the Agreed Framework

Upon close inspection, the only similarity between the new agreement and the 1994 Agreed Framework is that the North will be compensated with HFOs (albeit its equivalent is mentioned in the new agreement) for a freeze on Yongbyon nuclear

facilities. Differences, however, are striking. Most important, the new agreement envisions a freeze (or “shutdown and sealing”) as merely the initial step, explicitly calling for disablement in the next phase. If the North were to refuse to move on to the next phase, moreover, all it would get will be 50,000 tons of HFO or its equivalent—contrast this with 500,000 tons of HFO the North received annually for seven years under the Agreed Framework. Even if the additional 950,000 tons of HFO or its equivalent were to be taken into account, the North would end up with one-time compensation of 1 million tons—a fraction of what it received under the Agreed Framework.

As US Secretary of State Condoleezza Rice emphasized in her briefing to the press on the day the new agreement was adopted, the multilateral nature of the new agreement is also noteworthy. Not only will the burden of “paying off” the North be shared among the six parties—although Japan has indicated that it won’t participate in such a scheme until the abduction issue is resolved—but failure by the North to carry out its end of the bargain will adversely affect its only ally (in a military sense) China and close friend Russia as well.

Unlike the Agreed Framework, as Rice noted, the new agreement is more comprehensive and broader in scope. In her words, “it is a part of a broad and comprehensive effort not only to denuclearize the Korean Peninsula but also to advance a future of peace and prosperity in Northeast Asia...The patterns of cooperation that we are building between the countries in the region should be source of growing stability and trust in this dynamic part of the world.”

Prospects

The likelihood that the North will simply “take the money and run,” then, is not as high as some critics have suggested. For one thing, the North’s need for “economic, energy and humanitarian assistance” is more pressing than ever before. Two main sources of aid in recent years—China and South Korea—may drastically scale down support should the North renege on its commitments in a flagrant fashion. The active role China has played

and continues to play in the Six-Party Talks ensures that any deception or ploy by the North will be frowned upon and perhaps deeply resented by Beijing's leadership.

One thing that is worth noting here is that the North is not solely to blame for the collapse of the Agreed Framework. The North actually was scrupulous in observing core provisions—notably the maintenance of the freeze on the five-megawatt experimental reactor in Yongbyon as well as the spent fuel rods, compliance with IAEA monitoring, including the permanent stationing of IAEA inspectors on the scene on a rotating basis. If the allegations about the highly-enriched uranium (HEU) program are true, however, the North was patently duplicitous. Uranium enrichment, one should add, was not explicitly covered in the Agreed Framework; it was only inferentially taken into account in a clause mentioning the North-South joint declaration on denuclearization of the Korean Peninsula.

The manner in which the Agreed Framework fell apart also merits mention. After the second “nuclear crisis” erupted in October 2002 on the heels of the Kelly visit to Pyongyang, the North waited two months before taking any action aimed at nullifying the Geneva agreement. Only after the executive board of the Korean Peninsula Energy Development Organization (KEDO) decided, under US prodding, to terminate the program to supply HFO to the North did Pyongyang expel IAEA inspectors, dismantle the monitoring devices on Yongbyon facilities, and withdraw from the NPT. The decision to terminate the HFO program, then, was a tactical blunder on the part of the US, which paved the way for the reopening of the Yongbyon reactor and reprocessing facility and ultimately to the nuclear test in October 2006.

Notwithstanding its dire need for energy, economic and humanitarian assistance, the North will part with its “crown jewel,” the only real leverage it has in the international arena, with utmost reluctance, if ever. It can therefore be expected to drag its feet in the second phase of the new agreement, during which “disablement” of its nuclear programs needs to be negotiated. “All” nuclear programs, moreover, may not include an HEU-based program in North Korean eyes, even if it actually exists. If the five parties or some

of them, notably the US, Japan, and South Korea, were to pursue the disablement of nuclear weapons as well, the North can be counted on to mount stiff resistance.

In brief, it is hard to predict how and to what extent the new agreement will be implemented. What is plain, nonetheless, is that for the first time since the outbreak of the second nuclear crisis on the Korean Peninsula, one has some basis for hoping that the long nightmare will finally be over.

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