Chapter 5

THE IMPLEMENTATION AND OUTCOME OF THE AGREED FRAMEWORK

The Agreed Framework (AF) was unable to achieve the 'significant breakthrough', which the Clinton administration had claimed (Sanger 1995b). Neither did North Korea permanently freeze its nuclear weapons programme nor provide for resumption of IAEA inspections. The Agreement, however, was not a 'disaster' either -- as claimed by some -- in terms of the breakthroughs having been all in favour of North Korea and none in favour of the U.S. (Congressional Record, 1 December 1994: S15449; Jones 1994). It would be wrong to underestimate the achievements of the Agreed Framework (AF) even though they have been modest. Perhaps a lot more could have been achieved in terms of reducing tensions in the region. That said, now the AF has become null and void which it need not have if a proper homework had been done by the U.S. negotiators. Indeed, it can also be credibly argued that some of the issues in the AF and its implementation have further complicated the situation.

The AF's achievements had started off as being quite substantial. It had frozen Pyongyang's activities at its Yongbyon nuclear complex, including the operation of a plutonium reprocessing facility. Left unconstrained, the reprocessing facility would have enabled North Korea to separate substantial quantities of weapons-grade plutonium from the spent fuel removed from its operational graphite-moderated reactor. Had its ongoing activities not been halted, North Korea would have developed the means to fabricate significant numbers of nuclear weapons, and marketed weapons-grade plutonium to other parties. In the words of Robert Gallucci, the chief U.S. negotiator of the AF.

If we had not negotiated and had not otherwise stopped the program, it would have produced by now at least 100 nuclear weapons. With a program of the capacity to produce no less than 30 additional weapons each year, who believes that North Korea would be morally constrained to not sell the plutonium, or even the weapons, to the highest bidders the way they sell ballistic missiles around the world? Who would like to live in such a world? (Gallucci 2005)
The AF was able to cap all this for the duration of eight years that it lasted. Unfortunately, the AF is now a dead letter as both the U.S. and North Korea have walked away from their respective commitments under the agreement. North Korea has been given an opportunity to withdraw from the NPT, defreeze its nuclear facilities, expel IAEA inspectors and remove the inspecting cameras from the Yongbyon nuclear site and produce nuclear weapons without any hindrances. Not only that, it now openly declares itself as a nuclear weapons state. It has also expanded and expedited its ballistic missile programme.

Several factors were responsible for all this. To begin with, the situation in the North East Asian peninsula presents a very complex picture involving as it does the security interests of six countries -- North Korea, South Korea, China, Japan, Russia and the U.S. Five of them have a stake in the dismantling of North Korea's nuclear programme. All five nations - except North Korea - are currently involved in solving the nuclear problem. This suggests that they should have been involved right from the start in 1993 when North Korea threatened to withdraw from the NPT. But, when the terms of the AF were being negotiated it was done hurriedly and only bilaterally between the U.S. and North Korea. If Secretary of Defense Richard Cheney had taken a broader based approach as suggested by Secretary of State, James Baker the results might have been different (Baker, cable, 1991). Even though the U.S. talked about a multilateral approach but it acted bilaterally. The U.S. officials have subsequently learnt their lesson and have realized that "the North Korean nuclear problem is not a problem for just the United States" but for the entire region. (Rice cited in Kessler 2005). Unfortunately, the realization has come a bit too late.

Second, the reasons underlying why the Clinton administration went into the negotiations for the AF so hurriedly were also faulty. As mentioned in the last chapter, the U.S. was trying to buy time and seek a temporary solution to the crisis situation until the Kim Jong-II regime collapsed, of which it was quite convinced before it signed the AF in 1994. Therefore, the Clinton administration had not
thought through the alternative scenarios before entering into negotiations. The fact that the accord was styled as an Agreed Framework and not as a treaty because “the Clinton administration was worried that it might not win approval if submitted to the Senate as a treaty” (Oberdorfer 2001: 356) itself alludes to the fact that it was done hurriedly and as a result did not take into account the aspect of the absence of legal binding on the parties in the event of it being just an agreement.

Third, the complexity of the issue was compounded, as we saw in Chapter 1, by the apparent inability of the U.S. when it started to deal with the sudden emergence of the North Korean nuclear programme in the early 1990s to fully understand the interplay of motivations that drove North Korea to pursue the nuclear weapons programme. Nor did they have a strategy for dealing with a reclusive country like North Korea. North Korea has time and again made it clear to the United States the reasons for its seeking nuclear weapons. They aspire for it firstly, as a deterrent against the U.S. hostile policy, which they feel could translate into a pre-emptive attack on them and secondly, for their energy requirements (Pyongyang Times, 29 January 2003: 1). However, neither of these has been addressed.

