



# USAF COUNTERPROLIFERATION CENTER CPC OUTREACH JOURNAL

Maxwell AFB, Alabama

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Issue No. 533, 16 October 2006

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New York Times  
October 14, 2006  
Pg. 1

## **U.S. Hits Obstacle In Getting A Vote On North Korea**

By Warren Hoge

UNITED NATIONS, Oct. 13 — The United States pressed for a Saturday vote on a Security Council resolution that would impose sanctions on North Korea for its reported nuclear test, but questions from China and Russia on Friday evening cast the timing and possibly the content of the document into doubt.

The terms of the resolution had already been softened three times this week to meet objections from China and Russia, and earlier Friday there appeared to be agreement on holding a vote Saturday morning.

John R. Bolton, the American ambassador to the United Nations, said the new problems appeared “technical” rather than “substantial,” but said they would require another conference of Japan and the five permanent Council members, Britain, China, France, Russia and the United States, Saturday before the full 15-member panel met later in the day.

While the wording of the resolution was still being worked out, American intelligence officials said on Friday evening that they had found radioactive material in air samples taken over the region, providing more evidence that North Korea did indeed detonate a nuclear bomb.

The new draft resolution dropped or softened several provisions to placate China and Russia. It eliminated explicit mention of military enforcement of the sanctions; placed more limits on the kinds of cargo that could be inspected going in and out of North Korea; and dropped a blanket embargo on conventional weapons.

Mr. Bolton indicated that one area of dispute remained the methods and legalities of how to inspect cargo. The new draft resolution limits the weapons ban to large-size arms, military systems and unconventional weapons.

The measure, drafted by the United States, still requires all countries to prevent the sale or transfer of material related to North Korea’s nuclear, ballistic missile and unconventional weapons programs, and maintains a ban on travel by persons associated with those programs.

It also bars North Korea from exporting such weapons, a provision aimed at the international concern over the possibility of unconventional arms from North Korea ending up with terrorist groups or rogue states.

Kenzo Oshima, the Japanese ambassador to the United Nations and president of the Security Council, announced the Council would gather at noon, but could not say whether there would be a vote.

“An overwhelming majority of the Council members want to vote as soon as possible,” Mr. Bolton said. “They still think it is important to send a swift and strong signal, and I’m confident we’re going to be able to do that.”

Wang Guangya, the Chinese ambassador, said, “It all depends on the final text, because we are not at the final text yet.”

The United States and Japan, the driving forces behind the resolution, had earlier thought they had surmounted the Chinese and Russian objections to the resolution when they submitted a revision Thursday night that softened some of the earlier provisions.

Mr. Bolton said the United States was “very satisfied” with the document as it stood Friday morning and was prepared to vote for it immediately.

But Mr. Wang, while asserting his country was happy with the progress that had been made, said his country was still studying the text before officially pronouncing on it. “With progress we are always satisfied, but if we work harder, we might make more progress,” he said.

Vitaly I. Churkin, the Russian ambassador, said, “I think we are on the right track, but we are not there yet.”

In Washington, officials, apparently confident of the imminent passage of the measure, announced that Secretary of State Condoleezza Rice would travel to Asia next week to discuss how to implement the resolution, as well as to discuss other efforts to deter North Korean proliferation of a nuclear bomb or bomb-making materials. Sean McCormack, the State Department spokesman, said Ms. Rice would travel to Tokyo, Seoul and Beijing.

The trip, he said, is “an opportunity for her in the region to reaffirm and talk about the strength of our existing alliances there, and also to have a bit more of a wider conversation with others in the region about the current situation, about the security situation, and also to talk broadly about nonproliferation efforts.”

Senior State Department officials portrayed the United Nations momentum toward a resolution as evidence of a united, multilateral front agreeing to punish North Korea.

“So the first issue we need to do is to make clear that the sense of outrage and condemnation by the international community to have a resolution in the Security Council, which will not only be a resolution condemning North Korea, but actually a resolution with some teeth to it,” said Christopher Hill, the assistant secretary of state for east Asian and Pacific affairs.

“North Korea needs to understand that this is indeed a very, very costly decision that will leave North Korea far worse off and far more isolated than ever before,” said Mr. Hill, speaking at a conference in Washington. “We need to give that message very clearly and make sure that North Korea cannot find any differences in our views. So I think so far, so good.”

The resolution condemns the test on Oct. 9 as a “flagrant disregard” of Security Council warnings, orders it not to conduct nuclear or missile tests, and urges the North to return to six-nation talks with South Korea, China, Japan, Russia and the United States.

It freezes funds overseas of people or businesses connected to the unconventional weapons programs and bans the sale of luxury goods to North Korea.

"I think the North Korean population has been losing height and weight over the years," Mr. Bolton said. "Maybe this will be a little diet for Kim Jong-il," he said, referring to the North Korean dictator.

Under the resolution, member states are to report to the Security Council within 30 days on steps they have taken to comply with the its demands.

The resolution still invokes Chapter VII of the United Nations Charter, which makes mandatory economic and diplomatic sanctions. China and Russia customarily resist the Chapter VII provision on the grounds that it sets a pretext for the use of military force, as many countries believe it did in Iraq.

But in a formulation used in July to obtain a unanimous vote on the resolution condemning the North Korean missile launches, the text added a reference to Article 41 of the chapter, which permits only "means not involving the use of military force."

In another change designed to gain Chinese and Russian support, the resolution now says the inspection process will be "cooperative" with local authorities. Both countries were sensitive to such interdiction being done near their coasts and borders, but Mr. Bolton said that though the inspections covered air, sea and land shipments, he expected most actions would be performed in port.

As for the agreement struck to limit the arms embargo to specific weapons like missiles, tanks, attack helicopters, artillery systems, warships and combat aircraft, Mr. Bolton said, "That would place under embargo the most dangerous, most sophisticated, most lethal weapons, so that's a substantial step forward, and, as I say, we're happy to accept that as a compromise."

<http://www.nytimes.com/2006/10/14/world/asia/14nations.html>

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Washington Times

October 14, 2006

Pg. 1

## **U.S. Finding Indicates Nuclear Test**

By Bill Gertz and Betsy Pisik, The Washington Times

U.S. intelligence agencies have detected radioactive particles in air samples collected near North Korea's nuclear testing facility, leading analysts to conclude that the blast detected Monday was a nuclear explosion, Bush administration officials said last night.

Meanwhile, at U.N. headquarters in New York, the United States, China and Russia agreed yesterday on sanctions against North Korea for its claimed nuclear test, with Washington backing away from its tough demands of inspections at sea to assuage fears by Beijing and Moscow of a U.S. naval buildup in East Asia.

Diplomats said they expected a vote by the 15-nation U.N. Security Council as early as today.

Washington agreed to accept language ruling out a military response to win backing from China and Russia, which have vetoes in the council.

But differences remained over how far the United Nations could go in authorizing searches of North Korean ships.

John R. Bolton, the U.S. ambassador at the United Nations who had pressed for a "swift and strong" response to Monday's reported nuclear test, said he was pleased with the latest draft.

"I hope that we will have a vote -- expect to have a vote by the 14th of October, five days [after the test]," Mr. Bolton said. "So that is, I think, a sign of the determination of the council in the face of this threat to move quickly."

The detected radioactive particles were picked up by sensors aboard aircraft flying off the coast of North Korea around the time the Oct. 9 blast was detected by seismic sensors northwest of the town of Kilchu.

Processing of the data collected by the WC-135 aircraft, called "sniffers" because of the chemical sensors that can detect particles of radioactive material, has been under way for the past five days.

Analysis of data by a laboratory in Florida is the first indication that nuclear particles were found after the test.

The finding of such particles is significant because it supports other evidence by U.S. intelligence agencies of a test and will likely lead to a more definitive conclusion that the explosion produced a nuclear yield.

One senior intelligence official said the sensor data indicating nuclear particles supports the main theory of intelligence analysts that the underground test was a plutonium device that did not fully detonate.

The blast detected by sensors created a shock wave equivalent to a magnitude 4.2 earthquake and nuclear specialists estimated that the blast was 0.2 kilotons, or the equivalent of 200 tons of TNT.

That size is far smaller than the 4 kilotons that North Korean officials told China prior to the test would be the size of the demonstration shot.

A defense official said it is almost impossible for an underground nuclear test not to produce some venting of radioactive particles because the particles escape through the ground or through the opening of the tunnel. The U.N. draft document to impose sanctions on North Korea expresses "profound concern that the test claimed by [North Korea] had generated increased tension in the region and beyond, and [determined] therefore that there is a clear threat to international peace and security."

There were conflicting reports yesterday whether radiation had been detected at the test site. But the relatively small size of the explosion indicated that the blast had failed to set off a nuclear chain reaction.

Secretary of State Condoleezza Rice prepared to head to China, Japan and South Korea early next week to discuss steps to implement the U.N. resolution.

The latest draft:

- \*Prohibits the transfer of material or technology to Pyongyang that can be used in nuclear, ballistic missile or other weapons of mass destruction-related programs.

- \*Prohibits sales or transfers of heavy conventional weapons such as tanks, warships and combat aircraft to North Korea.

- \*States that the resolution does not authorize the use of military force against North Korea.

- \*Allows travel bans on people involved in North Korean weapons programs and their families.

- \*Demands Pyongyang immediately return without condition to the six-nation talks about energy and security concerns, and rejoin international nonproliferation agreements.

- \*Bans sales of luxury goods, such as cognac and gourmet food, to the North.

"The North Korean population's been losing average height and weight over the years, and maybe this will be a little diet for Kim Jong-il," Mr. Bolton said.

He was referring to the North Korean leader, who is said to import vast quantities of lobster, caviar, fine wines and expensive cuts of sushi for himself, his family and close associates.

The sanctions were carefully tailored not to impose additional hardship on North Korea's impoverished population, most of whom are dependent on rations from international donors.

The document also emphasizes regional cooperation, in part to satisfy Chinese fears of a greater U.S. military presence in the region.

North Korea is likely to take a higher profile at the United Nations, now that it claims to have conducted a nuclear test and is threatening additional testing.

South Korean Foreign Minister Ban Ki-moon, unanimously selected yesterday by the U.N. General Assembly to be the next secretary-general of the world body, has pledged to work for peace and stability in Asia.

Mr. Ban told reporters yesterday evening that he would stress improved communications between nations and North Korea.

"Diplomacy is very important," he said. "Even during military conflicts there needs to be room for dialogue. I have always been saying that we need to take a two-pronged approach. Sometimes we take a stern and strong position, but there is room for dialogue, it is absolutely necessary."

One of the resolution's most ambitious planks is to create an international inspection regime that could, in theory, allow authorities to board ships, planes and trucks going into or out of North Korea.

North Korean neighbors Russia and China sought last-minute changes in the inspection regime, fearing that it would increase the presence of U.S. warships in the region.

The five veto-wielding council members -- the United States, Britain, China, France and Russia -- met late yesterday with Japan, which holds the council presidency this month.

Wang Guangya, China's U.N. ambassador, said negotiations would continue today.

The inspection proposal is modeled on the 2003 Proliferation Security Initiative (PSI).

The United States and 65 other nations have voluntarily agreed to inspections under the PSI, in which members agree to share intelligence and resources to contain weapons of mass destruction. North Korea is not a member.

The U.S. and Bahrain yesterday announced they would practice interdicting nuclear material and equipment at sea on Oct. 31, in the Persian Gulf, off the coast of Iran.

Kuwait, France and Britain are also expected to participate.

<http://www.washtimes.com/world/20061014-121835-6681r.htm>

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New York Times

October 14, 2006

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## **Preliminary Samples Hint At North Korean Nuclear Test**

By Mark Mazzetti

WASHINGTON, Oct. 13 — With the United Nations preparing to vote on whether to impose harsh sanctions on North Korea, American intelligence officials said on Friday evening they had found new evidence that the country detonated a nuclear bomb deep inside a mountain in its desolate northern territory.

An analysis of air samples taken in the region on Wednesday found radioactive material that is “consistent with a North Korean nuclear test,” according to a document sent to lawmakers on Capitol Hill on Friday by the office of John D. Negroponte, the director of national intelligence.

But a senior intelligence official, who spoke on condition of anonymity, said that the results were still preliminary and that final analysis of the data would not be completed for several days.

The document was provided to The New York Times on Friday evening.

One day after the blast, the Pentagon dispatched Air Force planes with special radiation detectors into international airspace near North Korea. The official did not say whether the planes had collected the radioactive sample.

One question that remains is whether the explosion that North Korean leaders announced with great fanfare might actually have been a failure or merely a partial success.

Both intelligence officials and independent scientists have said that the detonation was a “sub-kiloton” blast — an explosion far smaller than typical nuclear tests by novice bomb designers. One widely held theory is that the nuclear blast was less powerful than the North Koreans had hoped it would be.

Earlier this week, American officials said the North Koreans had notified the Chinese government that the nuclear test would be in the range of four kilotons.

