

14-E-45
Arch.

**NATIONAL DEFENSE UNIVERSITY
NATIONAL WAR COLLEGE**

NUCLEAR PROLIFERATION ON THE KOREAN PENINSULA

CORE COURSE IV ESSAY

**CAPTAIN WILLIAM G. WHEELER/CLASS OF 1994
GEOSTRATEGIC CONTEXT
SEMINAR C
DR. HUGH DESANTIS, SEMINAR ADVISOR
CAPTAIN JOHN PETRIE, USN, FACULTY ADVISOR**

Report Documentation Page

Form Approved
OMB No. 0704-0188

Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

1. REPORT DATE 1994		2. REPORT TYPE		3. DATES COVERED 00-00-1994 to 00-00-1994	
4. TITLE AND SUBTITLE Nuclear Proliferation on the Korean Peninsula				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) National War College, 300 5th Avenue, Fort Lesley J. McNair, Washington, DC, 20319-6000				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT see report					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES 16	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			

INTRODUCTION

This policy paper is provided to support National Security Council (NSC) planning and recommendations in advance of the 21-23 February 1994 meeting of the International Atomic Energy Agency (IAEA) Board of Governors (BOG) in Vienna. This meeting will consider recent developments in North Korea's compliance with the nuclear Non-Proliferation Treaty (NPT) which bars development of a nuclear weapons capability.

The issue of global proliferation of Weapons of Mass Destruction (WMD), in general, has obvious security implications for the United States and the international community as a whole as well as regional states where affected. On the Korean peninsula, in particular, where a volatile armistice has been in effect since the cessation of hostilities in 1953, the potential development by North Korea/Democratic People's Republic of Korea (DPRK) of an indigenous nuclear weapons capability is viewed as a serious challenge to regional stability with adverse policy ramifications for U.S. national security interests.

Given the demonstrated willingness and capability of the isolated Pyongyang regime to use violence or state-sponsored terrorism to further its political aims, development of an autonomous nuclear weapons capability would further exacerbate its contentious relationship with neighboring South Korea/Republic of Korea (ROK), and pose serious security issues with respect to the strong U.S. commitment to the defense of South Korea. Moreover, the recent testing of imported SCUD missile technology (Nodong-1 medium range missile) could give North Korea the ability to deliver nuclear weapons to Japan as well as South Korea, de-stabilizing the

entire regional security posture.

This increasingly plausible scenario with a totalitarian regime amid an impending leadership succession crisis and a rapidly deteriorating economy places the matter clearly near the top of U.S. security concerns at the same time this country is facing an inevitable draw-down of military forces, especially those forward-deployed forces overseas.

BACKGROUND AND ANALYSIS

Historical perspective

Following the acquisition of nuclear arms by the U.S. (1945), Soviet Union (1949), Great Britain (1952), France (1960) and China (1964), the five declared nuclear states supported a joint effort to create a global nuclear nonproliferation regime which would establish a goal limiting further acquisition by non-nuclear states. At the center of this nonproliferation effort, a series of interlocking treaties and inspections under the auspices of the IAEA and NPT have helped to constrain the spread of nuclear arms.¹ Four "de facto" nuclear states (Israel, India, Pakistan and South Africa) have since crossed the nuclear threshold.

The IAEA, established in 1957, functions "to establish and administer safeguards designed to ensure atomic research is not used in such a way as to further military purposes, and to apply (under NPT and other international treaties) mandatory and comprehensive safeguards in non-nuclear weapons states party to such treaties".² Its system of accounting controls and on-site inspections verifies that the nuclear facilities and materials which are voluntarily submitted for monitoring by the IAEA are not used for military purposes.³

The Treaty on the Non-Proliferation of Nuclear Weapons (NPT) entered into force on March 5, 1970. Its eventual ratification by 157 member states has made it the most widely accepted arms control treaty to date.⁴ Under the treaty, non-nuclear weapon states (NNWS) formally pledge not to receive, manufacture or acquire nuclear weapons and to accept IAEA safeguards on fissionable materials in all peaceful nuclear activities within their states (nuclear propulsion is exempted). Nuclear weapon states (NWS) pledge not to transfer to, assist, or encourage any NNWS in the development of a nuclear arms capability. All signatories pledge to work toward global disarmament and an end to the nuclear arms race.⁵