The U.S. leaders continue with their rhetoric, the recent ones being ‘a criminal regime’, ‘an outpost of tyranny’ etc. How can any solution be sought in an atmosphere of animosity? That even the South Koreans are aware of this is obvious from the statement made by the presidential envoy, Lim Dong-Won, when he said, “The fundamental solution of the nuclear issue can be achieved only when the country suspected of building nuclear weapons doesn't feel any security threats and builds relationships of trust with other countries” (Coleman 2003). As for North Korea’s energy requirements they continue to be in the same decrepit state they were in when the AF was signed in 1994 (Associated Press 2003; Kessler 2005). While North Korea’s reactors were made to shut down and a certain amount of fuel oil was supplied to them as compensation the following year, there have always been delays in the delivery of these. The construction of the LWRs itself started only in 1999 and the target date of 2003 was never met to give any kind of assurance to North Korea; and now they have been abandoned
totally. On the one hand, North Korea had to freeze its reactors and electricity production facility and on the other the LWRs were never supplied for it to meet its energy requirements. The functioning of the nuclear reactors would have provided North Korea with the much needed nuclear energy. Thus, since neither of the motivations was addressed North Korea’s reversion to nuclear weapons can be understood even if not justified.

Fourth, as seen in Chapter III, the U.S. negotiators were also not familiar with either North Korea’s negotiating style or the influences on the socialization process of the North Korean negotiators when they come to the negotiating table (Snyder 1999; Kwak 1997). Nor did the U.S. try to involve South Korea, which, for obvious reasons, has a clearer understanding of North Korea and their negotiating style. North Korea need not have become, "‘the longest running intelligence failure in U.S. history’ (because) we (U.S) simply do not have a very good understanding of how decisions are made, who makes them and why” (Gregg, Reiss 2002). Yet the United States was confident of handling it unilaterally. This is what a North Korean specialist of the United States had to say-

American and North Korean political cultures are mirror images of one another. In the DPRK, political power is personalized, centralized, and absolute. In the United States, however, political power is bureaucratic, relative, devolved by constitutional design, and legal in foundation. These antagonistic, overarching goals and profound cultural antitheses are driving the two countries into a collision (Hayes, 2004).

Fifth, Washington’s policies have always tended to ignore domestic crises in target countries. While dealing with North Korea, its focus on the global concern of non-proliferation led it to focus only on the ways of strengthening the non-proliferation regime by ensuring that North Korea remained a member of the NPT. Its concern was to ensure that North Korea allowed IAEA to implement the Safeguards Agreement and to monitor the freeze on its nuclear facilities. As a result, it did not

Similarly, The divergence in the U.S. and south Korean preferences regarding engagement with North Korea also emanate because the strategic interests of the U.S. stretches beyond the Korean peninsula and that of South Korea remains confined to it.
carry out a genuine study of the North Korean domestic situation which, too, was also driving its leadership towards nuclear weapons.

This is how diametrically the strategic goals of North Korea and the United States vary:

<table>
<thead>
<tr>
<th>DPRK: Kim Jong-Il's goals</th>
<th>US: George Bush's goals</th>
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<tbody>
<tr>
<td>regime survival</td>
<td>de-linkage of WMD and terrorism</td>
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<tr>
<td>strong military</td>
<td>de-nuclearization of the DPRK</td>
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<tr>
<td>nuclear weapons procurement</td>
<td>stability (non-war) on the peninsula</td>
</tr>
<tr>
<td>economic recovery</td>
<td>Democratisation</td>
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<tr>
<td>Korean reconciliation</td>
<td>Korean reconciliation</td>
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Source: based on Peter Hayes (2004).

All things considered, therefore, the Agreed Framework was drawn up and signed on a set of flawed perceptions. The complications multiplied once the premise that Kim Jong-Il regime will collapse soon, did not materialize. The consequence was a delay in implementation, setting in motion a series of new tensions and disagreements and its resultant voiding (Hayes and Hippel 2002: 14-15; Kang 2002: 29-40; Reiss 2002: 41-55).

The AF was entered into with a tacit underlying acceptance by the U.S. of North Korea as a nuclear weapons state, whereas a nuclear North Korea was exactly what the Agreed Framework was designed to prevent. The American approach was to contain the North Korean nuclear programme rather than eradicate it altogether. Yet when it came to implementation, it was matters related to North Korea’s other nuclear facilities and activities not covered in the AF that became an issue. In other words, the U.S. was looking to eradicate North Korea’s weapons programme totally and let this come in the way of implementation of even what had been agreed upon under the AF. It might have had better chances of achieving the former if it had not chosen to keep changing its goal post and gone about it gradually by first winning North Korea’s confidence and ensuring that it remained a member of the NPT.
Problems in Aims, Structure and Scope

The haste with which the Agreed Framework was drawn up has led to consequences that make the effort to now resolve North Korea’s nuclear weapons programme seem like that of Sisyphus, in Greek mythology, a man condemned to an unending punishment of rolling a heavy stone up a hill (Kwak 2005: 2). A detailed analysis of the consequences of the haste in formulating the AF is as follows.