“Based in very incomplete information, it smells to me like a fizzle,” said Sidney Drell, a theoretical physicist and arms control expert at The Hoover Institution at Stanford University.

Given the comparatively small size of the blast, American officials said, it is possible that only a small amount of radioactive material leaked from the subterranean test site.

Because the test was conducted by one of the world’s most closed societies, the Pentagon and intelligence agencies have had to construct complicated computer models to try to prove North Korean claims of a nuclear test. They used the models to calculate the times that the Air Force’s WC-135 “Constant Phoenix” aircraft would have the best chance to collect samples of radiation from the explosion.

Military officials said earlier in the week that the ability to detect any radiation would depend partly on the uncertainties of nature because the prevailing winds would have to blow east toward the military aircraft patrols.

Professor Drell also said that any radiation leakage would depend on the geology of the test site. The explosion could have blasted new holes in rock formations that would allow radioactive material to seep into the air. But the blast could also have sealed off subterranean passages and reduced the chances for leakage.

“We’re in the process now of going through, looking through all the data and all the facts to try to come up with the best possible explanation for what, exactly, happened there,” said Sean McCormack, a State Department spokesman.

“We don’t know yet.”

<http://www.nytimes.com/2006/10/14/world/asia/14nuke.html>

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Washington Post

October 14, 2006

Pg. 14

## **Russia, China Resist U.N. Vote On N. Korea**

### ***Concerns Include Possible Seizure of Ships***

By Colum Lynch and Glenn Kessler, Washington Post Staff Writers

UNITED NATIONS, Oct. 13 -- The United States and Japan pushed for a Saturday vote on a Security Council resolution that would condemn North Korea's reported nuclear test and impose an embargo on the communist government's trade in weapons of mass destruction, ballistic missiles, most conventional heavy weapons and luxury goods.

But Russia raised new concerns that the resolution fails to adequately define what weapons-related goods would be covered by the embargo. And China, backed by Russia, insisted that the United States include greater assurances that the resolution could not be used to justify the armed seizure of North Korean ships traveling in international waters.

The Security Council's five permanent members -- the United States, Russia, China, Britain and France -- and Japan said they would continue negotiations Saturday morning and convene a meeting of the 15-nation council at noon.

The impasse came several hours after John R. Bolton, the U.S. ambassador to the United Nations, announced that the resolution enjoyed the "unanimous agreement" of the council's key powers. "I'm still ready to go for a vote. We'll just have to see what the instructions are, particularly from Moscow and China," he said Friday evening.

The U.S.-backed draft text urges states to enforce the embargo by inspecting cargo entering or leaving North Korea. It would also ban travel and freeze the bank accounts of North Korean officials linked to the country's most lethal weapons programs.

To secure Chinese and Russian support for the resolution, the United States, Japan and their European allies have already agreed to include explicit assurances that the resolution could not be used as a pretext for military action. They also dropped other strong measures, including a U.S. proposal to give Pyongyang a 30-day deadline to suspend its nuclear activities or face additional penalties. Japan withdrew a series of controversial proposals to ban all North Korean exports and to prohibit North Korean aircraft and vessels from arriving in foreign ports.

But Bolton said that Russia raised concerns late Friday about four new problems with the text. The most important, according to Bolton, involved the "question of how we will define nuclear, biological and chemical and weapon-related materials and ballistic missile components."

China's U.N. ambassador, Wang Guangya, said Friday morning that many of the chief obstacles to an agreement had been cleared but that the council would "bridge a few final points" where some minor differences remained. But Wang told reporters that Chinese officials had discovered other problems in the text.

China's chief concern involves a provision calling for international inspections of North Korean cargo. China expressed concern that some states could invoke the provision to justify the seizure of North Korean ships in international waters, an act that Wang insists would be a violation of international law.

Bolton countered that there are existing international and national laws "that allow the boarding of ships in international waters." He said that those laws provide the authority for the U.S.-sponsored Proliferation Security Initiative, an agreement among 16 states to coordinate interdiction operations on the high seas. Bolton described the resolution as "a kind of codification" of the Proliferation Security Initiative and said that there is nothing new or different in the current resolution on North Korea.

Bolton also differed with Wang over the importance of a ban on luxury goods, which he said had been crafted to prevent North Korea's rulers, primarily the leader, Kim Jong Il, from spending lavishly on expensive foreign goods. "I think, you know, the North Korean population's been losing average height and weight over the years, and maybe this'll be a little diet for Kim Jong Il."

Wang said that a ban on luxury goods was unnecessary and too vague. "I don't know what luxury good means, because luxury goods can mean many things for different people," Wang told reporters.

U.S. officials believe it is essential to pass the resolution this weekend, before Secretary of State Condoleezza Rice embarks next week on a trip to Japan, South Korea and China. Rice plans to meet with senior officials on implementing the provisions, including restricting North Korea's arms trade, the State Department announced.

"We'll be looking for ways to increase our cooperation with other countries and to make it clear to North Korea that it's going to have to figure out another way to earn its living besides this type of activity," Assistant Secretary of State Christopher R. Hill said yesterday at the National Press Club.

*Kessler reported from Washington.*

<http://www.washingtonpost.com/wp-dyn/content/article/2006/10/13/AR2006101300586.html>

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Washington Post

October 14, 2006

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## **U.S. Detects Signs Of Radiation Consistent With Test**

By Dafna Linzer and Walter Pincus, Washington Post Staff Writers

Initial environmental samples collected by a U.S. military aircraft detected signs of radiation over the Sea of Japan, possibly confirming North Korea's nuclear test, intelligence officials said yesterday.

Officials said the positive radiation result was consistent with an atomic test and would make it possible to rule out the possibility that Monday's test had been conducted with conventional explosives alone. But intelligence and administration officials were cautious about reaching a conclusion before reviewing all incoming data. "The intelligence community continues to analyze the data," said Frederick Jones, spokesman for the National Security Council. "When the intelligence community has a determination to present, we will make that public."

Earlier detection attempts by the United States, China and South Korea did not pick up any radiation. An intelligence official said additional samples are being collected, and analysts are also taking a harder look at seismic data, satellite photos and communications intercepts.



North Korea, according to U.S. intelligence estimates, has enough plutonium for as many as a dozen nuclear weapons, depending on their level of sophistication. Some analysts have judged Pyongyang's technical capabilities in the nuclear design field to be at a low level. But there are now discussions among top U.S. weapons scientists and analysts whether North Korea may have managed to test a miniaturized warhead or a more sophisticated design than was expected.

"When you look at the rest of their activities, increasing sophistication isn't the first thing you think of, but it hasn't been discarded either," said one nuclear scientist who spoke on the condition of anonymity because of instructions from superiors to avoid talking to reporters about the test.

U.S. intelligence experts say they believe, though cannot prove, that the North Korean blast was the result of a partial implosion of plutonium at the core of the test device. That would mean some of the plutonium failed to implode, but intelligence officials do not claim to know why. The blast yield was less than a kiloton, far smaller than the 20-to-23-kiloton bomb the U.S. military dropped on Japan 60 years ago, and less than the four-kiloton yield the North Koreans told the Chinese to expect in advance of Monday's test.

Several theories about the small yield include the possibility that the device's design was slightly imperfect and thus failed to set off explosive charges simultaneously. Without the simultaneous detonation, the plutonium would fail to fully compress and implode.

If the test was conducted with a miniaturized nuclear device, however, it is possible that the North Koreans were able to conceal any radiation, as they claimed. One analyst suggested that the test may have been conducted in a horizontal tunnel with a vertical drop at the end, thus reducing the chance for radiation to vent into the air.

In an interview with the Hankyoreh, a Seoul-based newspaper, a North Korean diplomat said Tuesday that the test "was smaller than expected, but a small success means a larger success is possible."

He added that the aim was "to possess nuclear weapons," and that it would be possible to take additional measures such as preparing to load nuclear warheads onto missiles.

Even without a definitive conclusion about the test, it set off jitters in neighboring South Korea. A statement signed by 17 former defense ministers and veterans called on the Seoul government to request that the United States redeploy tactical nuclear weapons, which were removed by George H.W. Bush's administration in 1991.

Ironically, it was the initial stationing of U.S. tactical nuclear artillery shells along the demilitarized zone between North and South Korea in the late 1960s that prompted Pyongyang to begin a nuclear program.

The chances of the United States redeploying those weapons are slim; Secretary of State Condoleezza Rice said Thursday that the goal of U.S. diplomacy is to denuclearize the Korean Peninsula.

<http://www.washingtonpost.com/wp-dyn/content/article/2006/10/13/AR2006101301572.html>

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New York Times

October 14, 2006

Pg. 13

## Behind Enemy Reactors

By Jon B. Wolfsthal

Washington--I CELEBRATED New Year's in 1996 by drinking cheap sparkling wine at the Yongbyon nuclear center, where North Korea produced the plutonium for its first nuclear test. Like dozens of dedicated civil servants, I served as an "on-site monitor" under the 1994 United States-North Korean nuclear agreement known as the Agreed Framework.

Those of us who served as monitors are proud of what we accomplished. I am not alone in being concerned that many commentators and government officials are trying to lay the blame for at least some of the current nuclear crisis at the feet of the previous administration's efforts to end North Korea's nuclear program. These allegations have little bearing on the facts and minimize the contribution of the Americans who served their country in dangerous circumstances.

In 1994, the situation with North Korea had become so fraught that the Clinton administration was considering military strikes to prevent North Korea from extracting plutonium from spent nuclear fuel at Yongbyon. At the time, North Korea might have had enough plutonium, produced in 1989, to build one or two nuclear devices. The fuel being discharged contained enough plutonium for five to six additional weapons.

Last-ditch talks between former President Jimmy Carter and President Kim Il-sung of North Korea defused the crisis and led to the framework. The deal, which helped us avoid a military conflict that could have destroyed Seoul, froze Pyongyang's plutonium program; eventually, it could have led to North Korea abandoning its nuclear efforts in exchange for diplomatic recognition by the United States and economic incentives.

In 2002, however, American intelligence agencies confirmed that North Korea was trying to acquire a uranium enrichment program in violation of the deal. But instead of working within the framework to get North Korea to abandon its nuclear efforts, the Bush administration terminated the agreement altogether. It also began arguing for regime change.

In jettisoning the framework, the administration jettisoned something of great diplomatic value. A key part of the agreement was the willingness of North Korea to let Americans — with whom they were legally at war — into their nuclear center to secure plutonium-bearing fuel rods for internationally monitored storage. In other words, the framework put Americans behind enemy lines.

As you might imagine, the daily circumstances were nothing short of insane. Assigned to North Korea for a month or so at a time, we were put up in a hastily constructed cement “guest house” a half-mile from the most secret nuclear site in North Korea. The 10 people on each rotation were watched by armed guards; our rooms were monitored at all times. No phone calls home or outside communication was possible. When I was there in the winter of 1996, temperatures at night hit 30 below. To get to work every day, we would pass through no fewer than four police and military checkpoints, some with machine-gun nests. The site itself was highly unsafe and radioactive and would have been shut down by safety officials in seconds had it operated in the United States.

Those who took the assignment left families and friends behind and bounced between acute stress and extreme boredom. Some read to escape the monotony, some played cards. I “borrowed” an International Atomic Energy Agency VCR to watch movies. We all knew that at any moment, should the political winds change, we would be hostages deep in hostile territory with no American embassy to protect us. But we took the job to make our country more secure and to pursue an end to North Korea’s nuclear program.

Now that North Korea claims to have tested a nuclear device, administration supporters and commentators are seeking to blame the framework for all our problems.

They should look elsewhere. Without the framework’s freeze, North Korea would have immediately acquired enough plutonium to produce more nuclear weapons and would have completed construction of two much larger weapon production reactors. By now, North Korea would have been capable of producing 20 nuclear weapons per year.

The prolonged freeze on North Korea’s production and nuclear construction delayed the acquisition of nuclear materials — and it appears to have prevented North Korea from completing the larger reactors. The testing of a nuclear device by Pyongyang was pushed back at least a decade.

Those of us who served in North Korea risked our personal safety and comfort for our country. We protected America from danger and our efforts delayed the onset of the nuclear crisis we now face. To argue otherwise is to play politics with history.

*Jon B. Wolfsthal, who monitored North Korea’s nuclear program for the United States, is a fellow at the Center for Strategic and International Studies.*

<http://www.nytimes.com/2006/10/14/opinion/14wolfsthal.html>

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Washington Post

October 15, 2006

Pg. 1

## **U.N. Votes To Impose Sanctions On N. Korea**

### ***Council Demands End To Nuclear Program***

By Colum Lynch and Glenn Kessler, Washington Post Staff Writers

UNITED NATIONS, Oct. 14 -- The U.N. Security Council voted unanimously Saturday to condemn North Korea and impose stiff sanctions on the communist government in response to its suspected nuclear test.