In 1985, the DPRK signed the NPT, but did not conclude the associated safeguards agreement with the IAEA. Although such a protocol was required within eighteen months after accession to the treaty, the DPRK insisted on a "nuclear quid pro quo", namely the removal of U.S. nuclear weapons from the ROK, over the ensuing six years.⁶

Following the September 27, 1991 decision by President Bush at the end of the Cold War to withdraw U.S. tactical ground and sea-launched nuclear weapons deployed around the world, all such weapons were removed from South Korea by the end of December 1991. Shortly thereafter, on January 29, 1992 the DPRK signed a Safeguards Agreement with the IAEA.⁷ An implicit promise of expanded trade with the U.S., Japan, and China, and suspension of the annual joint U.S. - ROK military exercise "Team Spirit" sweetened the deal.

During the next year, the IAEA performed six on-site

inspections in North Korea. Following the disclosure that the DPRK had previously separated 90 grams of plutonium during a reactor shut-down in 1989 - in a "benign scientific experiment" - the IAEA team procured samples of reprocessed reactor fuel and waste for further detailed analysis. Subsequent laboratory tests indicated that the physical samples included different ratios of fingerprint isotopes, thereby determining that the plutonium and waste material had come from different batches of fuel - clearly disputing the DPRK assertion of a one-time only reprocessing.⁸

As a result of this significant discrepancy, the IAEA formally demanded that the DPRK accept an unprecedented "special inspection" of two suspicious nuclear sites. After repeated North Korean refusal to allow access to these sites, the IAEA issued an ultimatum on February 25, 1993: accede to inspections by March 25 or face "further measures".⁹ {These measures could include referral to the UN Security Council (UNSC) for possible economic sanctions if the BOG determines at its upcoming session that the "continuity of safeguards has been broken".}

Due to this continuing controversy and the subsequent decision by the U.S. and ROK to conduct Team Spirit '93, the DPRK shocked the United Nations with its decision on March 12, 1993 to withdraw from the NPT due to the prevailing situation, which "threatens its security interests". Under the NPT, North Korea was required to remain party to the treaty for three months following its notice to withdraw.

On May 11, 1993 the UNSC adopted Resolution 825 in which it called upon the DPRK to reconsider its decision to withdraw, to reaffirm its commitment to the NPT, and to comply with its IAEA

safeguards agreement.¹⁰ The discussions played out on the world stage over the next several months. Shortly before the three month notice period was due to expire on June 12, 1993, North Korea suspended its withdrawal from the NPT for further discussions with the IAEA and the ROK.

Roles and Objectives of Principal Actors in the Conflict

North Korea

The national security interests of the DPRK relative to this situation can be viewed as two-fold: concern over its basic survival as a sovereign state in the near term, and its struggle for political legitimacy and recognition as a regional power in the long term. An ancillary objective may be the ultimate reunification of the peninsula, under North Korean control.

To achieve these goals, North Korea has maintained a large conventional armed force capable of responding to military threats posed by the ROK and its allies. This army is deployed just north of the armistice DMZ in an arguably provocative position which not only defends their southern flank but would permit a rapid thrust south toward Seoul if so desired. In fact, their artillery is deployed forward of infantry troop detachments.

In addition to its indigenous military capability, North Korea has actively maintained a close political, economic and military association with China and, until recently, Russia. These trade, security and material assistance programs have bolstered Pyongyang's ability to withstand the rigid isolation imposed upon its totalitarian regime by the world community. At the same time, however, it has vastly increased the DPRK's dependence upon its dominant sponsors.

To date, the fruits of these associations have been largely insufficient to prevent North Korea's fragile economy from sliding perilously close to disaster. While total collapse may not be imminent, rumors of severe food shortages imply the situation is deteriorating rapidly as the population continues to suffer extreme deprivation. Today's principal objective, then, in society as well as government, is basic survival.

Concurrently, North Korea faces an approaching leadership transition crisis as Kim Il-sung (Great Leader) approaches the end of his dictatorship and prepares to turn over the reins of authority to his son Kim Chong-il (Dear Leader). It is difficult, in this closed society, to predict the direction in which the heir-apparent might move the DPRK and even his long term ability to survive the succession crisis is questionable. But it is also quite likely that the Korean People's Army (KPA) will play an increasingly significant role during this volatile transition.