Limited Scope

The AF was very limited in scope. It addressed only the production of the fissile material at Yongbyon and Taechon but not the weaponization of any fissile material that North Korea may have produced prior to the agreement (Wit 1998). North Korean policy had all along been to retain a minimum nuclear deterrent which would never be abandoned (Koh, Doug-Joong Kim 1994: 143; Young C. Kim, Doug-Joong Kim 1994: 146). It sought regime guarantee by doing this. Moreover, it was a necessary piece of military equipment for a government committed to a “military first” policy (“The True Meaning of the Military First Policy” 2003).†

The U.S. negotiators who drafted the AF were sowed naivety in not anticipating that the possession of even a single bomb would give the North Korean regime enough power to manoeuvre the talks. It ensured the regime’s survival and at the same time was reason enough to keep the Americans engaged in talks.‡ The AF, by only aiming to contain North Korea’s nuclear programme, and not eradicating it, tied America’s hands. Later it was precisely this issue - North Korea’s possession of fissile material - that flared up, leading to delays in the implementation of the AF.

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† North Korean government adopted a “Seongun” or “military first” policy in the year 2003, thus emphasising the role of military. However, this has also been interpreted to mean ‘army before the working class or in other words military development at the cost of economic development.

‡ In the early 1990s, the CIA concluded that North Korea had effectively joined the nuclear club by building one or possibly two weapons from plutonium it produced before 1992.
It was also limited in that it did not address the U.S. concerns about North Korea's exports of ballistic missiles and chemical weapons to Iraq, Iran and others. U.S. intelligence had been aware that North Korea had tested its ballistic missile, the two-stage Nodong, in 1993 (Bermudez 1999). It must be noted here that even prior to this there had been indications of Nodong flight tests in May 1990, November 1990 and June 1992. However, each time the test was either cancelled or it failed. In February 1994 North Korea's indigenously designed two-stage medium-to-long range ballistic missiles were also detected at a research and development facility near Pyongyang (Washington Post, 18 March 1994; Joseon Ilbo, 20 March 1994). Then on May 31 and June 2 North Korea test fired anti-ship cruise missiles too, in the Sea of Japan (Hanguk Ilbo, 4 June 1994: 2). The U.S. also knew that the Israeli government had approached Kim Il-Sung in October 1992 and offered to buy out North Korea's missile sales to Iran, one of 'the states of concern' for the U.S. (“Chronology of North Korea's Missile Trade and Development”, 2002). Yet missile sales were not made part of the deal.

In April 1996 the United States and North Korea met in Berlin to discuss a freeze on North Korea's exports and production of missiles, and to encourage North Korea to become a member of the Missile Technology Control Regime. However, no agreement was reached. The countries agreed to meet at a later time, however, the talks kept being postponed. This became a cause for irritation in the progress of talks between the two nations. By 1998, the missile issue had become the focus of attention in the U.S.-North Korea talks and the North Korea Policy Coordinator, William J. Perry, had said in his policy review report that a comprehensive approach to dealing with North Korea’s nuclear as well as missile issues had to be adopted. In fact, North Korea had ended up asking for U.S. $1 billion in cash, yearly, for three years, from the U.S. to buy out its ballistic missile exports (Oberdorfer 2001: 417).

However, a solution was in the offing towards the end of Clinton's term. During the negotiations between Secretary of State Madeleine Albright and North Korean leader Kim Jong-Il, North Korea offered to end exports of all missile technology and to freeze testing, production, and deployment of all missiles with a range of 300 miles (Sigal 2003). President Clinton was to go to Pyongyang to seal the deal.
But the negotiations stalled there because of President Clinton failing to make it within his tenure and the new Republican administration of President Bush changing its tactic of dealing with the North Korean problem.

**Ignoring South Korea**

Under the first clause of the AF, the Clinton administration had agreed to make arrangements for the provision of a light water reactor to North Korea. However, once the U.S. realized North Korea was ready to accept the LWRs there was a lot of opposition in the senate regarding bearing the cost of the deal and suggestions for reviewing the agreement (Paik, Ryoo et al.; Congressional Records, 1 December 1994: S15449). The U.S. started looking for ways not to take financial responsibility for the project. Towards this, it was to organize an international consortium to finance and supply the reactor. The U.S. was thus clear right from the start that it was going to seek the help of other countries, especially South Korea, for financing a major part of the project. In fact, even by December 1994, the Department of State had estimated that supplying the two 1,000-MW(e) reactors to North Korea would cost about $4 billion (USGAO 1997). It had also expected most of it to be borne by South Korea and Japan (USGAO 1997).