North Korea's ambassador immediately rejected the council's demand to dismantle its nuclear weapons program and threatened to respond to the escalating pressure on the reclusive government with unspecified "physical countermeasures."

The 15-nation council's action highlighted the outrage that followed North Korea's claim of having tested a nuclear bomb Oct. 9. It also marked a rare willingness by North's Korea council allies, China and Russia, to impose sanctions on Pyongyang.

But to secure their support, the United States was compelled to water down key measures designed to ensure that the sanctions could be enforced. And China -- which shares an 880-mile border with North Korea -- said after the vote that it would ignore a critical provision, which calls on governments to inspect goods entering or leaving North Korea.



Still, President Bush issued a statement welcoming the decision, saying that the United Nations has sent a clear message to North Korean leader Kim Jong Il that the world is "united in our opposition to his nuclear weapons plans."

"There's a better way forward for the people of North Korea," Bush said. "If the leader of North Korea were to verifiably end his weapons programs, the United States and other nations would be willing to help the nation recover economically."

John R. Bolton, the U.S. ambassador to the United Nations, meanwhile, warned that the United States would pursue additional penalties against North Korea if it fails to abide by the council's demand that it agree to destroy its weapons of mass destruction.

Resolution 1718 bans North Korean trade in materials linked to its weapons of mass destruction program, ballistic missiles, high-end conventional weapons -- including war planes and battle tanks -- and luxury goods.

It will create a U.N. committee to monitor the sanctions' effectiveness and to draw up a list of individuals and institutions linked to North Korea's weapons programs. They will be prohibited from traveling abroad, and most of their financial assets will be frozen.

But the resolution stops far short of imposing the kind of sweeping trade embargo initially proposed by Japan. It no longer contains a U.S.-proposed provision to give North Korea 30 days to suspend its nuclear program or face "further action."

The text also provides no additional authority to allow inspections of North Korean vessels suspected of transporting illicit weapons. The United States claims that it already possesses that power, but China maintains that such actions violate international law.

Addressing the council chamber in English, North Korean U.N. ambassador Pak Gil Yon told the council that his government "totally rejects" the council's "unjustifiable" resolution. He said it was "gangster like" for the council to impose such "coercive" measures. He walked out of the U.N. chamber before the session ended.

After Pak's speech, Bolton directed the council's attention to the North Korean diplomat's empty chair and suggested that his right to address the council be suspended.

"That is the second time in three months that the representative of the DPRK [The Democratic Republic of Korea], having asked to participate in our meetings, has rejected a unanimous resolution of the Security Council and walked out of this chamber," Bolton said. "It's the contemporary equivalent of Nikita Khrushchev's pounding his shoe on the desk of the General Assembly."

Russia's U.N. ambassador, Vitaly Churkin, took offense at the reference to the former Soviet leader. He appealed to council president Kenzo Oshima of Japan "to use your influence" to discourage the use of such an "inappropriate analogy."

U.S. officials believe the resolution will give them the international tools to put the squeeze on North Korea.

Secretary of State Condoleezza Rice will travel to Japan, South Korea and China later this week to discuss the implementation of the resolution as well as possible actions that could be taken by countries to punish Pyongyang, U.S. officials said.

The Japanese government, the closest ally of the United States on the North Korean issue, has already imposed sweeping economic sanctions on North Korea in response to the nuclear test. Rice will try to persuade South Korea and China -- which have deep economic ties with North Korea and have supported the country even during the nuclear impasse -- to also tighten the vise, officials said.

"There is such a political backlash against North Korea that people are more willing to consider unilateral actions," said a senior State Department official. "The net effect is that the North Koreans find themselves in a substantially different place," even with China.

China is critical to the success of Security Council provisions calling for restrictions on North Korea's trade in illicit items, because most of Pyongyang's trade crosses the Chinese border. China, however, may be resistant to suggestions that it cut off or reduce North Korea's economic lifeline because it has long valued the stability of having North Korea as a buffer state between China's border and South Korea, which has 25,000 U.S. troops.

For the moment, U.S. officials are focused on implementing this resolution and are not contemplating more resolutions, officials said. When President Bush travels to Hanoi next month for an Asian economic summit, there is the possibility that Bush and the leaders from China, South Korea, Japan, Russia and possibly other countries will meet on North Korea and "take stock" of the resolution's effectiveness.

U.S. officials are also exploring whether the six-nation negotiating group that has focused on North Korea can form the basis for a new security organization akin to NATO or other regional forums. Assistant Secretary of State Christopher R. Hill, the administration's point man on North Korea, noted that unlike Europe, Asia has no such institutions.

The administration believes "we can move beyond just the peace in the Korean peninsula," Hill said in a speech Friday, "but also toward creating some multilateral structures that will allow Northeast Asia not only to be the

economic juggernaut that Southeast Asia is . . . but also Northeast Asia that can also be exporting peace and a sense of how to get along."

*Kessler reported from Washington.*

<http://www.washingtonpost.com/wp-dyn/content/article/2006/10/14/AR2006101400354.html>

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New York Times

October 15, 2006

## **Restraints Fray and Risks Grow as Nuclear Club Gains Members**

By William J. Broad and David E. Sanger

The declaration last Monday by North Korea that it had conducted a successful atomic test brought to nine the number of nations believed to have nuclear arms. But atomic officials estimate that as many as 40 more countries have the technical skill, and in some cases the required material, to build a bomb.

That ability, coupled with new nuclear threats in Asia and the Middle East, risks a second nuclear age, officials and arms control specialists say, in which nations are more likely to abandon the old restraints against atomic weapons. The spread of nuclear technology is expected to accelerate as nations redouble their reliance on atomic power. That will give more countries the ability to make reactor fuel, or, with the same equipment and a little more effort, bomb fuel — the hardest part of the arms equation.

Signs of activity abound. Hundreds of companies are now prospecting for uranium where dozens did a few years ago. Argentina, Australia and South Africa are drawing up plans to begin enriching uranium, and other countries are considering doing the same. Egypt is reviving its program to develop nuclear power.

Concern about the situation led the International Atomic Energy Agency to summon hundreds of government officials and experts from around the world to Vienna in September to discuss tightening restrictions on who is permitted to produce nuclear fuel.

"These dangers are urgent," Sam Nunn, an expert on nuclear proliferation and a former Democratic senator, told the group. "We are in a race between cooperation and catastrophe and, at this moment, the outcome is unclear."

But even the atomic agency itself exemplifies some of the underlying tensions inherent in the development of nuclear energy.

For decades, the I.A.E.A., known as the world's nuclear policeman, has pursued its other mandate — to promote safe nuclear power — by running technical aid programs with roughly a hundred states. Some of that knowledge could be useful in a weapons program, though the aid is meant exclusively for civilian use.

The agency still helps Pakistan, which exploded a nuclear bomb in 1998. It also helped North Korea until a decade ago. Even today, it is assisting Iran, which many experts fear is close to mastering the basics of making a bomb. It has 14 programs under way with Iran, including a study on upgrading a nuclear research laboratory, as well as helping it start up its Bushehr reactor.

North Korea's reported test has shaken the nuclear status quo and raised anew the question of whether Asia will be the first to feel a nuclear "domino effect," in which states clandestinely hedge their bets by assembling the crucial technologies needed to make a bomb, or actually cross the line to become new weapons states. In the Middle East, the confrontation with Iran has focused new attention on countries like Saudi Arabia and Egypt, both of which fear that an Iranian bomb would make Tehran the greatest power in the region.

Mohamed ElBaradei, the director general of the I.A.E.A., has estimated that up to 49 nations now know how to make nuclear arms, and he has warned that global tensions could push some over the line.

"We are relying," he said, "primarily on the continued good intentions of these countries — intentions which are in turn based on their sense of security or insecurity, and could therefore be subject to rapid change."

Worry about proliferation is hardly new. In March 1963, President John F. Kennedy said, "I am haunted by the feeling that by 1970, unless we are successful, there may be 10 nuclear powers instead of 4, and by 1975, 15 or 20." That timetable proved to be inaccurate. But in recent years there has been a sense around the globe that President Kennedy's prediction is about to come true, three decades late.

Kofi Annan, the United Nations secretary general, said this year that "the international community seems almost to be sleepwalking" down a path where states, after long living without nuclear arms, now feel compelled to revisit their logic.

He warned of a new arms race — not one of superpowers, but of regional powers. "Perhaps most damaging of all," he concluded, "there is also a perception that the possession of nuclear and other weapons of mass destruction offers the best protection against being attacked."

**A New Nuclear Vision**

Democrats and Republicans spent the past week arguing over who lost control of North Korea, Bill Clinton or George W. Bush. But seeds of the problem were planted by President Dwight D. Eisenhower, just months after the armistice ended the fighting on the Korean Peninsula in 1953.

“It is not enough to take this weapon out of the hands of soldiers,” President Eisenhower told the United Nations that year, just as his administration was completing a series of 11 nuclear tests. “It must be put in the hands of those who will know how to strip its military casing and adapt it to the arts of peace.”

His program was called Atoms for Peace, and soon involved dozens of nations, all seeking to unlock the magic of nuclear power. The first generation of nuclear reactors sprang up around the globe, as did a huge supporting industry and an international overseer, the I.A.E.A.

But almost from the start, evidence accumulated that countries were using the civil alliances and reactor technologies to make bombs. By 1960, France had joined the United States, Britain and the Soviet Union as a nuclear weapons state. China conducted its first test in 1964. Israel had the bomb by 1967, India by 1974, South Africa by 1982 (it has since given up its weapons) and Pakistan by 1998.

All but the original three built their weapons by exploiting at least some technologies that were ostensibly civilian, nuclear analysts say. They enriched uranium beyond the low level needed for power reactors. Or they mined the spent fuel of civil reactors for plutonium — the path that North Korea started taking in the late 1980’s or early 1990’s, according to American intelligence officials.

The international atomic agency, which still inscribes Atoms for Peace on its business cards, has worked hard to fight this kind of cheating while also helping with the basic technology. In the 1980’s, it aided Iran’s hunt for uranium.

Even today, Iranian technicians fly to Vienna and agency experts go to Iran to lend a hand. In August, two experts went to review progress at the Bushehr reactor, which is scheduled to go critical next year.

“It’s helping establish that the plant is run in a safe and secure manner, which is in everybody’s interest,” said M. Peter Salema, an agency official. “Look at Chernobyl. That’s the whole point.”

Many of the agency’s cooperative projects use nuclear science to humanitarian ends, like fighting disease and treating cancer. But others involve more basic atomic skills.

“We provide expert services,” Dr. Salema said, “so they can learn to do things for themselves.”

### **The Technology Boom**

The Manhattan project scientists who built the first atom bomb predicted that the diffusion of their secret knowledge was inevitable. It was just a question of time. Now, after decades of scholarly digging, government declassification, open research in uranium and plutonium metallurgy and the rise of the Internet, much of that information is freely available.

“The general concepts are widely known,” said Robert S. Norris, the author of “Racing for the Bomb.” “Still, it’s another thing to actually do it. That still requires certain skills of engineering and chemistry and physics.”

The hardest part, experts agree, is not acquiring the weapons blueprints but obtaining the fuel. That is becoming easier because of developments both overt and covert.

Abdul Qadeer Khan, a chief architect of Pakistan’s nuclear arms program who went on to establish the world’s largest atomic black market, sold the secrets of how to make centrifuges for enriching uranium to Libya, Iran and North Korea. Tehran insists its intentions are entirely peaceful, though most analysts judge that all three countries bought from the black market because they wanted to make nuclear arms.

Dr. Khan sold plans and parts for Pakistan’s first-generation centrifuge, the P-1, as well as the next generation, the P-2, which can spin faster to enrich uranium more rapidly.

Investigators are still trying to learn where else Dr. Khan may have planted his nuclear seeds. They discovered outposts of his network in Dubai, Malaysia and South Africa and found that before his downfall in 2004 he visited at least 18 countries, including Egypt, Niger, Nigeria, Sudan, Syria and Saudi Arabia.

The worrisome enrichment trends involve not just stealthy military advances but also soaring demands for nuclear power, driven by rising populations, dwindling oil supplies and fears that the combustion of fossil fuels is warming the planet.

“The nuclear renaissance is gaining momentum,” said George B. Assie, vice president for business development at Cameco, the world’s largest publicly traded uranium company, based in Canada.

In London, the World Nuclear Association says 28 new reactors are under construction, 62 planned, and 160 proposed, most in Asia. The required uranium, it estimates, could run to more than 65,000 tons.

While it is not clear if the expansion of the world’s civilian atomic infrastructure will ultimately lead to a rise in the number of countries building nuclear arms, it could give more countries the means to do so.

There are two main ways to turn civilian technology to military use. The first is to enrich uranium fuel from its usual level of 5 percent for reactors to the 90 percent needed for a bomb, a modest step that requires longer processing in centrifuges. The second is to take spent reactor fuel and mine it for plutonium, the other main fuel for a bomb.

