# Apply Pressure to Firm Up the Six-Party Talks

## **Bruce Klingner**

The failure of the Six-Party Talks to make progress during last month's meeting in Beijing calls into question the viability of negotiations to achieve North Korean denuclearization. But it would be premature to declare the talks dead, because a serious multi-track containment, pressure, and diplomatic strategy could still achieve American and international goals in northeast Asia. For now, the Bush Administration should work with other participants in the talks to increase pressure on Pyongyang, economically and otherwise. For the future, the Bush Administration must develop a contingency plan, should the talks fail, to denuclearize the Korean Peninsula.

## Disappointment in Beijing

Unrealistically high hopes for the Six-Party Talks were dashed when it became apparent that North Korea had no intention of abandoning its nuclear weapons program, at least until the sanctions against it were lifted. U.S.-led restrictions against North Korea's illicit activities, including counterfeiting and money laundering, have significantly impacted the country's economy. Foreign banks and companies are increasingly wary of engaging with North Korea, even on legitimate business transactions, for fear of being identified as complicit in illegal transactions. China has also been increasingly willing to pressure its recalcitrant neighbor following Pyongyang's missile launches of July 4 and nuclear test of October 9.

North Korea's decision to return to negotiations was premised on a calculation that it could best reach its goal of ending the sanctions by temporarily switching to conciliatory diplomacy. In addition, Pyongyang hoped that transferring the nuclear issue from the U.N. Security Council to the Six-Party Talks would avert additional international sanctions; hinder U.S. efforts to gain Chinese, Russian, and South Korean concurrence to firmly implementing U.N. Resolution 1718; prevent Beijing and Seoul from joining the Proliferation Security Initiative; and allow for a resumption of Chinese and South Korean economic benefits. For Pyongyang, all of these issues came before its nuclear program.

#### **The Next Steps**

Despite several rounds of negotiations, confusion remains over the benefits and requirements that the U.S. has proposed as part of any agreement to resolve the nuclear impasse. This uncertainty has allowed North Korea to split its opponents and deflect criticism to Washington's perceived lack of flexibility. A more aggressive U.S. diplomatic initiative is necessary to redirect focus back onto North Korean belligerence and recalcitrance. By placing the onus on Pyongyang to moderate its behavior,

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while offering potential benefits in a clearly articulated roadmap, Washington could regain the initiative and maintain its leadership role in the region.

To that end, the Bush Administration should continue to engage in multilateral negotiations while increasing pressure on Pyongyang through economic restrictions and countering North Korean proliferation activities through a containment strategy. Washington should strive for greater global consensus against Pyongyang by publicly articulating its roadmap for resolution, while concurrently insisting upon North Korean compliance with its previous nuclear commitments, requiring North Korea to abide by international agreements against illicit activities, and working with other countries to enforce consequences for North Korea's failure to do so.

Privately, the U.S. should emphasize to China, Russia, and South Korea that Pyongyang must not be allowed to drag out the talks in order to build additional nuclear weapons and gain international acquiescence to its nuclear status. It should also make clear that North Korea's defiance of U.N. resolutions is increasingly inconsistent with peace and stability on the Korean Peninsula.

In addition, the U.S. should step up its enforcement of financial actions. The U.S. Department of the Treasury should finalize its regulatory action against the Macau-based Banco Delta Asia (BDA) while continuing to investigate other foreign organizations potentially involved in North Korea's illicit activities. The Treasury Department's failure to complete its investigation of BDA 15 months after the bank was sanctioned has diffused U.S. efforts and undermined the nuclear negotiations. The U.S. should continue its bilateral dialogue between Treasury Department officials and North Korean officials initiated to explain the requirements for implementing a transparent and legitimate financial system that would allow for North Korea's

return to the international financial system. Washington should emphasize, however, that the sanctions themselves are not negotiable because they were imposed in response to North Korean counterfeiting, money laundering, and escalatory behavior.

To reverse the sagging of global resolve during the three months following North Korea's nuclear test, the Bush Administration must remind U.N. members of their obligations under U.N. Resolution 1718. China, Russia, and South Korea have argued that the resolution's sanctions are merely a tool to induce North Korea to return to the Six-Party Talks and are, therefore, no longer pertinent. Washington should take the lead in publicly defining appropriate measures to counter North Korea's nuclear and missile programs as well as engaging in behind-the-scenes efforts through intelligence, law enforcement, and Treasury agencies.

#### **Contingency Planning**

Negotiations may not be successful. But the U.S. could then claim, justifiably, that it had undertaken a good-faith effort at a diplomatic resolution, giving it greater leverage in discussions with China and South Korea to impose greater conditionality in their engagement with North Korea.

The U.S. must prepare contingency plans for the collapse of negotiations. North Korea's nuclear breakout, culminating in its October 9 nuclear test, has made it less likely that Kim Jong-Il will be willing to negotiate away the entirety of his nuclear weapons programs. The Bush Administration must therefore determine its strategy and means for denuclearizing the Korean Peninsula. Contingency planning, including potential military scenarios, should be done in concert with key allies Japan and South Korea.

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