When the question of financing of the project came up and a clarification was sought by the Senate from the Accounting office, if it (the Accounting Office) had implied that the United States will end up “bankrolling” the shortfall in funds for implementing the AF, this is what the report had to say:

In our view, we have not implied that the United States will end up bankrolling activities arising from the Agreed Framework. In fact, our report clearly indicates that South Korea and Japan are expected to bear the majority of these costs. Moreover, in discussing our draft report, State officials agreed that uncertainties exist about (1) the total cost to implement the Agreed Framework, (2) the amount of future contributions to KEDO, and (3) who will pay for activities resulting from the agreement in the event of a funding shortfall. Furthermore, while we credit State for its efforts to secure international funding for KEDO, significant funding shortfalls exist and are likely to continue, raising serious questions about how KEDO will finance future oil deliveries without the intervention of an interested party (USGAO 1997)
When any project is entered into, the first aspect that is taken into consideration is the financing of it. It was true of this project as well as is clear from the above statement by the General Accounting Office of the U.S. The U.S. government had also anticipated a sizeable amount of funding from the South Korean government. It should therefore have taken the South Korean government into confidence. But it didn’t. The signing of the AF was therefore not received very well in South Korea.

The South Korean National Assembly also strongly condemned its financial aspect, so much so, that the Foreign Minister Dr. Han Sung-Joo who had embraced the agreement with enthusiasm, had to resign in 1995 (Cotton 1995: 341-342). This was not surprising either because the projected total cost of replacing North Korea’s nuclear facility was US $4-5 billion, of which Seoul was to pay the around 70 per cent. The rest was to be paid by Japan. This did not go down well in South Korea, especially when the feeling there was that the U.S. had offered North Korea aid without insisting on knowing the full history of the North Korean nuclear programme. What needs to be noted here is that in 1993 the Clinton administration had been vehemently insisting on North Korea accepting an inspection regime that would establish all past and present details of North Korea’s nuclear programme. This package that was being negotiated under the AF was, therefore, from positions very different from that in 1993. South Korea’s stand had always been to insist on complete nuclear transparency from North Korea before any kind of inter-Korean co-operation happened. The AF compromised this stand and South Korea was upset.

Even more damaging was the fact that the AF contradicted the Joint Denuclearization Declaration signed by South and North Korea in 1992. The Declaration says, that “the South and the North, in order to verify the denuclearization of the Korean peninsula, shall conduct inspection of the objects selected by the other side and agreed upon between the two sides” (Appendix IV). Under this agreement South Korea had every right and responsibility for verifying North Korea’s freezing and dismantling activities. However, it is also true that this verification was to be done “in accordance with the procedures and methods to be
determined by the South-North Joint Nuclear Control Commission”, consensus regarding which was never reached and therefore could not be enforced. But the fact remains that an international level agreement like the AF should not have contradicted the spirit of the Joint Declaration. The AF confined these activities to the IAEA and ignored South Korea’s role in it, in effect breaking the link between the two and thereby making implementation of these that much more difficult (Cheon 2001a: 175).

That the Kim Young Sam government agreed to finance bulk of the LWR project was because it used “the LWR project as a means to redeem itself in the public eye” (Paik, Ryoo et al. 1999). The South Korean public had been discontent at South Korea having been sidelined during the negotiation process of the AF.

Absence of target dates

Another problem was deadlines. While the agreement included clear timetables for actions relating to the LWR project, it did not link the nuclear aspects of the Accord to other actions also called for in the agreement, such as a dialogue between North and South Korea or the dismantling schedule for North Korea. The LWRs were to be provided by 2003, but it is a different matter that work on it did not start till 1999 and nor were the reactors eventually delivered. That notwithstanding, at least a target date was fixed at the time of framing the agreement. But as far as the North-South dialogue was concerned, the AF merely said, “The DPRK will engage in North-South dialogue, as the Agreed Framework will help create an atmosphere that promotes such dialogue” (Appendix III). No concrete steps were specified, nor any timetable outlined. This became another bone of contention for the conservative critics in President Kim Young-Sam’s government. It also made it that much more difficult for the supporters of the AF to seek budgetary approval in the South Korean National Assembly.

The clause regarding the North-South dialogue was included in the Agreed Framework on the insistence of the United States (USGAO 1997). The critics in South Korea made a simple and valid point: if South Korea was not going to be a party to the negotiations, a ‘North-South dialogue’ need not have been included in
the AF, as it only added needless clauses and complicated matters. The AF could have been confined to dealing with only the nuclear and missile issues.

Similarly, no time frame for the dismantlement of North Korea’s nuclear facilities was worked out. The Agreed Framework provides that North Korea will stop operating its 5-MW(e) reactor and related nuclear facilities and stop construction on two larger reactors. As for the dismantlement schedule the AF merely says, “Dismantlement of the DPRK’s graphite-moderated reactors and related facilities will be completed when the LWR project is completed” (Appendix III, Clause 1.3). This was then worked out in the ‘Supply Agreement’ with KEDO, where it was agreed that dismantlement will begin when the first reactor is finished and will be completed when the second reactor is finished (Appendix VII, Annex 3.8). Again, this kind of delay in the dismantlement schedule led to controversies in the U.S. Congress and became a problem when sanctioning of more congressional funds was required for the implementation of the AF.