Given North Korea's struggle for basic survival, with a failing economy and an imminent leadership transition, it would appear that the large DPRK conventional army would be more than sufficient to guarantee preservation of its borders and basic security needs. Why then, is North Korea apparently intent upon developing a credible nuclear force? The answer lies simultaneously in its distrust of the ROK and its U.S. ally and its fervent ambition for diplomatic recognition and legitimacy.

Estimates of plutonium available to support North Korea's nuclear arms program (enough for one or two weapons) make it clear that, at most, the potential inventory is sufficient only for use as political "bargaining chips" to be negotiated away in return for

economic and security guarantees. The weapons, even assuming successful delivery via the Nodong missile system, cannot be used in any meaningful military way which would not risk North Korea's immediate and total destruction.¹¹

It has been suggested that the entire issue is a nuclear bluff from Kim Il-sung designed to cover up the fact that the program has either not matured sufficiently to become credible if exposed, or perhaps has suffered an equally embarrassing accident. Without the bomb, North Korea disappears from the world stage and reverts to isolation, void of any credible negotiating stance or leverage with which to exact concessions.

If the nuclear program is mature and its development sustained, Korea risks retaliation in the form of the return of U.S. tactical nuclear weapons to South Korea or Japan's development of a nuclear deterrent capability, or both. Absent a suicidal course of action by the DPRK, it follows that negotiation appears to be the logical and prudent course of action for all concerned.

South Korea

The national security interests of South Korea in this situation are best served by diplomatic negotiation and reduction of tensions on the peninsula. Despite the disintegration of the former Soviet Union and the reunification of Germany, the world is not yet safe from the dangers of military confrontation on a large scale. The Korean peninsula remains an area in which more than 1.5 million soldiers and airmen face each other daily across a tenuous 155 mile long de-militarized zone which explains why it is often called "the last bastion of the Cold War".¹²

Given the nature of the current crisis, the prime objective of

the ROK is the deterrence of war and armed aggression from its neighbor to the north. Through a strong and reliable armed force under the protection of the U.S. security alliance, the ROK can continue to cope with the increased North Korean military threat in order to secure a stable environment. The eventual establishment of a solid peace followed by improved relations with the north will then enable South Korea to revise its traditional security posture focused on deterring DPRK attack.

Concurrent with a strong military deterrence, ROK security interests dictate support for nonproliferation of WMD and ballistic missile technology, and continued arms control negotiations with North Korea to further reduce bilateral tensions on the peninsula.

Critical to achieving long term stability in North East Asia is the establishment of multilateral collective security arrangements with the major regional powers. South Korean political objectives include development of a security structure involving a balance of power among Japan, China and Russia, as well as an adjustment of the traditional U.S. - ROK security alliance, designed to promote peace on the peninsula. This revised framework will have synergistic effects in its economic interdependence with regional security and trading partners. Although small, South Korea can become a stronger nation-state as it maintains and expands its healthy economy.

Finally, national unification through peaceful means will guarantee permanent stability on this war-torn peninsula.

Japan, China, and Russia

The end of the Cold War has significantly altered the strategic balance of power on the Korean peninsula. The influence

of the major regional powers has been changed and remains in flux, with that of Japan and China likely to increase in the future as the influence of Russia and, perhaps the U.S., will diminish. A new strategic, as well as economic, configuration will likely evolve in which a "four-power concert" is probable.¹³

During this realignment, major regional powers will have an important stake in the establishment of long-term stability on the peninsula. Resolution of this crisis at the lowest level of tension possible consistent with continued pursuit of national objectives is desired by all parties.

Japanese influence within North East Asia is expected to increase through the development of multilateral security arrangements and mutual economic interdependence throughout the region. Assuming peaceful resolution of the North Korean nuclear issue, normalization of relations between Japan and the DPRK is likely to follow. More than any other country, with the exception of South Korea, however, Japan has expressed serious concern over Pyongyang's development of a 1000-km ballistic missile capable of reaching western Japan in seven minutes.¹⁴ At the same time it counsels diplomacy to resolve the DPRK proliferation issue, Japan must also ensure its own defense, either under the U.S. nuclear umbrella or through development of its own nuclear deterrent capability. Increased interest in a jointly-developed Theater Missile Defense (TMD) system is also evident.