The Brazilian military, for example, worked hard for decades to develop centrifuges to enrich uranium fuel for a bomb, a secret program it renounced in the 1990's.

In May, Brazil, despite growing pressure to give up indigenous production, inaugurated its first uranium enrichment plant — an assembly of advanced centrifuges in Resende, in the state of Rio de Janeiro. While Iran has aroused global suspicions for erecting a similar plant, Brazil managed to reassure other nations, and the international atomic agency, that its aims are peaceful.

“We have an urgent need to expand the electric system,” said Leonam dos Santos Guimarães, an official of Electronuclear, which operates nuclear power plants in Brazil.

Forecasting the size of the revitalized global industry is difficult. Even so, the predictions can be staggering. Hans-Holger Rogner, an economist at the international atomic agency, said that many forecasts for the 21st century foresaw huge expansions beyond the 443 power reactors now operating globally.

“An increase to 5,000 reactors is well within the range of many of the longer-range studies,” Dr. Rogner said, adding: “People are positioning themselves. There seems to be a race coming and nobody wants to be left out.”

### **A Complex Game**

A day after North Korea's nuclear test, Japan's new prime minister, Shinzo Abe, vowed not to abandon Japan's commitment to reject and never possess nuclear weapons, a cornerstone of Japanese foreign policy since Hiroshima and Nagasaki.

But, even so, Japan already has all the component parts. It has many tons of plutonium left over from the operation of its reactors, according to a 2004 government report to the I.A.E.A. A small nuclear warhead requires only 10 pounds.

Japan is the ultimate example of a “nuclear option” state, a country that the world knows could become an atomic power virtually overnight, if need be. “They could be very far down the road toward a virtual deterrent and not be in violation of any of the existing international treaties,” said Robert L. Gallucci, the former chief American negotiator with North Korea, and now dean of Georgetown University's school of foreign service.

South Korea has also vowed not to pursue nuclear weapons. But it has an extensive network of nuclear power reactors and a few years ago, I.A.E.A. inspectors found evidence of undeclared experimentation to make highly enriched uranium. In the early 1990's, South Korea signed an agreement to keep the Korean Peninsula nuclear-free — but it signed the accord with North Korea.

Iran's nuclear rise has prompted concerns that the Middle East could experience similar pressures. In the region, only Israel is believed to possess nuclear arms, although it has never confirmed that. If Iran — a Shiite state — does indeed build nuclear weapons, there are fears that Sunni powers like Saudi Arabia or Egypt will be tempted to make their own bombs.

Egypt, which long ago sought to build nuclear arms, may be starting to rethink its earlier renunciation. The 1998 nuclear tests by India and Pakistan shook Cairo. “Egypt's leaders had placed their bet clearly in favor of the Middle East and the world moving away from nuclear weapons,” said Robert J. Einhorn, a former senior State Department nonproliferation official. “But here was a disquieting indication that movement might be in the opposite direction.” Recently, the international atomic agency found that Egypt had kept some of its old and new efforts cloaked in secrecy, including a continuing project to acquire uranium ore in the Sinai desert. In September, Cairo announced plans to revive its stalled program to build reactors for generating nuclear power. It gave no sign of whether it, like Iran, planned to make reactor fuel on its own.

So the question now is whether North Korea's test, and Iran's challenge, will change the calculus. “When additional countries get the bomb, it does create new pressures,” said Matthew Bunn of the Kennedy School of Government at Harvard, who tracks the spread of nuclear technology. “But each country is unique and there's little risk that the dominoes will fall quickly, especially if we take steps to prevent it.”

### **New Ground Rules**

When atomic specialists gathered in Vienna in September to discuss new ground rules for a second nuclear age, their proceedings were fueled by the fear that some of the old restraints — both technological and political — are fraying. The central proposal debated at the I.A.E.A.'s headquarters sounded simple: No longer should nations be permitted to develop their own means of enriching uranium to make reactor fuel, which Iran and other developing states have claimed as their inalienable right under the Nuclear Nonproliferation Treaty. Nearly 40 years after the treaty was drafted, the dangers simply seem too great.

Instead, the argument went, nations should band together to make multinational fuel banks where they could watch one another, making sure no fuel is diverted for bomb production.

“A threat exists,” said Sergei Kirienko, director of the Russian Federal Atomic Energy Agency. “We understand that only those solutions that are resolved together, that ensure access for all nations today, will be successful.”

Russia took the lead, proposing an international fuel bank that it would set up on its own soil by next year — and from which it could potentially extract billions of dollars in sales. But the big splash came when Warren E. Buffett,

the billionaire philanthropist, pledged \$50 million for a fuel bank to be run by the I.A.E.A., making the United Nations body a “supplier of last resort” for any country that forsakes making its own fuel. The Bush administration has backed similar plans.

But while there is agreement on the problem, solutions bogged down in bickering — from weapons states that want to maintain their capacity and from developing nations that sniff a conspiracy to deny them the same nuclear rights that large powers have long enjoyed.

“We should guard against the notion that sensitive technologies are safe in the hands of some, but pose a risk when others have access to them,” said Buyelwa Sonjica, the energy minister of South Africa, which wants to restart its enrichment program and build up to six reactors.

Few parties involved in the debate are optimistic about reform, and some say the enterprise is doomed to failure.

“Nuclear power is inextricably linked with nuclear proliferation,” the environmental group Greenpeace said in a recent statement. “None of the schemes being promoted will solve this problem. In fact, they will make it worse.”

So far, though, the countries that the world most wants to stop from enriching say they have seen no reason to do so. At a dinner in New York in September, President Mahmoud Ahmadinejad of Iran looked supremely confident as he batted away the idea that other countries could be relied upon to provide him with the nuclear fuel he said he needed.

“Before stopping enrichment by others, why don’t you stop building the next generation of nuclear weapons?” he asked his American hosts. Then, smiling, he suggested that the United States just buy its nuclear fuel from Iran’s new facilities. He would sell it to Washington, he said, “with a 50 percent discount.”

<http://www.nytimes.com/2006/10/15/world/asia/15nuke.html>

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Washington Times

October 15, 2006

Pg. 1

## **In South, Most Call For New Policy, Own Nukes**

By Andrew Salmon, The Washington Times

SEOUL -- In less than a week since North Korea claimed to have tested a nuclear weapon, public opinion in the South has turned sharply against a South Korean policy of engaging the enemy in the belief it will eventually bring peace on the divided peninsula.

A JoongAng newspaper poll, several days after the reported nuclear test Monday, found 78 percent of respondents thought South Korea should revise its policy, and 65 percent said South Korea should develop nuclear weapons to protect itself.

Protesters have held nightly candlelight vigils, and some have burned North Korean flags.

“We worry about a war because the regime is so thoughtless,” librarian Lee Young-sook said at one rally. “The South Korean people are being held hostage.”

North Korea faces United Nations sanctions, approved yesterday in a unanimous vote of the 15-nation Security Council.

South Korean President Roh Moo-hyun has conceded the “sunshine” policy of engagement with North Korea is under threat because of the nuclear test.

A Korea Opinion Institute poll found approval for the opposition Grand National Party (GNP) at 40.1 percent, compared with an approval rating of 11.4 percent for Mr. Roh’s ruling Uri Party.

The GNP has demanded that industrial and tourism projects with the North be shut down.

Even the left-wing newspaper Hankyoreh titled its editorial on the nuclear test “Shock and poor judgment.”

The architect of South Korea’s engagement with the North, former President Kim Dae-jung, remained unmoved by the test.

In a speech at a university Wednesday, he advised the United States to enter bilateral talks with North Korea, blamed American hard-liners for the crisis and said engagement must continue.

Andrei Lankov, a North Korean specialist at Seoul’s Kookmin University, said a key weather vane of North-South ties points to North Korea’s Mount Kumgang (Diamond Mountain), a resort for South Korean tourists inside the communist state.

“If the government stops the tours to Mount Kumgang, that will really send a message that they are serious,” Mr. Lankov said.

The resort, run by South Korean conglomerate Hyundai Asan, has welcomed more than 1 million tourists from the South since 1998, earning the impoverished North hundreds of millions of dollars in foreign currency.

Business has continued at the engagement policy's second flagship project, the joint North-South industrial complex at Kaesong, just inside North Korea.

Fifteen South Korean companies are established in the Seoul-funded project, but South Korea halted expansion after the North tested missiles on July 4 and, on Wednesday, it indefinitely halted further land sales at the site.

*This article is based in part on wire service reports.*

<http://www.washtimes.com/world/20061015-122427-4908r.htm>

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Los Angeles Times

October 15, 2006

Pg. 1

## **A New Global Nuclear Order**

***North Korea ... Iran ... and the list is growing. The treaty that once limited the spread of atomic weapons know-how is unraveling.***

By Alissa J. Rubin, Times Staff Writer

PARIS — When North Korea announced its nuclear test last week, it was just the latest sign that the effort to contain the spread of atomic weapons was breaking down: Several countries are on the verge of beginning uranium enrichment programs, and others have already started such efforts, policymakers and experts say.

Brazil recently inaugurated an industrial-scale uranium enrichment plant, and Argentina and South Africa are interested in similar projects. Australia, which has large supplies of natural uranium, is also considering an enrichment program. Iran has defied requests by the international community to suspend its program to enrich uranium, the first step toward making the fissile material suitable for a bomb.

North Korea's announcement of a test follows ones by India and Pakistan in 1998. The rise of a new generation of nuclear states has led to increasing concerns that others could follow, and fueled fears that the more countries with nuclear capability, the greater the risk that fissile material will fall into terrorist hands.

"We are, at present, at the unraveling of the nonproliferation regime and the global nuclear order that we've taken for granted," said Graham Allison, a former assistant secretary of Defense under President Clinton, who directs the Belfer Center for Science and International Affairs at Harvard University. "This is a huge event whose importance may only become evident in five years...."

"In terms of global order, global nuclear order, this is a nuclear blast," he said.

On Saturday, the United Nations Security Council unanimously adopted a resolution imposing sanctions on North Korea for its declared nuclear test Monday.

But China's reluctance to take part in inspections of North Korean cargo to help stop the flow of weapons materials throws into doubt how effective the sanctions can be.

Policymakers point to three levels of problems with the Nuclear Nonproliferation Treaty, which has been in force for 36 years: weaknesses in the treaty itself, at the political level in the Security Council, and at the technical level in the ability of nuclear inspectors to detect undisclosed nuclear programs.

Countries that had nuclear weapons when the treaty went into effect — the United States, Russia, Britain, France and China — were allowed to keep them, whereas others were asked to forswear them.

The "haves" made the commitment to reduce and eventually eliminate their arsenals, and the "have-nots" agreed not to seek atomic weapons as long as they could have the advantages of nuclear technology for peaceful purposes.

The International Atomic Energy Agency, the United Nations' nuclear watchdog, was put in charge of making sure countries refrained from taking steps toward making fissile material suitable for bombs. But the treaty, in effect, permitted any country that wanted nuclear weapons capability to go down that road.

Nuclear technology is such that once a country masters uranium enrichment, it is relatively easy to go from low-level enrichment, which produces fuel for nuclear power plants, to high-level enrichment, which produces material used for a bomb.

Although 187 countries have signed the treaty, some developing nations are skeptical of the intentions of the five original nuclear states and are reluctant to give up the option of enriching uranium, leaving the door cracked to nuclear weapons capability.

Immediately after the Cold War, the United States and Russia reduced their nuclear arsenals by thousands of weapons. Since then there has been a standstill.

There are now about 27,000 nuclear warheads worldwide — the vast majority in the U.S. and Russia. And most of the five original nuclear states have moved to modernize or, in China's case, expand their arsenals.

Countries that have pursued nuclear capability outside the treaty or by hiding their programs have, after an initial distancing by the international community, gone unpunished over the long term.



Three countries — India, Pakistan and Israel — refused to sign the treaty. Pakistan and India have developed nuclear weapons, and Israel is thought to have them.

All three enjoy the favor and respect of world leaders, setting an example of what countries can get when they acquire nuclear weapons.

India and Pakistan, initially sanctioned over their nuclear tests, have seen the bans diminish, and India has been offered a multibillion-dollar deal with the United States that includes nuclear technology. The agreement has not been approved by the U.S. Senate.

Two other countries have refused to abide by the treaty, although they signed it: Iran and North Korea. The latter withdrew from the treaty three years ago. Neither nation has suffered significant consequences for refusing to comply.

That is because until Saturday, the five veto-wielding members of the Security Council could not agree on a punishment. At least one of the five has had national interests that superseded its intention to bring the countries to heel.

The only early-warning system to detect countries that are going down the nuclear weapons road appears unable to do its job. The International Atomic Energy Agency has failed to detect cheating by countries at an early stage in part because it lacks the authority to do necessary investigations.

It also has no enforcement power to stop what it discovers and can only report to the Security Council, which has had trouble agreeing on appropriate punishments.