Infringement of the rights of the IAEA

The AF delayed North Korea’s compliance with IAEA full-scope safeguards until some future date. It thus prevented North Korea from weaponising fissile material. But it also infringed the authority of the IAEA because the full-scope safeguards agreement is an international agreement. It was signed by North Korea in 1992, which was required to be complied with fully. But after having suspended its intention to withdraw from the NPT in June 1993, North Korea accepted inspections only enough to guarantee “the continuity of safeguards”. Furthermore, Article 4.3 of the AF which states that, “when a significant portion of the LWR project is completed, but before delivery of key nuclear components, the DPRK will come into full compliance with its safeguards agreement with the IAEA,” provided North Korea justification for delaying IAEA special inspections. Thus, as pointed out by Seongwhun Chun, “a widely accepted international agreement has been overruled by a bilateral political arrangement” (Cheon 2001a: 173-174).

Besides, the above discussed shortcomings there were other flaws in the AF that have become apparent now. For one, the deal had left North Korea in possession
of its spent fuel rods for too long, though, of course, getting Pyongyang to quickly surrender them would have meant another set of negotiations. Secondly, the AF also promised North Korea LWRs, which were new types of nuclear reactors, purportedly—proliferation resistant—but not entirely free from the danger of having their spent fuel ultimately diverted to weapons purposes, as had become obvious recently. It is a different matter that since these reactors will almost certainly not be completed the problem will not arise.

**Problems of Implementation**

The flaws at the formulation stage made implementation difficult. These implementation difficulties during various stages of the implementation process were also decisive in undermining the AF. Some of the critical difficulties included the following -

**North Korea’s Non-acceptance of South Korean LWRs**

When, to begin with, South Korea offered to manufacture the LWRs in its factories, North refused to accept this high-tech export from the South. For one, North Korea feared “...once its nuclear program was frozen and KEDO was created pursuant to the Agreed Framework, the United States might lose interest in North Korea rather quickly, leaving South Korea to play the central role”(Paik, Ryoo, *et al.* 1999: 114). When North Korea had demanded the most advanced and safest 1000MW LWRs it had not realized that the South Korean ones with the KSNP (Korean Standard Nuclear Power Plant) label were the only ones that met the criteria. At any rate, it declined to acknowledge openly that South Korea was the source. (Paik, Ryoo, *et al.* 1999: 117). But the South was equally determined that the North accept its central role in providing the LWRs. The root of the problem lay in the fact that the bilateral initiatives by the U.S. with North Korea gave Pyongyang false hopes that it could isolate Seoul from any deals with the U.S.

To resolve this issue, which had become a clash of North Korean versus South Korean pride, three rounds of talks had to be held in Beijing and Berlin.
Eventually a face-saving intermediary, the KEDO, was envisaged in the AF; and since North Korea did not want a ‘KSNP’ label indicating South Korean origin, the reactors were referred to as only LWRs (Paik, Ryoo, et al. 1999: 123). Meanwhile, however, there had been a six-month deadlock on the issue and North Korea, which had frozen its 5 MW reactor, threatened to abandon the AF and reload the reactor. Tensions rose, yet once again, with the lobby in Washington that had been advocating force to resolve the North Korean nuclear issue, again advocating large-scale reinforcement of troops into South Korea (Oberdorfer 2001: 367).

North Korea saw this as U.S. hypocrisy resulting from the experience of January 1993 when, on the one hand, the US was making diplomatic efforts over weapons inspection in North Korea and, on the other, was planning to ship Patriot anti-missile batteries to South Korea. This was seen by the North Koreans firstly, as full-scale war preparation by the U.S. and, secondly, as military espionage by the U.S, which did not realize that a tough stand would lead to further militarization rather than demilitarization, taking it further away from its goal of promoting non-proliferation. It failed to read the North Korean response properly. However, fortunately, at the talks in Kuala Lumpur, KEDO was conceived and a face-saving solution was found. KEDO was to supply the LWRs and the South Korean state run Korean Electric Power Corporation (KEPCO) was to be the prime contractor. Nevertheless, this crisis could have been avoided and the implementation need not have started on a wrong footing if the issue had been discussed and sorted out earlier.

