

Senate Foreign Relations Committee
Chairman Richard G. Lugar
Opening Statement for Hearing on North Korea
July 20, 2006

The Senate Foreign Relations Committee meets to review matters related to North Korea. On July 11, the Committee received a classified briefing on North Korea from Director of National Intelligence John Negroponte and Ambassador Joseph DeTrani. We look forward to continuing our inquiry in open session today.

On July 4, North Korea test-fired a long-range missile with the theoretical capability of reaching the United States, as well as several shorter-range missiles. All landed in the Sea of Japan. These missile launches by North Korea were particularly sobering, because the timing and quantity of the launches appeared designed to intensify their provocative nature and because they occurred despite significant external pressure to refrain from such a launch.

The North Korean regime's drive to build missiles, nuclear weapons, and other weapons of mass destruction continues to pose a grave threat to the Pacific region and to the United States. We also are concerned about the transfer of North Korean weapons, materials, and technology to other countries or terrorist groups.

Although the launches must be seen as a setback for regional dialogue, they do provide additional clarity that could be useful in moving other states in the region toward a more unified position on dealing with North Korea.

Up to this point, China has attempted to facilitate discussions on North Korea, while continuing to supply and manage the key energy and aid lifelines into North Korea. It has endeavored to preserve a historic alliance with Pyongyang, while discouraging military options or other destabilizing activities by either side. Beijing has been particularly concerned to prevent actions by North Korea or its neighbors that might stimulate the flow of North Korean refugees into China.

This strategy, however, has led to severe problems for the Chinese. The North Korean missile tests demonstrated that China's influence over its ally is limited. China had appealed directly to the North Korean government to suspend the missile tests. But Kim Jong Il's regime disregarded these appeals. The missile launches underscored that North Korea has its own agenda, distinct from Beijing's long-term interests.

China wants to avoid instability on its borders, but few acts could have been more destabilizing than the missile tests. If North Korea continues on the provocative path of missile and nuclear development, Japan, the United States, and perhaps other nations may be compelled to reassess their military posture in East Asia.

China has made huge economic and political investments in the world economy, because it is depending on high economic growth rates to advance living standards and

preserve internal political stability. To achieve these growth rates, it needs markets for Chinese goods, investment and technology for its industries, and energy sources to feed the growing appetite of its populace for automobiles, air conditioning, and other energy intensive conveniences.

But Beijing's ability to secure these benefits of the global marketplace will depend on continued cooperation with the West and military stability in East Asia. To the extent that the United States, Japan, and other nations view the East Asian region through the lens of the unique security conundrum created by North Korea, Chinese aspirations are likely to be set back.

This is why Beijing must reassess its regional priorities. The United States should be working diligently with China to develop options for peacefully resolving the North Korean dilemma. These options should start with an attempt to reinvigorate the Six Party Talks. But we should be mindful that, thus far, this format has not produced lasting results.

Last week's UN Security Council Resolution condemning the multiple missile launches by North Korea was a significant action. It is also important to note that individual leaders of countries, outside of the Six Party Talks, are attempting to be helpful with the North Korean challenge. For example, Indonesian President Yudhoyono has recently sent a Special Envoy to North Korea to encourage resumption of the talks. The President may follow-up with his own visit to Pyongyang.

North Korea's missile launches must not distract from the ongoing challenges faced by North Korean refugees making their way into China, often in the hope of eventually reaching South Korea. The Foreign Relations Committee reiterates its concern that North Korean refugees in China be treated compassionately and that the Chinese government allow the UNHCR to actively assist these North Korean refugees.

We are joined by Christopher Hill, Assistant Secretary of State for East Asian and Pacific Affairs, who will report on his recent trip to the region. Secretary Hill will comment on the stalled Six Party Talks, as well as the U.S. response to the July missile launches and our ongoing dialogue with China.

On our second panel we will hear from Dr. Arnold Kanter, Principal Member of The Scowcroft Group, and Ambassador Morton Abramowitz, Senior Fellow at The Century Foundation. Dr. Kanter and Ambassador Abramowitz will provide their assessments of U.S. policy options toward North Korea.

We welcome our witnesses and look forward to their insights on this important subject.

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