"This has been an accident waiting to happen for a long time. The stresses and strains in the nonproliferation architecture have been apparent for many years," said a senior Western official from a nonnuclear weapons nation who is involved in his country's nuclear policy. "You can point the finger pretty much at anybody and they have a part in the blame."

Western countries with nuclear arsenals want to work within the system, which allows them to keep their weapons. Their policymakers insist that, overall, the system is working pretty well. They note that, under the treaty, several countries have given up nuclear weapons, including Libya, South Africa and the former Soviet republic of Kazakhstan.

"I don't agree that the problem is that there hasn't been disarmament by the nuclear weapons countries. The [treaty] is about security, and countries signed up for it because they thought their security was served by giving up nuclear weapons as long as their neighbors gave them up too," said a senior diplomat from a country with nuclear weapons. A senior U.S. official involved in nuclear policy noted that "there are about three dozen countries that have the intellectual, technological capabilities to have and develop a nuclear weapons capability but have chosen not to. For those, such as Japan and Germany, it wouldn't take them long to make that transition, but they haven't, and the [treaty] is part of the reason."

Developing nations say they don't want to give up their rights to uranium enrichment and don't trust the United States or other nuclear countries to be consistent suppliers of the nuclear material they would need to run their power plants. Moreover, they say there is no guarantee that one of the nuclear countries won't attack them.

"There's a big credibility gap because of the double standard. You can't say, 'It's OK for you to have the weapon, but for everybody else it's wrong,' " said an ambassador to the International Atomic Energy Agency from one of the most influential of developing countries.

In the negotiations between the European Union and Iran over the Islamic Republic's uranium enrichment program, some people close to the negotiators say that unless the United States forswears efforts to change Iran's leadership, there will never be a deal.

Daniel Pinkston, a nuclear security expert at the Monterey Institute of International Studies, said the countries that had pursued nuclear weapons secretly or by refusing to sign the treaty were in tense neighborhoods — the Middle East or Asia — where they thought they could easily be attacked.

"Nuclear weapons can be attractive for the security benefits, and those might outweigh the benefits from participating in the nonproliferation regime," Pinkston said. "So unless you can resolve the security dilemma, you aren't going to resolve the problem."

The United States has helped to discourage some of its nonnuclear allies from going the weapons route by guaranteeing their security.

In Japan, where there is a political faction that would like the nation to develop atomic weapons, the majority of policymakers are willing to rely on the United States for protection. Taiwan and South Korea also fall into that category.

The problem is that once a country in a troubled area obtains nuclear weapons capability, others may get nervous, and the situation becomes hard to control.

Most worrisome to some nuclear countries and their allies is that the International Atomic Energy Agency has proved incapable of detecting transgressions by member states at an early stage.

Although Libya and South Africa gave up their nuclear weapons programs, the agency was not aware of the Libyan program until the day Moammar Kadafi announced the country was giving it up. The Iranians had a program for 18 years that went undetected until it was disclosed by an anti-government group. "Countries are big — they can hide some things; they learn how to hide from other countries," said the senior U.S. official involved in nuclear policy. "And there's one thing you can't easily erase, and that's knowledge." *Times staff writers Douglas Frantz in Los Angeles and Bruce Wallace in Tokyo contributed to this report.*  
<http://www.latimes.com/news/nationworld/world/la-fg-nukes15oct15,1,7325444.story>

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New York Times  
October 15, 2006  
Pg. WK1

## **Nuclear Tag Team: The Lone Superpower That Couldn't**

By David E. Sanger

WASHINGTON--AFTER Libya gave up its nuclear weapons program in late 2003, President Bush was emphatic about what had led Col. Muammar el-Qaddafi to sort out his relationship with Washington: The Libyan had looked down the large-caliber barrel of American power, seen the speed with which another Middle East strongman had been toppled, and thought about his future.

"Before our coalition liberated Iraq, Libya was secretly pursuing nuclear weapons," Mr. Bush told troops at Fort Bragg, N.C. "Today, the leader of Libya has given up his chemical and nuclear weapons programs."

That speech was given in June 2005, more than a year ago. Is the converse true today?

Have Kim Jong-il and Mahmoud Ahmadinejad, the men at the center of the twin confrontations that promise to dominate the last years of Mr. Bush's presidency, looked at an America still pinned down in Iraq — its military stretched thin, its public weary of war — and concluded that this is their moment?

And if they have, is there much that Mr. Bush can do about it?

As America barrels toward this nuclear showdown on opposite sides of Asia, perhaps the best measure of America's power in these matters is its need for Russia and China to cooperate. Each of these Asian giants says it dislikes the prospect of a nuclear-armed North Korea, but each is also dead set against even hinting at the use of military force if diplomacy fails. Each is also highly ambivalent about stringent sanctions, which are at the core of the strategy America wants to pursue.

In President Bush's first term, taking the measure of American power seemed deceptively simple: The post-9/11 mood of the nation fueled Mr. Bush's impatience with weak-kneed allies who did not see threats the way he saw them, and he thought nothing of driving around them.

What a contrast to last Wednesday, when Mr. Bush stepped into the Rose Garden to talk chiefly about North Korea, and used the word "diplomacy" no fewer than 11 times. The president was repeatedly questioned about why he keeps drawing new lines in the sand — lines the North Koreans and Iranians ignore — and he was asked whether he regretted missing what some people saw as a last opportunity to take out North Korea's nuclear fuel supplies at the start of 2003, after the country threw out United Nations inspectors and announced it was driving headlong for the bomb. He smiled, and cast his questioners as reach-for-the-gun unilateralists lacking faith in the art of peaceful persuasion.

But diplomacy works best from a position of strength. And even though the United States still boasts the world's largest military, most dynamic economy and a culture that the world snaps up, there is rising evidence that many countries — Russia and China among them — sniff a distinct change in the strategic atmosphere.

So, it seems, do the North Korean hermits and Iranian mullahs, and that may well explain why they are being defiant now. Behind their threats lies an understanding of American vulnerabilities.

While North Korea knows it would not last a day in a full-scale war with the United States, it skillfully exploits an American soft point when it stirs fears about its potential to sow havoc among America's Northeast Asian allies and crucial trading partners — Japan, South Korea, Taiwan, and China.

Such fears also help to make the Chinese and Russians skittish about provoking the North Koreans too much in the nuclear bargaining.

The Iranians, for their part, hold two different cards: Oil and a capacity to make things even worse in Iraq and beyond. And both countries know that America's partners, having been burned in the lead-up to the Iraq war, are not eager to give the United States another resolution at the United Nations that can be read as a predicate for military action.

"It's a double whammy," said James Steinberg, the dean of the Lyndon B. Johnson School of Public Affairs at the University of Texas, who dealt with North Korea as deputy national security adviser under President Clinton. The

fact that America was willing to invade Iraq, he said, led North Korea and Iran to conclude that they needed nuclear weapons to deter America from putting them in its sights next.

“That would have been the case if Iraq went well, or Iraq went badly,” he said. “And now, by failing to subdue Iraq and move on, we’ve encouraged them to conclude that there is little risk to them if they just speed forward into nuclear breakout.”

Mr. Bush’s top aides counter that such explanations are simplistic — and tinged with election-year self-interest. No matter how popular Iraq-messed-it-up arguments are now, they add, reality is more complicated.

The Bush administration says diplomacy had run its course in Iraq, but has not yet in Korea. “The diplomatic strategy we have pursued in dealing with North Korea would have been the same had we not removed Saddam Hussein from power,” Dan Bartlett, the president’s counselor, said last week.

For sure, ugly eruptions with North Korea date back a long way. The Korean War started in 1950, when the North Koreans mistakenly thought Washington would not fight back. And remember the *Pueblo*, the American spy ship captured in 1968 during another frustrating war? It is now a floating monument to “U.S. imperial aggression forces,” bobbing on a river in Pyongyang.

Similarly, American efforts to influence Iran — overtly and covertly — have run off the rails since the days of the shah.

And, of course, there is an American temptation to read every act of defiance only as a slap at or threat to America, rather than also as a play by Mr. Kim or Mr. Ahmadinejad to their home audiences.

Still, it is hard to remember a moment when the world’s sole superpower seemed less positioned to manage a fractured world. It’s not only that American hard power is tied up in Baghdad and Kabul; Mr. Bush has acknowledged that soft power — the ability to lead because you are admired — is suffering, too. Abu Ghraib “kind of eased us off the moral high ground,” he volunteered at the news conference the other day.

Mr. Bush’s approach in the nuclear conundrum has been to act a bit like a major investor: gather partners with the most at stake in solving specific problems, and have them do the management — with plenty of American oversight. But like manufacturers across America, Mr. Bush has discovered that outsourcing has its frustrations: It’s hard to maintain quality control.

China is the current case study. It has led the “six-party talks,” the agonizing process of bringing the United States, North Korea, Japan, South Korea, Russia and China into one room. The last substantive meeting was more than a year ago, when all the parties signed on to some principles — denuclearization, eventual aid to the North — that blew apart as soon as everyone left.

At every step, Mr. Bush has relied on China to put pressure on North Korea — first to come back to the table (they refused); then to halt a missile test (the North launched anyway); then to stop the nuclear test North Korea conducted last week.

By all accounts, the Chinese are now plenty mad with the nation they once said was “as close as lips and teeth” to China. But does that mean they will impose tough sanctions — cutting off trade, or, if they really wanted Mr. Kim’s attention, oil? No, because the one thing Beijing fears more than a nuclear North Korea is an imploded North Korea. They fear hungry refugees rushing over the border. They don’t want a power grab for North Korea’s territory that could put them in conflict with other big powers.

The challenge facing Secretary of State Condoleezza Rice this week on her trip to Beijing, Seoul and Tokyo is to change that mindset. “How do we do it?” an aide said, repeating a question he had just been asked. “We’re asking the same question.”

They could ask it as well about Russia, which is seen as the only country that can deal with the Iranians. Moscow has billions of dollars at stake in Iran’s nuclear infrastructure; it went along with the Security Council resolution warning Iran of serious consequences if it keeps enriching uranium, but it is balking at really imposing them.

Robert Gallucci, the former chief American negotiator with North Korea, sees Iran as the tougher nut to crack. “I think the North Koreans in their hearts still see the United States as nine feet tall,” he said Friday. “To them we run the world, dictate the policies of allies and the Security Council, and project force. They want to provoke us into negotiation. But in Iran, while there is division of opinion, there are many who see the bomb as a way to hegemony — and they know that if we don’t bring the Russians along, we don’t have many options.”

In short, being a sole superpower isn’t what it was cracked up to be 17 years ago. Back then, you could measure a nation’s power in throw-weights. Now, it’s the amount of weight you can throw around. For the next two years, Mr. Bush may have to borrow some.

<http://www.nytimes.com/2006/10/15/weekinreview/15sanger.html?n=Top%2fReference%2fTimes%20Topics%2fPeople%2fS%2fSanger%2c%20David%20E%2e>

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New York Times  
October 15, 2006

## Security Council Supports Sanctions on North Korea

By Warren Hoge

UNITED NATIONS, Oct. 14 — The Security Council voted unanimously on Saturday to impose strict sanctions on North Korea for its reported nuclear test, overcoming objections from Russia and China by explicitly excluding the threat of military force.

The resolution, drafted by the United States, clears the way for the toughest international action against North Korea since the end of the Korean War. Primarily, it bars the sale or transfer of material that could be used to make nuclear, biological and chemical weapons or ballistic missiles, and it bans international travel and freezes the overseas assets of people associated with the North's weapons programs.

In its most debated clause, the resolution authorizes all countries to inspect cargo going in and out of North Korea to detect illicit weapons.

That power was the sticking point in days of what the Russian ambassador called "tense negotiations" with China and Russia that continued up until just minutes before the final vote early Saturday afternoon. And less than an hour after joining in the Council vote to approve the resolution, the Chinese ambassador, Wang Guangya, said China would not participate in the inspection regime because it would create "conflict that could have serious implications for the region."

Mr. Wang said China supported the resolution as a necessary way to respond to Pyongyang's "flagrant" behavior. The 15-0 vote came days after North Korea's claim it had tested a nuclear device, reflecting the immediate global alarm that such a weapon could wind up in the hands of terrorists or other rogue states. Indeed, the wording of the resolution hit most of the tough points that the United States and Japan, in particular, had been seeking.

But China's refusal to take part in searches, and Russia's seeming annoyance at the end of the process, immediately raised questions about how effective the resolution's execution could be. And it raised the prospect, too, that similar action sought by the United States against Iran could face a much tougher battle.

After the vote, John R. Bolton, the American ambassador, insisted that China was bound by the resolution's terms and would have to find a way to comply with the inspection provision. "I can't believe that China won't adhere to obligations that the Security Council has imposed," he said.

Ambassador Pak Gil-yon of North Korea told the Council that his government "totally rejected" the resolution, and he accused the panel's members of "gangster-like" action and a "double standards" attitude that neglected the nuclear threat posed by the United States.