**Natural calamities**

The natural calamities by way of floods and torrential rains that befell North Korea in 1995 and 1996 dealt a further blow to the economy. The Three-year Economic Adjustment Plan of 1994-1996 passed in December 1993 by the Central Committee of the Workers’ Party of Korea was in shambles. In many areas the entire crop had been wiped out and in as much as sixty percent leading to malnutrition crisis in many parts (Mansourov, Moltz and Mansourov 2000: 81-83).
As far as North Korea’s nuclear programme was concerned, by damaging the nuclear infrastructure in Yongbyon and Pakch’on, the calamities exposed several deficiencies and shortcomings of its nuclear programme. This was also the time when North Korean policy makers were awaiting the promised aid and it was seen as a good window of opportunity for cooperation and confidence building measures. However, in the process of canning of the 8,000 irradiated fuel rods that had been extracted from Yongbyon graphite reactor there were “initial doubts and lack of timely and adequate U.S. Congressional appropriations” that created delays which unnecessarily fuelled suspicions on the North Korean side, giving it reason to threaten to restart its reprocessing plant (Mansourov, Moltz and Mansourov 2000: 80).

The supply of the much needed fuel oil was also delayed exacerbating the situation. The window of opportunity for building trust through some kind of confidence building measure like providing timely assistance was thus compromised.

**Unsuitable Transmission and Distribution System**

According to studies by experts, the acceptance of the demands by North Korea for two 1000 MW(e) plant itself was a faulty one for the following reasons –

...there is a self-imposed rule that the generating capacity of one power plant should not exceed ten percent of the total electricity load of the whole country lest the safety of the country’s whole power system risks being compromised in an accident. The electricity generated by one 1000 MW(e) plant is more than ten percent of North’s total power generation load. Given that the total power generation capacity in North Korea is approximately 6,500 MW(e), one 1,000 MW(e) power plant would generate as much as 15.4 percent of North Korea’s total electricity. If one or both 1,000 MW(e) LWRs are out of order, it will have a very serious impact on the safety of North Korea’s power system. Even regular checkups and repair work on the two LWRs will take more than thirty days (Paik, Ryoo et al. 1999: 116).
This was another instance of the homework not having been done thoroughly before entering the deal.

Another inherent flaw of the AF was that the LWRs were not suitable for the existing transmission and distribution system in North Korea. They required the existing system to be equipped with new conductors, modern control facilities, substation equipment, switching equipment etc to ensure a stable source of backup power for the coolant pumps and other equipment of the LWRs. According to a study by experts, the power plants and the transmission-distribution facilities in North Korea are even now in serious need of rehabilitation, retrofitting and upgrading. Given its lack of foreign exchange and the domestic economy's poor conditions when the LWRs were being negotiated, North Korea lacked access to technology or capital required to even rehabilitate its electricity transmission and distribution grid, much less develop reliable local power generation plants. According to the same study, “one of the gaps in the AF is the lack of agreement of the necessary electric grid to connect the LWRs to recipients” and “without an electric grid LWRs are not much use.”

The U.S. and South Korea had made it clear to North Korea that this was a North Korean responsibility and not provided for under the AF or the KEDO agreements. Yet, no legal commitment was sought from North Korea to upgrade the power grid during negotiations on the supply agreement. This was later justified by the U.S. State Department that North Korea did not “owe KEDO a legal duty to upgrade its own electricity power grid” (USGAO 1997). Nevertheless, it was also argued by the General Accounting Office of the U.S. that in the absence of firm and binding assurances “there is nothing to preclude North Korea from reasserting a future demand that others pay for the upgrade” (USGAO 1997).

Even if North Korea had been made to agree to upgrade its power grid, the question still remained: how was a country in such dire economic straits – whose capital itself was in darkness for most part of the night - going to finance rehabilitation of its transmission facilities? Clearly, the entire negotiation for providing LWRs was going to be futile. The total transmission capacity of the
existing grid was also too small to support two nuclear units of 1000 MW each. Installing a large power plant without addressing other related problems like fuel supply, improving the efficiency of the equipment, plugging the transmission and distribution problem, training its labour, working out the modalities of how North Korea was going to meet the operating expenses etc had left a lot of issues unresolved, leading to further project delays as well as adding to the financial burden of the countries concerned.

This is precisely what happened and KEDO had to terminate its activities because of lack of funds and KCNA put the blame entirely on the United States and said that the United States was to be blamed for termination of the Korean Peninsula Energy Development Organization (KEDO) and it also claimed that the termination caused huge direct and indirect economic damage, including the loss of a chance for the production of billions of kilowatts of electricity per year (Seo 2005).

**Differing interpretation of dates**

The milestones fixed under the AF were interpreted differently by the two sides and Pyongyang’s constant complaint was that Washington was slipping on the delivery schedule. It demanded compensation from the U.S. for all the economic and energy losses it was facing as a consequence. This was because, to begin with though it was agreed that the construction of the other two reactors -- a 50MW one at Yongbyon and a 200MW one at Taechon -- were to be dismantled prior to the completion of the second LWR, no specific date was mentioned for beginning the dismantlement and this became a cause for complaint by the critics of the AF. Second, under the agreement North Korea was required to disclose the location of all undeclared nuclear sites and permit inspection of those sites, but only when a ‘significant portion’ of the first LWR had been completed. In other words North Korea was required to be in full compliance with IAEA safeguards only when a ‘significant portion’ of the LWR project was completed, but before the delivery of key nuclear components. This resulted in a lot of ambiguity leading to divergent interpretation of timing, similar to the one experienced recently by the two parties
regarding the delivery of the LWRs in the fourth round of the Six-nation talks held recently.