Possessing the world's largest military force of 3.2 million troops, China is the sole strategic nuclear power in N.E. Asia.¹⁵ As it modernizes its armed forces through the acquisition of updated weaponry, its growing military capability will ensure that

China plays a dominant, if not threatening, role in the regional security balance of power. As a result of its robust economic growth, it is anticipated that increased trade and economic cooperation with its Asian neighbors will further expand its influence and contribute to stabilization on the peninsula. China established diplomatic relations with the ROK in 1992.¹⁶

Russia, once the principal military, economic and political supporter of North Korea, is no longer able to function in this manner following the demise of the former Soviet Union. Even if economically feasible and politically desirable, Russia's own internal conflicts preclude a return to this arrangement, and it would be hard-pressed to justify its rationale internationally. Thus, Russia's future role will be limited to expansion of its trade and economic cooperation as a means with which to enhance its regional influence.

MOST RECENT DEVELOPMENTS

On February 15, North Korea told the IAEA that it will allow inspection of its seven declared nuclear facilities which had been the subject of increasingly intense public and private diplomatic negotiation since its announced withdrawal from the NPT. The inspection was expected to commence immediately and was estimated to last several weeks.

Because the pledge by North Korea coincided with the birthday of Kim Chong-il, the timing was speculated to reveal an important policy shift by the isolated government.¹⁷ It is more likely, however, that the decision was forced by the approaching 21 February IAEA meeting at which the BOG was expected to announce a break in the continuity of nuclear safeguards by the DPRK.

The seven sites to be inspected DO NOT include two other sites of special interest, declared off-limits, at which it is suspected that illegal reprocessing of plutonium occurred prior to the 1992 safeguards agreement with the IAEA.

Coincident with the arrival of the IAEA inspectors in Pyongyang, it was reported that the ROK government will announce a tentative suspension of Team Spirit '94.¹⁸

U.S. POLICY OBJECTIVES AND OPTIONS

There are several important policy objectives in this crisis and options available with which to achieve them.

The first priority is to ensure North Korean compliance with its safeguards agreement, so that there is no break in the continuity of safeguards at the seven declared sites covered under the agreement. Additionally, no refueling of the reactor should be permitted without IAEA inspectors present.

The second objective is to reinforce the NPT by insisting on full DPRK compliance with its provisions. This has become, essentially, a test case for the NPT/IAEA institution and its credibility is clearly on the line. North Korea must fully accept the NPT inspection regime as defined by the IAEA, including special inspections of undeclared sites, and access to waste sites.

Another policy goal builds upon successful progress toward the previous objectives. The resumption of north-south dialogue on the Denuclearization Declaration is a critical step toward long-term stability on the peninsula. A ban on uranium enrichment and plutonium reprocessing should precede movement toward normalization of relations. Accordingly, the U.S. should refuse to schedule further Round III high level talks until after progress has been

made on the bilateral ROK-DPRK discussions and IAEA inspections.

A fourth policy objective is to encourage North Korea to dismantle its graphite reactor (prohibited by north-south agreement) and shift to the less dangerous light reactor.

If satisfactory attainment of the above goals can be made, it will then be possible to address other issues of concern such as terrorism, human rights, export of ballistic missile technology, etc. which currently prevent North Korea's acceptance as a member of the international community.¹⁹

To accomplish these objectives, a variety of diplomatic, economic and military options is available for policy execution. The appropriate philosophy is to maintain diplomatic engagement while retaining the option of imposing economic sanctions if necessary and, preparing militarily for sterner measures if required.

The mechanism of meaningful dialogue at the working level, to be followed by higher level discussions when appropriate, allows continued engagement of the isolated Pyongyang regime at the negotiating table on the critical issues. Rather than considering the NPT withdrawal as a dangerous escalation, it should be dealt with as it is intended, a bargaining chip to be negotiated away in return for concessions. The withholding of proffered rewards (incentives) is the recommended approach rather than the imposition of threatened punishments (disincentives).

Specifically, the following additional measures should be considered as the situation dictates and as quantifiable progress in achieving the previous policy objectives is obtained.

1. Offer the "negative security guarantee" which the DPRK has

sought: the U.S. promise never to use nuclear weapons on the Korean peninsula.