He said that if the United States continued to "increase pressure" on North Korea, his government would consider it a declaration of war and take "critical countermeasures."

Mr. Pak then rose from his guest seat at the end of the horseshoe-shaped table and left the chamber.

Mr. Bolton asked to be heard and pointed to the empty chair, saying Mr. Pak's impulsive departure was the equivalent of Khrushchev's pounding his desk in protest in the General Assembly. The Russian ambassador, Vitaly I. Churkin, complained that the reference, even at a moment that he described as Mr. Bolton's "emotional state," was "an inappropriate analogy."

Current and former Bush administration officials, and experts on North Korea, said Saturday that while the sanctions did not go as far as Washington wished, they probably provided the legal justification for the United States and Japan to squeeze the country. It will provide the basis for inspecting ships in ports around the world — though not necessarily on the high seas — and gives Washington a way to expand a program to force banks to halt dealings with the country.

Earlier this year, Stephen J. Hadley, the national security adviser, said that the huge pressure put on one small bank in Macao, Banco Delta Asia, "was the first thing we ever did that got their attention." Today one of his aides said, "Our plan is that Banco Delta is just a beginning."

What the administration did not get was authority to use military force to stop ships in international waters. In order to obtain Chinese agreement, it agreed this week to drop explicit reference to a chapter of the United Nations Charter that authorizes the possible use of military power to enforce sanctions.

"This isn't going to be like the Cuban missile crisis, where we put up a full blockade," said Michael Green, who headed Asia operations on the National Security Council staff until late last year, and is now at the Center for Strategic and International Studies.

The big loophole in the resolution concerns policing the North's border with China. The two countries had about \$1.7 billion in trade last year. The Chinese declaration Saturday cast doubt on the likelihood that China would inspect, much less stop, much of the trade moving across that border.

Speaking outside the White House on Saturday, President Bush praised the resolution, saying it sent "a clear message to the leader of North Korea regarding his weapons programs. This action by the United Nations, which

was swift and tough, says that we are united in our determination to see to it that the Korea Peninsula is nuclear-weapons-free.”

In addition to the sanctions and search regime, the resolution demands that North Korea abandon its illicit weapons programs and rejoin the nonproliferation treaty, and it calls on the government to return to the so-called six-nation talks involving South Korea, Japan, China, Russia and the United States.

A ban on the shipment of luxury goods in the resolution was particularly championed by Mr. Bolton and J. D. Crouch, the deputy national security adviser, as a way to harm the North’s leader, Kim Jong-il, administration officials said. Mr. Kim does not command the kind of loyalty that his father, Kim Il-sung, the country’s father and “Great Leader,” did until his death in 1994. So instead, according to North Korean defectors, he buys allegiance with Mercedes-Benz cars, bottles of cognac and plenty of walking-around money.

Mr. Bolton alluded to that this week when he said that one intent of the resolution was to put Mr. Kim, who presides over a starving country but travels on luxurious train cars, on a diet. He said that the resolution left Pyongyang “utterly and totally isolated” and that the government should see its only way back to international acceptance was “abandoning weapons of mass destruction and not continuing to go after them.”

Mr. Bolton said the measure was aimed at illicit activities of Pyongyang like “money laundering, counterfeiting and selling of narcotics.” Those words, however, were removed this week to gain Chinese and Russian approval.

The final draft also dropped a broad arms embargo in favor of one just on heavy equipment like battle tanks, artillery systems, missiles and warships.

Despite the changes, Mr. Bolton said, “We think this represents essentially what the United States was asking for when it circulated its draft resolution on Monday.”

Asked about the effect of Saturday’s decision on the debate expected next week over sanctions on Iran for its refusal to suspend its nuclear program, he said, “I think this shows quite strongly that the Council is not going to tolerate proliferation of weapons of mass destruction and Iran should learn from this lesson.”

But Mr. Churkin, the Russian ambassador, signaled that an obstacle in the negotiations over North Korea would also arise in the Iran debate, where Russia and China have also been reluctant to approve direct punishments.

Noting that in the cases of both North Korea and Iran, the United States had imposed its own sanctions, he said, “It is unhealthy that when discussing collective measures and trying to be cooperative and forming a unified approach, one country comes out and adopts unilateral measures which also apply to other countries that are participating in the discussion.”

He said, “We very much hope that our American colleagues understand, in terms of the problems we have to solve and tackle in the next stage of our work in the Security Council.”

*David E. Sanger contributed reporting from Washington.*

<http://www.nytimes.com/2006/10/15/world/asia/15nations.html>

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Washington Post

October 15, 2006

Pg. 16

**Analysis**

## **N. Korean Nuclear Conflict Has Deep Roots**

*50 Years of Threats and Broken Pacts Culminate in Apparent Atomic Test*

By Walter Pincus, Washington Post Staff Writer

Democrats and Republicans have been quick to use North Korea's apparent nuclear test to benefit their own party in these final weeks of the congressional campaign, but a review of history shows that both sides have contributed to the current situation.

There is more than 50 years of history to Pyongyang's attempt to gain a nuclear weapon, triggered in part by threats from Presidents Harry S. Truman and Dwight D. Eisenhower to end the Korean War.

In 1950, when a reporter asked Truman whether he would use atomic bombs at a time when the war was going badly, the president said, "That includes every weapon we have."

Three years later, Eisenhower made a veiled threat, saying he would "remove all restraints in our use of weapons" if the North Korean government did not negotiate in good faith an ending to that bloody war.

In 1957, the United States placed nuclear-tipped Matador missiles in South Korea, to be followed in later years, under both Republican and Democratic administrations, by nuclear artillery, most of which was placed within miles of the demilitarized zone.

It was not until President Jimmy Carter's administration, in the late 1970s, that the first steps were taken to remove some of the hundreds of nuclear weapons that the United States maintained in South Korea, a process that was not completed until 1991, under the first Bush administration.

It is against that background that the North Korean nuclear program developed.

North Korea has its own uranium mines and in 1965 obtained a small research reactor from the Soviet Union, which it located at Yongbyon. By the mid-1970s, North Korean technicians had increased the capability of that reactor and constructed a second one. Pyongyang agreed in 1977 to allow the International Atomic Energy Agency (IAEA) to inspect the first reactor.

It was in the 1980s that the North Korean weapons program began its clandestine growth with the building of a facility for reprocessing fuel into weapons-grade material and the testing of chemical high explosives. In 1985, around the time U.S. intelligence discovered a third, once-secret reactor, North Korea agreed to sign the Nuclear Non-Proliferation Treaty (NPT).

Five years later, U.S. intelligence discovered through satellite photos that a structure had been built that appeared to be capable of separating plutonium from nuclear fuel rods. Under pressure, North Korea signed a safeguards agreement with the IAEA in 1992, and inspections of facilities began. But in January 1993, IAEA inspectors were prevented from going to two previously unreported facilities. In the resulting crisis, North Korea attempted to withdraw from the NPT.

The Clinton administration responded in 1994 that if North Korea reprocessed plutonium from fuel rods, it would be crossing a "red line" that could trigger military action. The North Koreans "suspended" their withdrawal from the NPT, and bilateral talks with the Clinton administration got underway. When negotiations deadlocked, North Korea removed fuel rods from one of its reactors, a step that brought Carter back into the picture as a negotiator.

The resulting talks led to the 1994 Agreed Framework, under which North Korea would freeze and eventually dismantle its nuclear weapons program. In return, it would be supplied with conventional fuel and ultimately with two light-water reactors that could not produce potential weapons-grade fuel.

However, a subsequent IAEA inspection determined that North Korea had clandestinely extracted about 24 kilograms of plutonium from its fuel rods, and U.S. intelligence reported that was enough material for two or three 20-kiloton plutonium bombs.

During the next six years of the Clinton administration and into the first years of the current Bush administration, the spent fuel from North Korea's reactors was kept in a storage pond under IAEA supervision. As late as July 5, 2002, in a letter to Rep. Edward J. Markey (D-Mass.), then-national security adviser Condoleezza Rice said the administration was continuing with the 1994 agreement but holding back some elements until the IAEA certified that the North Koreans had come into full compliance with the NPT's safeguards agreement.

In November 2001, when the Bush administration was absorbed in the aftermath of the Sept. 11 terrorist attacks, intelligence analysts at the Lawrence Livermore National Laboratory completed a highly classified report that concluded North Korea had begun construction of a plant to enrich uranium. A National Intelligence Estimate of the North Korean program confirmed the Livermore report, providing evidence that Pyongyang was violating the agreement.

Nonetheless, the Bush administration waited until October 2002 before confronting the North Koreans, who at one meeting confirmed they were following another path to a nuclear weapon using enriched uranium.

Soon thereafter, the United States ended its participation in the 1994 agreement. North Korea ordered IAEA inspectors out, announced it would reprocess the stored fuel rods and withdrew from the NPT. Earlier this year, Pyongyang declared it had nuclear weapons.

The Bush administration then embarked on a new approach, developing a six-nation strategy based on the idea that bilateral U.S.-North Korea negotiations did not work and that only bringing in China and South Korea, which had direct leverage over the Pyongyang government, would gain results.

<http://www.washingtonpost.com/wp-dyn/content/article/2006/10/14/AR2006101401068.html>

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Los Angeles Times

October 15, 2006

## **Firm Says It Broke Nuclear Trade Law**

By Associated Press

TOKYO — Japanese precision instrument maker Mitutoyo Corp. has admitted that it broke export and foreign exchange laws in exporting measuring devices that can be converted for use in producing nuclear weapons.

The company also acknowledged in a statement issued Friday that four people, including former President Kazusaku Tezuka, 67, who were arrested in late September had admitted to the charges during a police investigation.



"We deeply apologize for having lacked a law-abiding consciousness as a company," the statement said, adding that company executives had long been involved in exporting three-dimensional measuring devices without proper government authorization.

The devices measure cylinders with great precision and can be used on centrifuges employed in uranium enrichment, a process that can produce civilian nuclear fuel or fissile material for a nuclear weapon, government officials say.

Mitutoyo said it would not contest the charges, and would cooperate fully with the inquiry.

Prosecutors suspect the Tokyo-based company of exporting two of the devices illegally to its subsidiary in Malaysia via Singapore in 2001.

Though Malaysia is not on Japan's export blacklist, Japanese laws still require companies to get government authorization for sensitive exports valued at more than \$8,500.

Japanese media reports have said police suspect Mitutoyo exported similar equipment to a company connected with Iran's nuclear program.

Reports have also said that the International Atomic Energy Agency discovered machinery manufactured by Mitutoyo at nuclear-related sites in Libya during inspections in December 2003 and January 2004.

<http://www.latimes.com/news/nationworld/world/la-fg-measure15oct15.1.2524020.story>

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New York Times

October 16, 2006

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## Questions Grow Over U.N. Curbs On North Korea

By Norimitsu Onishi

TOKYO, Monday, Oct. 16 — Questions over the effectiveness of the Security Council's punitive sanctions on North Korea for its claimed nuclear test grew Sunday, as both South Korea and China — the North's two most important trading partners — indicated that business and economic relations would be largely unaffected.

A day after the Council unanimously passed the resolution, following nearly a week of intensive diplomatic negotiations, the South Korean government said it would still pursue economic projects with North Korea, including an industrial zone and tourist resort in the North. Those projects are not explicitly covered by the Security Council resolution, but they are an important source of hard currency for the North.

China, which shares a 870-mile porous border with North Korea and is perhaps its most critical economic gateway to the outside world, said Saturday that it had no intention of stopping and inspecting cross-border shipments, as called for, but not specifically required, in the resolution. The Chinese government said nothing on Sunday about how it intended to carry out the sanctions, and American officials said they would be focused on whether the normal trade flow across the border was slowed.

The relative silence on Sunday about how the resolution would be enforced, coupled with the vagaries of the resolution itself, raised concerns that the Security Council action would not have much of an impact for the foreseeable future.

"We're in the situation where everyone is saying what they won't do, but no one has yet said what exactly they will do," said Jonathan D. Pollack, a North Korea expert at the Naval War College in Newport, R.I. "The question for the next few days is what this all means, because there is a lack of specificity in the resolution."

North Korea, which announced last Monday that it had successfully detonated a nuclear device, has denounced the resolution, accused the Security Council of gangsterism and warned that any American pressure on the North Korean government would be regarded as an act of war. But North Korea has not specified what it may do next in response.

In Washington, Secretary of State Condoleezza Rice said that China was part of "a Security Council resolution that demands very clear cooperation of member states to make certain that dangerous goods are not getting in and out of North Korea," and added that she expected cooperation.

But in interviews on two Sunday television programs she acknowledged that exactly how China would cooperate remained unclear, and she hinted that the United States would not rush to interdict North Korean ships at sea, at least initially. Instead, she expects most searches to take place at ports, she said.