A Hasty Accord

In the end, it is clear that the above problems arose because of the haste with which the AF was drawn up. This was mainly due to the pre-occupation of the U.S. with short-term objectives, namely buying time in the expectation that the North Korean regime would collapse just as other communist regimes had done. This expectation did not materialize. If anything, the regime stabilized because of the financial aid given by the U.S. Moreover, after the collapse of the Soviet Union, the U.S. saw North Korea's nuclear weapons programme more as an issue of proliferation problem with world wide implications and wanted to hastily solve it, in any which way it could, without taking into account either the motivations behind it or adopting feasible methods of achieving that objective.

As a result the Agreed Framework was drawn up in a hurry with a number of flaws. The long-term implications of those flaws in the AF are becoming apparent now and because of these unresolved issues the AF has collapsed. North Korea, on its part, is disgruntled not only because it has not received the LWRs after a decade of signing the AF, but also because it has not received any of the other important benefits that it hoped to gain, like the removal of the U.S. threat, economic sanctions and gaining full diplomatic relations with the U.S. On the other hand, the U.S. Congress is quite firm that it will not let the U.S. government transfer key components for the LWR till North Korea permits full inspection of its nuclear sites and all the plutonium produced so far. The AF has, therefore, become the cause for new tensions between the governments of North Korea and the U.S. and also divisions in the U.S.-South Korea relations.

North Korea finalized its break with the agreement by announcing its immediate withdrawal from the Nuclear Nonproliferation Treaty (NPT) on 10 January 2003, becoming the first nation ever to withdraw from the treaty, simultaneously severing all nuclear inspection arrangements with the International Atomic Energy Agency (IAEA). As of now there is no alternative arrangement to constrain North
Korea's nuclear weapons potential. Though a worst-case scenario of a confrontation between the U.S. and North Korea is not inevitable, a peaceful outcome that prevents nuclear weapons capability seems far from assured, and an agreement acceptable to both states that would replace the discarded 1994 agreement remains out of reach. In a separate letter of assurance provided to Kim Jong Il the day prior to the signing of the Agreed Framework, President Clinton had pledged -

_to use the full powers of my office to facilitate . . . the light-water nuclear power project . . . and the funding and implementation of interim energy alternatives . . . pending completion of the first reactor unit . . . In the event that this reactor project [or the interim energy alternatives are] not completed for reasons beyond the control of the DPRK, I will use the full powers of my office to provide, to the extent necessary, such a project [and interim energy alternatives] from the U.S., subject to the approval of the U.S. Congress (Oberdorfer 2001: 356; Yun 1995: 269)._

President Clinton, however, had promised this latter on the condition that he would follow this course of action so long as North Korea continued to uphold the policies described in the Agreed Framework. That promise has not been kept and the U.S. blames North Korea for not having upheld the terms of the treaty.

Throughout the 1990s U.S. intelligence had believed that North Korea had produced enough plutonium for one or two nuclear bombs. However, there was no clear statement of North Korea having actually produced nuclear bombs. In fact, even until 2001 senior administration officials in the U.S. had acknowledged that North Korea had upheld its obligations under the AF (Armitage 2001). But the reporting on North Korea's nuclear weapons potential has varied greatly since the Bush administration came to power. The CIA estimates were now being interpreted to mean that North Korea actually possessed one or two or maybe even more nuclear bombs (Pollack 2003). In the light of this assumption North Korea's missile programme also took on a different meaning. Nuclear weapons with the necessary delivery system were many times deadlier than the possession of just the fissile material.
This along with the uranium enrichment programme that was unearthed by the U.S. intelligence community in the summer of 2002 gave the U.S. reason enough to assert that North Korea had not kept its side of the deal of taking steps to keep the peninsula nuclear free, which in fact it had not, and, therefore, to terminate progress on the implementation of the AF. It also gave the U.S. reason to bring about a change in its foreign policy towards North Korea, which was more in keeping with the hard stance that Bush had assumed office in. Post presidential emissary, Assistant Secretary of State for East Asian and Pacific Affairs, James Kelly’s visit to Pyongyang in October 2002 and extraction of a confession of its covert uranium enrichment programme from the North Korean Vice Minister of Foreign Affairs, Kang Sok-Ju, the U.S. government started insisting on a ‘complete and verifiable’ dismantling by North Korea of its nuclear programme. This included not only freezing of its plutonium reprocessing programme covered under the AF but also all its past programmes as well as its newly discovered fissile programme, none of which was covered under the AF.

