Opening Statement Senator Richard Lugar North Korea Hearing March 2, 2004

Today the Foreign Relations Committee again turns its attention towards North Korea. We are pleased to welcome Assistant Secretary of State James Kelly. We look forward to his timely update on the Six-Party Talks in Beijing, from which he has recently returned.

The North Korean regime's drive to build nuclear weapons and other weapons of mass destruction poses a grave threat to American national security. All of us remain concerned about the potential for miscalculation that could lead to a deadly incident or broader conflict. We also are concerned about the transfer of North Korean weapons, materials, and technology to other nations or terrorist groups.

The Administration and our allies understand the importance of the Six-Party Talks for regional stability and global security. The United States has consulted closely with other countries in the region in an effort to make these talks productive. The goal of U.S. policy must be to stop and ultimately dismantle the North Korean nuclear weapons program. To achieve this objective, we cannot rule out any options.

Even as we attempt to achieve our objectives through the Six-Party Talks, the United States must continue to refine its analysis and options related to North Korea. Previously, I outlined four factors that we should keep in mind as this analysis occurs. First, the central interest of the North Korean regime is its own survival. Second, given their lack of friends and their dysfunctional economy, North Korean leaders increasingly perceive that their backs are to the wall. Third, recent events, including the ousters of Saddam Hussein and the Taliban, and even the voluntary opening of Libya's nuclear program, have pressurized the geopolitical environment for the North Korean leaders, who may believe they face the threat of United States military action. Fourth, although there is still ambiguity surrounding the precise configuration of North Korea's nuclear program, the North Korean regime sees this program as the primary means through which it can protect and perpetuate itself. It will not give up its nuclear ambitions easily. These realities combine to create a dangerous situation that requires focused attention by the United States and our allies.

Any satisfactory agreement with the North Koreans on permanently ending their nuclear program must ensure absolute verification. There is no method that achieves a higher degree of verifiability than U.S. sponsorship and implementation of the dismantlement operations. The Pentagon has built a record of success in such operations through the Nunn-Lugar Cooperative Threat Reducation program in the former Soviet Union. Congress recently authorized the Administration to use \$50 million in Nunn-Lugar funds outside the former Soviet Union for non-proliferation operations, such as those that may present themselves in North Korea. As talks continue, we must begin to think about how a negotiated settlement to the North Korea nuclear question could be effectively implemented.

In addition to our examination of security issues, this hearing also will consider North Korean economic and human rights issues. The regime keeps its grip on power by repressing all political dissent with a vast gulag system of cruel prisons and labor camps. This Committee has devoted considerable time and energy to oversight of policies related to the conditions within North Korea, and we will continue to do so today.

After Secretary Kelly has testified, we will hear from a second panel of expert witnesses. Terence Taylor is President and Executive Director of the U.S. Office of the International Institute for Strategic Studies. Mr. Taylor will provide his perspective on nuclear issues, including an appropriate verification model related to North Korea's nuclear program. Dr. Victor Cha is associate professor of government at the School of Foreign Service of Georgetown University. He will share his perspective on North Korea's economic situation. Mr. Tom Malinowski is Advocacy Director of Human Rights Watch. He will testify regarding human rights conditions in North Korea.

We welcome all our witnesses and look forward to their insights and analysis.