"This is a powerful tool, but it's also a tool that needs to be used carefully," she said, adding, "I don't think I want to speculate about how it's going to be used." Responding to statements by the Chinese ambassador at the United Nations that China would not interdict shipments at its border with North Korea, Ms. Rice said on "Fox News Sunday" that China's support of the resolution was effectively a pledge of "cooperation in stopping the proliferation trade with North Korea."

She said she was “quite certain” that China would act in accordance with this objective, but she declined to offer details. The resolution approved Saturday condemning North Korea and calling for sanctions against it “came about more rapidly, perhaps, than any in recent memory of this magnitude,” Ms. Rice said on “Face the Nation” on CBS. “So there will be some matters to be worked out.”

In fact, under a loose coalition with other countries around the world known as the Proliferation Security Initiative, a few countries have already boarded ships to and from North Korea in ports throughout Asia. These countries have carried out naval exercises to practice for such interdictions. But their powers to intercept ships in international waters — except when they have permission of the owners, the captain or the country whose flag the ship is flying — have been murky, and remain so under the new Security Council resolution.

The resolution, drafted by the United States, bans trade with North Korea in materials linked with unconventional weapons, and authorizes countries to inspect cargo going into and out of the North. This last measure was diluted, however, by China’s insistence that the resolution state that countries be requested, not required, to do so.

In Japan, however, enthusiasm for the new resolution was greater. Hawkish politicians close to Prime Minister Shinzo Abe said the Japanese were prepared to assist the American military in inspecting North Korean ships despite Japan’s pacifist Constitution, and called for a debate on whether Japan should possess nuclear arms. Mr. Abe himself has said he has no intention of changing the government’s longtime ban on the weapons.

Like China, South Korea fears that inspecting North Korean ships by force could lead to a military confrontation. As a result, despite pressure from Washington, Seoul has not joined the three-year-old American-led Proliferation Security Initiative, concerned that intercepting North Korean weapons could begin such an encounter.

“We judged that the contents of the resolution of the U.N. Security Council do not directly affect the economic cooperation programs between the two Koreas, including Kaesong and Kungang Mountain,” Choo Kyu-ho, the spokesman for the Foreign Ministry, said Sunday, referring to an industrial park and a tourist resort. “We will go ahead with the economic cooperation programs in harmony with the resolution.” Mr. Choo declined to say whether South Korea planned to proceed with long-held plans to expand the Kaesong industrial zone.

Such comments are bound to worry the Bush administration, however, because President Roh Moo-hyun of South Korea told President Bush in Washington last month that a North Korean nuclear test would drastically change the South’s policy, away from engagement and toward punishment.

Some Korea experts said that with the reluctance of China and South Korea to crack down on North Korea, as well as Russia’s initial unwillingness to take a hard line against the North, it was unclear how effective the sanctions would be.

“Limited sanctions and cooperation will continue, so we’re basically in the same boat as before,” said David C. Kang, a Korea expert at Dartmouth College who is visiting Seoul. “It’s untenable globally to oppose sanctions right now. So South Korea will go along with them for a while, put some projects on hold, but resume them in a year or sooner.”

Mr. Kang added: “The sanctions are at best kabuki theater. They’re not going to have much effect on North Korea’s behavior.”

China is opposed to restricting the flow of nonmilitary goods to North Korea, which remains one of the most impoverished and isolated countries and depends on that commerce for its economic survival. Chinese border cities like Dandong and Yanji are significant trading posts where North Korean trucks line up daily, stocking up on Chinese food and consumer goods.

China is also North Korea’s biggest supplier of oil, most of it shipped by rail. While the vehicles have to pass customs inspections on both sides, there is no indication that the Chinese strictly control what is sold to North Korea.

As North Korea’s largest trading partner, China accounts for nearly 39 percent of its imports and exports, followed by South Korea, which has a 26 percent share, according to the South Korean government.

Thailand, Russia, and Japan are the North’s other significant trading partners.

Most of the China-North Korea border is demarcated by the Yalu River. While troops patrol the border on both sides, it is widely considered porous, especially in the winter months when the Yalu freezes and people on both sides can cross without fear of detection.

China’s opposition to restricting the flow of nonmilitary goods to North Korea, and what appears to be its reluctance to inspect cargo shipments in or out of the country for materials banned by the United Nations sanctions, could sharply limit their effectiveness.

The utility of seaborne inspections of North Korea cargo ships by the United States or Japan could be undermined if the North Korean government determines that it can import or export goods covered by the sanctions through Chinese ports.

Even so, Beijing agreed to punitive sanctions on North Korea for the first time, and the details of their enforcement may take longer to negotiate. Whether they will be made public remains unclear. Government officials in China typically do not provide detailed information about policies relating to North Korea or other delicate matters. The resolution came as somewhat of a relief in South Korea, which is caught between its fear of destabilizing the North and its need to show solidarity with its American ally.

The South Korean government's engagement policy toward the North has been fiercely attacked by the political opposition in the last week. But experts said that the government's decision to press ahead with cross-border economic projects indicated that the South would stick to its engagement policy.

"The feeling is that the engagement policy itself was not to blame for the nuclear test," said Kim Sung-han, a senior analyst at the government-financed Institute for Foreign Affairs and National Security in Seoul. "The issue is how to implement it. Should there be more elements of dialogue or reciprocity? There is the feeling that implementation was not balanced enough. From now on, the government will be more realistic in implementing the engagement policy instead of giving it up altogether."

*Steven R. Weisman and David E. Sanger contributed reporting from Washington, and Joseph Kahn from Beijing.*  
<http://www.nytimes.com/2006/10/16/world/asia/16korea.html>

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Washington Post  
October 16, 2006  
Pg. 15

## **U.S. Officials Call On China To Help Enforce U.N. Resolution On N. Korea**

By Glenn Kessler, Washington Post Staff Writer

One day after passage of a U.N. Security Council resolution punishing North Korea for its apparent test of a nuclear weapon, senior U.S. diplomats said yesterday that China must help enforce it and use economic leverage to compel Pyongyang to return to disarmament talks.

The resolution, passed unanimously, calls on states to prevent North Korea from selling or buying certain banned weapons and technology. But China said Saturday that Beijing would not inspect cargo entering or leaving North Korea, for fear of raising tensions in the region.

China's unwillingness to act against its longtime ally raises the stakes for Secretary of State Condoleezza Rice's diplomatic mission to Northeast Asia later this week. Ever since the current nuclear crisis with North Korea began in 2002, the Bush administration has relied heavily on China to use its influence with North Korea's leaders. But Beijing's caution has frequently disappointed U.S. officials.

U.S. Ambassador to the United Nations John R. Bolton said on ABC's "This Week" that China had a "heavy responsibility" now that Pyongyang has detonated a nuclear device. "This test by the North Koreans had to have been humiliating to China," he added.

Rice, who along with Bolton made the rounds of the Sunday talk shows, said on CBS's "Face the Nation," "You're going to find China carrying out its responsibilities, undoubtedly carrying it out in a way that it believes will not enhance conflict. None of us want to enhance conflict with these measures. We just want to keep North Korea from trading in dangerous materials."

U.S. officials said yesterday that they were pleased with the terms of Resolution 1718, which bans North Korean trade in materials linked to its weapons of mass destruction program, ballistic missiles, high-end conventional weapons -- including warplanes and battle tanks -- and luxury goods. It will create a U.N. committee to monitor the sanctions' effectiveness and to draw up a list of individuals and institutions linked to North Korea's weapons programs. They will be prohibited from traveling abroad, and most of their financial assets will be frozen.

China, which shares an 880-mile border with North Korea, has generally argued that pressure on its neighbor would be counterproductive. It frequently lured North Korea back to six-nation negotiations on Pyongyang's nuclear programs with tens of millions of dollars in payments -- in one case, China even provided North Korea with a glass factory.

In April 2005, when North Korea was boycotting an earlier round of the talks, China rejected a U.S. suggestion of a "technical" interruption in the supply of oil to North Korea, which imports all the oil it consumes.

U.S. officials continue to believe a fuel cutoff would be devastating to the North Korean government. Bolton said yesterday that if China were to interrupt energy supplies or other aid to North Korea, "it would be powerfully persuasive in Pyongyang."

Rice stressed on "Fox News Sunday" that the U.N. resolution passed very quickly, even though it required China to vote against its communist neighbor.

"This is the toughest action that China has ever signed onto vis-a-vis North Korea," she said. "It sends a very strong signal to North Korea that it is now completely isolated. You cannot underestimate how big a blow it is."

<http://www.washingtonpost.com/wp-dyn/content/article/2006/10/15/AR2006101500612.html>

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Philadelphia Inquirer

October 16, 2006

## **Embargo Of N. Korea Fraught With Challenges**

*It's hard to enforce. Some 'civilian' items can go to military.*

By William Foreman, Associated Press

SEOUL, South Korea - Is the aluminum being used for missile tubes or bicycles? Will the chemical go into rocket fuel or pesticide?

Those are the types of questions countries might be asking as they try to obey a new U.N. resolution that orders them to crack down on companies supplying North Korea's missile and nuclear programs.

Some analysts say enforcing the resolution passed Saturday will be tough because many materials used to make weapons also are found in everyday household goods. And the North Korean companies dealing the goods are often shadowy front companies that are hard to track because of their murky ownership and constantly changing names.

Paik Hak Soon, North Korea expert at Sejong Institute, a think tank outside Seoul, said the U.N. resolution that aimed to punish the North for an alleged nuclear test was mainly political.

"You will have huge problems in terms of how to interpret enforcement and under what categories the items should be included," Paik said. "There will be serious problems in selecting what items to pursue and to what extent."

The U.S.-initiated resolution, passed unanimously by the U.N. Security Council, tells countries to freeze the funds or assets of people or companies that are providing support to the reclusive North's programs for making ballistic missiles and nuclear weapons.

North Korea's U.N. ambassador, Pak Gil Yon, walked out after the resolution was passed, accusing the Security Council of "gangsterlike" action.

Last year, the U.S. Treasury Department named eight North Korean companies whose assets should be frozen because they allegedly were dealing in weapons of mass destruction. Americans were forbidden from doing business with the eight companies, and U.S. officials said bank accounts or financial assets belonging to them would be frozen in U.S. banks.

Last year, Washington contended that Banco Delta Asia SARL - a bank in the Chinese territory of Macao - was being used by North Korea for money-laundering. The U.S. banned transactions between the bank and American financial institutions.

The new U.N. resolution does not apply to assets involving food, medicine and fees for rent, taxes, insurance and other similar services.

Trying to figure out why the North Koreans are buying certain goods will be difficult, said Bertil Lintner, author of *Great Leader, Dear Leader: Demystifying North Korea Under the Kim Clan*.

The North Koreans are masters at buying dual-purpose goods for their weapons programs, said Lintner, who has tracked the North's network of companies in Hong Kong, Taiwan and Thailand.

"Almost any kind of goods for the military can be used for civilian purposes," he said.

Certain types of pesticide can be used for rocket fuel or to seal swimming pools, he said. Aluminum casing can be used for missile tubes or for bicycles, he said.

"They don't get everything in the same place. They buy it from different places," Lintner said. "It's only when you put it all together that you can get a complete picture of what they're using it for."

Some of the most active North Korean businessmen work out of Pyongyang's embassies, Lintner said. The embassies get little funding from the government and must fend for themselves financially. They are also under pressure to send money home to the cash-strapped communist leadership.

Lintner said that the North's diplomats in the Thai capital of Bangkok made money by buying secondhand mobile phones. The old phones are sent in a diplomatic pouch to the North's embassy in Bangladesh, where they are resold on the streets.

"They have to engage in all kinds of strange business," he said.

<http://www.philly.com/mld/inquirer/news/nation/15768730.htm>

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Miami Herald  
October 16, 2006

## **Iran Next On U.N. Agenda**

*U.S. leaders said sanctions imposed on North Korea also serve as a warning to Iran. The U.N. Security Council will start planning sanctions on Iran next week.*

By Foster Klug, Associated Press

WASHINGTON - The United States on Sunday used new U.N. sanctions against North Korea to warn Iran, another country with nuclear ambitions.

John Bolton, the U.S. ambassador to the United Nations, said Iran should pay attention to Saturday's U.N. resolution against North Korea for its claimed nuclear test last week.

"I hope the lesson they learn is that if they continue to pursue nuclear weapons, they will face the same kind of isolation and restrictions that we have just imposed on the North Koreans," Bolton told CNN's Late Edition.

Repeated attempts by the U.N. Security Council's five permanent members and Germany to entice Iran into negotiations on its nuclear program foundered earlier this month over Tehran's refusal to give up uranium enrichment, which can be used to develop nuclear weapons.

The six powers have agreed to start working on U.N. sanctions against Iran next week, officials have said, but they still have to bridge differences on how harsh the penalties should be.

U.S. Secretary of State Condoleezza Rice said Sunday that, just as with North Korea, efforts against Iran are ``a multilateral effort, not just a U.S. effort, and that is extremely important because the United States doesn't need to do this alone and can't do it alone."