Thus North Korea saw a precondition firstly to any further progress in the implementation of the promised LWRs and secondly to any improvement in its relations with the U.S. North Korea had demonstrated a seriousness of purpose on a number of occasions. Kim Il-Sung had made his desire for LWRs for peaceful purpose quite clear during his talks (Oberdorfer 2001: 322). Yet the U.S. made no effort to ensure its completion and delivery on time. In fact, it seemed to North Korea that it was the U.S. that had not kept to the terms of the agreement by including conditions not covered under the AF and abrogating the target date of 2003 for providing the LWRs and also by calling North Korea an ‘axis of evil’. The latter seemed as a prelude to U.S. threat of bringing down the North Korean regime. The Vice Minister Kang Sok-Ju, therefore, informed the American interlocutors of North’s intention of terminating the agreement. Thus with both sides putting forward nonnegotiable policy positions there was no way the AF was going to survive.
This is how the North Korean side perceived the outcome:

Under article 1 of the framework the U.S. is obliged to provide light water reactors to the DPRK by the year 2003 in return for the DPRK's freezing of graphite moderated reactors and their related facilities. But only site preparation for the LWR was made though 8 years have passed since the DPRK froze its nuclear facilities. This will bring the DPRK an annual loss of 1,000 mw(e) in 2003 when light water reactor no. 1 is scheduled to be completed and that of 2,000 mw(e) from the next year under article 2 of the framework the two sides are obliged to move toward full normalization of the political and economic relations. Over the last 8 years, however, the U.S. has persistently pursued the hostile policy toward the DPRK and maintained economic sanctions on it. The former has gone the length of listing the latter as part of the "axis of evil." Under article 3 of the framework the U.S. is obliged to give formal assurances to the DPRK against the threat or use of nuclear weapons by the U.S. however, the U.S. listed the DPRK as a target of its preemptive nuclear attack. Under article 4 of the framework and paragraph g of its confidential minute the DPRK is to allow nuclear inspections only after the "delivery of essential non-nuclear components for the first LWR unit, including turbines and generators" is completed. But, the U.S. has already come out with a unilateral demand for nuclear inspection in a bid to convince the international community of the DPRK's violation of the framework. This compelled the DPRK to make public the confidential minute for the first time. The U.S. has, in the final analysis, observed none of the four articles of the framework. It is only the U.S. that can know whether it had willingness to implement the framework when it was adopted or put a signature to it without sincerity, calculating that the DPRK would collapse sooner or later" (KCNA, 2002).

Conclusion:
After nearly a decade of high-level negotiations the AF has collapsed and the situation has come right back to being what it had been at the beginning of the 90s when there was a near war like crisis on the peninsula. The difference being that in the 90s the estimate was that North Korea might be in possession of plutonium for 1 or 2 bombs, but by early 2003 it was a certainty that North Korea not only possessed nuclear weapons, it was also enriching uranium as an alternative source for more of these. In fact, by not sticking to its commitment under the AF on the
premise that North Korea was not sticking to its part of the deal, the U.S. had created a situation whereby North Korea went on to openly and defiantly generate and reprocess its plutonium, unconstrained by international inspectors, resulting in its possession of much larger number of nuclear bombs, now than before. It now had two sources for generating fissile material.

Way back in 1993 North Korea had only threatened to walk out of the NPT and then held it in abeyance. But in 2003 it actually walked out of it and even claimed that it had a sovereign right to develop nuclear weapons and more powerful things as well (Sanger 2002). Work on the two nuclear reactors, a 50 MW one and a 200 MW one that had been frozen after the deal have now resumed. According to the estimate of experts, “It will take at least two years to complete the first, longer to complete the second. Were they up and running, the three reactors could generate 30 bombs’ worth of plutonium a year” (Sigal 2003). To the U.S. which is worried about the number of bombs that a country possesses this should be a major cause for concern. In fact in its endeavour to push forward its global nonproliferation concerns the U.S. has created a situation that has had a completely opposite effect.

Given that by virtue of being a closed, militant and totalitarian regime, North Korea has, as argued by Seongwhun Cheon, (2001: 158-160) some inherent elements that make it refuse to accept greater openness or transparency of its policies and behaviour. Nor are they constrained as is a democratic and pluralistic country like the U.S., that have powerful internal mechanisms that keep misbehaviour by the government, which may include treaty violation, in check. But the AF remains an example of how some of those checks and balances mechanisms can be skirted or short-circuited by liberal democracies, though to its own peril. Granted, that there remain fundamental differences in attitudes of both the U.S. and North Korea towards transparency and verification; and granted that this may give North Korea quite a bit of bargaining leverage during negotiations and implementation of treaties and agreements. Nevertheless, if sufficient thought had gone into the framing of the AF a number of issues that cropped up later leading to delays and eventual nullification of the AF could have been avoided.