2. Suspend Team Spirit indefinitely and promise to cancel permanently as part of the Round III discussions if the bilateral progress so warrants.
3. Allow international inspections of U.S. bases in South Korea.
4. Use China as a responsible member of the world community to influence North Korea movement toward normalization of relations and acceptance into family of nations.
5. Use economic sanctions only as a last resort if the IAEA determines that the continuity of safeguards has been broken. Recognize that a shift from the "carrot" to the "stick" is always dangerous and is especially unpredictable in the case of North Korea which has already declared that such action would be viewed as an act of war.
6. Apply the USCINCPAC "Cooperative Engagement" philosophy which utilizes forward presence, strong alliances and a visible capacity for crisis response to demonstrate U.S. commitment to peace and stability on the peninsula.
7. Bolster ROK defense with Patriot missiles and the forward presence of a carrier battle group if requested by the CINC.
8. Bolster Japanese defensive capability with Aegis anti-air warfare ships and TMD/Theater High Altitude Air Defense (THAAD) technology as required.
9. The preemptive military strike option is not recommended as a realistic option due to its inability to achieve desired results, provocative nature, possibility for collateral damage, and likely radiological consequences.

Works Cited

- Cha, Young-koo. "National Security Strategy of South Korea: Looking Toward the 21st Century", 1994 Pacific Symposium, February 15-16, 1994, National Defense University, Washington, DC.
- Davis, Lynn. "Korea: No Capitulation", Op-Ed, Washington Post, January 26, 1994.
- East Asia Daily Report, January 26, 1994.
- Lee, Seo-Hang. "Korean Military Forces: Searching For Peace and Stability Through Multilateral Security Regimes", 1994 Pacific Symposium, February 15-16, 1994, National Defense University, Washington, DC.
- Mack, Andrew. "The Nuclear Crisis in the Korean Peninsula", Asian Survey, Vol. 33, No. 4, April 1993.
- Olsen, Edward A. "Navigating N. Korea's Nuclear Straits", Christian Science Monitor, November 29, 1993.
- Timerbaer, Roland et al. "Inventory of International Non-Proliferation Organizations and Regimes", Monterey Institute of International Studies, June 1993.
- "Seoul May Suspend Team Spirit Exercises", Pacific Stars and Stripes, February 19, 1994.
- Smith, R. Jeffrey. "N. Korea and The Bomb: High Tech Hide and Seek; U.S. Intelligence Key in Detecting Deception", Washington Post, April 27, 1993.
- Smith, R. Jeffrey. "North Korea Agrees To Inspections", Washington Post, February 16, 1994.
- Spector, Leonard S. "Deterring Regional Threats From Nuclear Proliferation", Strategic Studies Institute, U.S. Army War College, March 12, 1992.

1. Spector, Leonard S. "Deterring Regional Threats From Nuclear Proliferation", Strategic Studies Institute, U.S. Army War College, March 12, 1992, p.7.
2. Timerbaer, Roland, et al. "Inventory of International Non-Proliferation Organizations and Regimes", Monterey Institute of International Studies, June 1993, p.10.
3. Spector, p.8.
4. Spector, p.8.
5. Timerbaer, p.19.
6. Spector, p.16.
7. Spector, p.16.
8. Smith, R. Jeffrey, "N. Korea and The Bomb: High Tech Hide and Seek; U.S. Intelligence Key in Detecting Deception", Washington Post, April 27, 1993.
9. Mack, Andrew. "The Nuclear Crisis in the Korean Peninsula", Asian Survey, Vol. 33, No. 4, April 1993, p.339.
10. Timerbaer, p.20.
11. Olsen, Edward A. "Navigating N. Korea's Nuclear Straits", Christian Science Monitor, November 29, 1993, p.23.
12. Lee, Seo-Hang. "Korean Military Forces: Searching for Peace and Stability Through Multilateral Security Regimes", 1994 Pacific Symposium, February 15-16, 1994, National Defense University, Washington, DC, p.2.
13. Cha, Young-koo. "National Security Strategy of South Korea: Looking Toward the 21st Century", 1994 Pacific Symposium, February 15-16, 1994, National Defense University, Washington, DC, p.13-14.
14. East Asia Daily Report, January 26, 1994, p. 17.
15. Cha, p.13.
16. Cha, p.16.
17. Smith, R. Jeffery, "North Korea Agrees To Inspections", Washington Post, February 16, 1994.
18. "Seoul May Suspend Team Spirit Exercise", Pacific Stars and Stripes, February 19, 1994.
19. Davis, Lynn. "Korea: No Capitulation", Op-Ed, Washington Post, January 26, 1994.