Rice told Fox News Sunday that ``the United States is much better off working with its allies than trying to do this bilaterally and being isolated itself."

Bolton said the Iranians ``could enjoy a completely different relationship with the United States if they would suspend their uranium enrichment activities."

Iran, he said, ``seemed to be obsessed with the idea of getting nuclear weapons. And as long as they pursue that course, we will have to respond accordingly."

Saturday's U.N. resolution against North Korea demands that Pyongyang abandon its nuclear weapons program and orders all countries to prevent the nation from importing or exporting any material for weapons of mass destruction or ballistic missiles.

Iran on Saturday called threats of sanctions "psychological warfare" and said it would not be intimidated.

Iran contends its nuclear program is for generating electricity; the U.S. and some of its allies allege Tehran is trying to develop atomic weapons.

In Jerusalem, Israeli Prime Minister Ehud Olmert told Israeli Cabinet ministers Sunday that Iran remained the greatest threat to Israel and he was concerned about the precedent set by the nuclear test conducted by North Korea.

"Whoever takes the Korean matter lightly will soon find a nuclear weapon in Iran and ultimately a nuclear weapon in al Qaeda," he said, according to an official who attended the meeting and spoke on condition of anonymity because he wasn't authorized to discuss the matter on the record.

Democratic Sen. John Kerry told Fox that U.S. failures in Iraq have ``diminished our hand and reduced our ability to be able to deal with Iran and North Korea."

Kerry said the Bush administration ``has lost credibility in the world. And that's why Iran is emboldened, and that's why North Korea is emboldened."

[http://www.miami.com/mld/miamiherald/news/special\\_packages/5min/15769020.htm](http://www.miami.com/mld/miamiherald/news/special_packages/5min/15769020.htm)

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Washington Post  
October 16, 2006  
Pg. 15

## **Japan Should Reexamine Its Nuclear Weapons Ban, Ruling Party Official Says**

By Reuters

TOKYO, Oct. 15 -- Japan needs to discuss whether it should possess nuclear weapons in response to North Korea's claimed nuclear test, the ruling party's policy chief said Sunday.

Shoichi Nakagawa, chairman of the Liberal Democratic Party's policy research council, said he believed Japan would adhere to its policy of not arming itself with nuclear weapons but added that debate over whether to go nuclear was necessary.

"We need to find a way to prevent Japan from coming under attack," Nakagawa told a television program, referring to what Tokyo should do following North Korea's reported nuclear test.

"There is argument that nuclear weapons are one such option. I want to make clear that I am not the one saying this, and Japan will stick to its nonnuclear principles, but we need to have active discussions," he said.

Nakagawa also said the constitution does not prohibit the possession of nuclear arms, adding that having such weapons might reduce or remove the risk of being attacked.

Although some analysts have pointed out the possibility that Japan -- the only nation to suffer an atomic bomb attack -- would seek nuclear weapons in response to North Korea's announced test, Prime Minister Shinzo Abe has flatly rejected the idea.

Japan has stuck to its self-imposed "three nonnuclear principles" that ban the possession, production and import of nuclear arms, and in the past, politicians who even questioned the ban have faced fierce criticism.

A former defense vice minister resigned in 1999 after suggesting in an interview that Japan should debate the acquisition of nuclear arms.

But faced with the threat of North Korea's nuclear and missile programs, the nuclear taboo is easing among the public, and more lawmakers now challenge the ban without receiving the disapproval they would have in the past.

<http://www.washingtonpost.com/wp-dyn/content/article/2006/10/15/AR2006101500657.html>

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USA Today  
October 16, 2006  
Pg. 10

## **Ordinary Chinese Angry Over N. Korean Claim Of Nuke Test**

*Some doubt role as patron; others say U.S. to blame*

By Calum MacLeod, USA Today

BEIJING — By claiming to test a nuclear device, North Korea has set off a wave of anger among ordinary Chinese, who appear split about whether blame lies with North Korea or the United States.

In the streets and online, Chinese responded to last week's announcement out of Pyongyang with fear.

Many said a nuclear-armed North Korea meant less security for China and East Asia. They called into question China's historic role as North Korea's ally and patron. Others suggested North Korea is right to arm itself in response to U.S. and Japanese threats against it.

Pyongyang's nuclear bombshell left Zhai Huixia, 24, "shocked and furious." The Beijing graduate school student said North Korea's move "seems very selfish, intruding on Chinese interests, and aggravating turbulence in the region."

For Korean War veteran Zhang Zeshi, North Korea's claim was a bitter betrayal by an "evil" regime. "We have given them so much food, fuel and support, but they don't listen to us," he said.

Zhang, 77, was among more than a million Chinese soldiers sent by Mao Zedong to fight with North Korea in the 1950-53 Korean War. He spent two years in a South Korean POW camp. He was imprisoned again when he returned home, disgraced along with other former POWs for failing to die in battle against American "aggressors." "We spilled our blood in vain," Zhang said. "It kept alive (North Korea's) feudal dictatorship."

Other Chinese saw North Korea's decision to go nuclear as a response to pressure by the United States, which has tried to isolate the regime headed by Kim Jong Il.

"Maybe the North Korean government would already have collapsed if the U.S. adopted an enlightened policy towards it," said Wang Miao, 25, an electrical engineer in the eastern city of Nanjing. He blamed America's "high-pressure ... Cold War strategy" for forcing Pyongyang's hand.

On Saturday, Beijing joined other United Nations Security Council members in approving sanctions against North Korea. Afterward, though, Chinese Ambassador Wang Guangya said China would not help conduct inspections of ships leaving and entering North Korean ports.

China is North Korea's biggest trading partner and supplier of food and energy. It could see a flood of Korean refugees to northeast China if the secretive regime in Pyongyang collapses.

In China's swelling cyberspace, North Korea has provoked debate. On the forum at beelinkclub.com, based in eastern Shandong province, moderator Xiaocao Qiqiang called the United States and Japan warmongers. He argued that a nuclear North Korea would guarantee peace by forcing the United States and Japan to ease up.



There was no way to verify the identity of the bloggers on beelinkclub.com or other sites where North Korea dominated conversation. But such sentiment was consistent with other postings and online discussions in Chinese chat rooms monitored by Yawei Liu, a China specialist at Georgia Perimeter College.

Liu said much of the debate is colored by a “strong anti-American sentiment among many of the most informed Chinese citizens.” Liu said many of those commenting “are sympathetic to North Koreans and see a vast U.S. conspiracy to undermine China.”

In another online debate, one blogger, identified as Wang Jinggu, saw Pyongyang as the villain. North Korea is too much of a liability for China and too backward to be worth the trouble, Wang wrote, adding that its people are not even allowed to use mobile phones.

The outpouring of anger — against both North Korea and the United States — is no accident, said Shen Dingli, a foreign policy specialist at Shanghai's Fudan University. The Chinese government “has the ability to censor opinion, but it has intentionally allowed public debate to let the both the U.S. and North Korea know we are unhappy,” Shen said. “When the criticism is against Chinese foreign policy, the freedom will be less.”

A majority of Chinese believe “we should abandon” North Korea, though their view is unlikely to sway decision-makers in Beijing, Shen said. North Korea “may no longer be our friend,” he said. But its strategic value to China as a counterweight to U.S. and Japanese interests means “we must never build it into our enemy.”

[http://www.usatoday.com/printedition/news/20061016/a\\_chinakorea16.art.htm](http://www.usatoday.com/printedition/news/20061016/a_chinakorea16.art.htm)

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New York Times

## **U.S. Pursues Tactic of Financial Isolation**

By STEVEN R. WEISMAN

Published: October 16, 2006

WASHINGTON, Oct. 15 — As debate swirls about whether new international sanctions against North Korea will be effective, the Bush administration appears to have made some headway in using new American legal tools to cut off both North Korea and Iran from the international financial system.

The American campaign to use its own financial regulations to put pressure on North Korea and Iran has been a mix of implicit threats backed by explicit action, American officials and banking experts say.

Over the last year, American officials have met with many private banks overseas to warn them of the risk of doing business with certain Iranian and North Korean trading companies and businesses that the United States says have been tied to terrorist groups or to the spread of nuclear materials.

One of the main unspoken messages of the visits, experts say, is that the United States government may eventually bar American banks from working with financial institutions doing business with groups tied to terrorism.

This campaign of pressure has been backed up by specific actions. The most notable was when the United States last month barred American banks from facilitating certain transactions, including the sale of oil, for a leading Iranian bank with reputed ties to terrorist groups.

As a result of the American campaign, banking officials and experts say that some foreign banks are cutting ties with North Korea and Iran.

But while achieving some unilateral success in economically punishing North Korea and Iran for their nuclear ambitions, some experts say the moves against Iran, at least, could damage American economic interests if that country switched to currencies other than the dollar for its large oil trades.

The United States had turned to unilateral action in part out of frustration that its efforts to mobilize international sanctions had run into trouble. That frustration might remain if the United Nations sanctions against North Korea, passed Saturday, prove not to be as effective as the United States hopes.

Most experts acknowledge that a globally cooperative effort would be much more effective than the American unilateral efforts, but that the United States can inflict some pain with the creative use of the reach of its own laws and pressure.

The ban on American transactions with the Iranian bank, Bank Saderat, means that it will no longer be able to obtain American dollars for its dealings with any other bank in the world. Bank Saderat is one of Iran's half-dozen largest banks.

The technical term for the banned activity is a “U-turn transaction.” Such a transaction permits, for example, Iran to sell oil to a German customer, who in turn directs a European bank to deposit dollars obtained from an American bank into an Iranian bank account located in Europe. The phrase “U-turn” applies because the funds are transferred to a United States bank and instantly turned back as dollars to a European bank.

Many American banking officials predict that, in coming months, the United States will ban American bank involvement in transactions involving the other leading banks in Iran. That is because there is a widespread

assumption among bankers that all of Iran's state-owned banks engage in the same activities as Bank Saderat. The likely result is that Iran will have difficulty selling its oil for dollars, the international medium of exchange for all oil sales.

"This is a pretty dramatic uptick of pressure from the United States," said Judith A. Lee, a law partner specializing in economic sanctions at Gibson, Dunn & Crutcher in Washington. "It is going to create significant difficulties for European banks and European countries."

American officials decline to say whether the move against Bank Saderat would apply to other Iranian banks. Stuart Levey, under secretary of the Treasury for terrorism and financial intelligence, said recently that in the last two years the United States had "learned a number of lessons about how best to use financial tools to apply financial pressure" on countries like Iran and North Korea.

In the last year, Mr. Levey has traveled to several countries in Europe to exert pressure on Iran and to Singapore, China, Macao, Hong Kong, Vietnam and South Korea to press banks to break their ties with North Korea.

The message was reinforced a year ago when the United States barred financial transactions with a bank in Macao, Banco Delta Asia, which officials said was involved in North Korean nuclear dealings, money laundering and counterfeiting.

Last month, citing news media reports, Mr. Levey said that at least two dozen financial institutions overseas had curtailed or suspended business with North Korea.

China, for instance, froze the accounts of North Korea in a Macao branch of the Bank of China and also cracked down on the circulation of counterfeit American dollars in China near the North Korean border.

The administration hopes that could set a pattern for the future, American officials said. "We have no reason to believe that China will not continue to protect their financial system from abuse," a Treasury official said Sunday.

As for Iran, several European banks, including Credit Suisse and UBS in Switzerland, HSBC in Britain and ABN Amro in the Netherlands, have announced curbs on dealings with Iranian banks and businesses.

"We are seeing a whole series of banks not doing business with Iran, restricting the flow of funds into Iran significantly," said Edward Morse, chief energy economist at Lehman Brothers.

Last month, Treasury Secretary Henry M. Paulson Jr. suggested at an international meeting in Singapore that banks around the world should stop doing business with more than 30 Iranian companies and government enterprises that American intelligence had linked to various illicit activities.

Evidence that American moves against Iran might be having an effect came at the same meeting, when Ebrahim Sheibany, the Iranian central bank governor, told a local paper at an international financial meeting that Iran would have "no choice" but to shift its sale of oil away from the dollar and to the euro or Asian currencies.

Whether that shift away from dollars could have the unintended effect of hurting the United States is a matter of debate. Some experts say there is a danger that if Iran does shift currencies, it could weaken the standing of the dollar as a reserve currency, forcing the United States to raise interest rates to attract dollar purchasers.

"This is a step where the end result could clearly weaken the dollar," said John G. Heimann, an investment banker and former comptroller of the currency in the Carter administration. "What has to be considered is whether or not we are shooting ourselves in the foot."

[http://www.nytimes.com/2006/10/16/world/asia/16sanctions.html?\\_r=1&ref=washington&oref=slogin](http://www.nytimes.com/2006/10/16/world/asia/16sanctions.html?_r=1&ref=washington&oref=slogin)

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