

Clinton forms Korean energy group in historic treaty

by Kathy Wolfe

Washington and Pyongyang have reached agreement on the text for a treaty on the nuclear redevelopment of North Korea, President Bill Clinton's chief negotiator Assistant Secretary of State Robert Gallucci told a Geneva press conference on Oct. 17. "This agreement is good for the United States, good for our allies, and good for the safety of the entire world," President Clinton told a White House press conference on Oct. 18, announcing he had approved the draft and instructed Gallucci to sign the treaty in Geneva on Oct. 21.

The United States is already forming an international consortium, the Korean Energy Development Organization (KEDO), to supply two light water reactors costing \$4 billion to Pyongyang, Ambassador Gallucci told the National Press Club on Oct. 19 during a stop in Washington. KEDO includes South Korea, Japan, China, Russia, Germany, and the United States, many of whom will contribute their technology.

"These reactors will be largely financed and constructed by the Republic of Korea, with help from Japan," using long-term, low-interest loans, Gallucci said. "I expect the Republic of Korea to bear the lion's share of the financial burden," he said, noting that the reactors will be South Korea's own model, a key demand of Washington's Seoul allies.

"He's been out of town," State Department spokesman Mike McCurry joked on Oct. 19, dismissing carping by Bushleague Sen. Robert Dole (R-Kan.) that the deal would cost U.S. taxpayers billions.

North Korea's fear of immediate draconian "special inspections" by the nuclear cops of the British-run U.N. International Atomic Energy Agency (IAEA) have held the negotiations on edge since an initial August Washington-Pyongyang accord. In retaliation, Pyongyang had been balking at opening up its dilapidated economy and closed society to the South, by accepting Seoul's advanced reactors, technicians, and enhanced contacts.

In exchange for agreeing to embrace the South, Pyongyang won the promise that significant economic cooperation will begin before expanded IAEA operations. "It's a crucial step toward drawing North Korea into the global community," Clinton said. "The United States and North Korea have also agreed to ease trade restrictions and to move toward establishing liaison offices in each other's capitals."

South Korean-North Korean summit talks will now resume, especially with the expected investiture of Kim Jong-il as full leader in Pyongyang, Ambassador Gallucci told the National Press Club. "The agreement in a separate paragraph specifically provides for the D.P.R.K. (North Korea) to proceed with the South to resume North-South dialogue," he said.

World hails accord

"This is good news," a senior Korean-American who has recently traveled to North Korea said on Oct. 19. "I hope this will progress to peaceful and friendly relations between the U.S. and North Korea. The U.S. is trying to help North Korea renew its nuclear program as a big brother helping his little brother. I am so happy about it. I only wish now for peaceful relations between the U.S., North Korea, and South Korea.

"North Korea and South Korea should now sit down together in a roundtable discussion to solve their problems," he said. "Thank you," he told the Schiller Institute, the international organization headed by Helga Zepp-LaRouche, "for helping the development of peace in Korea. Perhaps you will be very important in this."

South Korean President Kim Young-sam, in a speech in parliament on Oct. 18, warmly praised the U.S.-North Korean agreement and urged the North to resume dialogue with South Korea immediately. "A turning point has been created

for South and North Korea to seek reconciliation and cooperation," he said. Kim said his government would make efforts to achieve "epoch-making progress" in its relations with the North. "South-North dialogue should be resumed as soon as possible. We have always opened the door to dialogue," he said. "We expect North Korea's new leadership, which will be in place in the near future, to enter dialogue and cooperate with us on the road to unification and in seeking peace on the Korean peninsula and national co-prosperity."

Russia and Japan warmly welcomed the accord. "We greet any progress which could help solve the problem," Russian Foreign Ministry spokesman Mikhail Demurin said Oct. 18. "We are ready to help. Moscow is happy to help, perhaps by providing reactors to North Korea."

Japan "must extend appropriate cooperation," Kozo Igarashi, chief government spokesman, told a Tokyo news conference on Oct. 19. Foreign Minister Yohei Kono said the agreement also "reduced a major obstacle" to new normalization talks between Tokyo and Pyongyang.

South Korean President Kim said of particular importance was North Korea's agreement to let the South supply the reactors. This will involve trips by South Korean experts and shipments of raw materials to North Korea, which officials said would naturally lead to economic cooperation and other exchanges. Despite attempts by the *New York Times* and other establishment media to portray the South Korean President as hostile to President Clinton and to the accord, Kim went on CNN on Oct. 11 to stress that his good relationship with Clinton and America is the centerpiece of South Korean diplomacy.

"From the start of the negotiations, we have consulted closely with South Korea, with Japan, and with other interested parties," Clinton stressed at the White House on Oct. 18. "We will continue to work closely with our allies and with the Congress as our relationship with North Korea develops."

U.N. inspections 'not urgent'

Ambassador Gallucci, despite the badgering of media morons as to whether North Korea is about to blow up the world, made perfectly clear that there is no problem with having Pyongyang put off IAEA "special inspections" until construction of the new reactors, and thus full normalization of relations, has begun. "One of the things that wasn't urgent in a technical sense, was the conduct of the special inspections," he told the Press Club on Oct. 19. "We're talking about inspecting two radioactive waste sites. These sites aren't going anywhere, and the half-life of their radio-nuclides are in thousands of years, and so we're not too worried about that situation changing technically."

The bulk of Ambassador Gallucci's press conference was an exhaustive list of all the plutonium-based reactors and reprocessing activities which North Korea has agreed to shut down, including an agreement by Pyongyang to ship the plutonium fuel rods now in its cooling pond out of the country soon. While *EIR* does not agree that sovereign nations should

be dictated to regarding their energy programs, the lengths to which the administration has gotten North Korea to go on "non-proliferation" should quiet honest critics.

KEDO within three months will also begin supplying North Korea with heavy oil, Gallucci added, to make up for the shut nuclear plants. The United States will begin oil shipments, and then the other KEDO countries will phase in, shipping enough oil to supply 250 megawatts of electricity. This will continue until the new reactors come on line, for five years or more if necessary. State Department spokesman McCurry pointed out that the agreement meets a "critical energy shortage in the D.P.R.K. that has had some impact on their economic infrastructure" in the winter months ahead.

The IAEA nuclear police for their part were the only ones unhappy with agreement (other than London, which remained silent). "As and when we get the text, we will carefully study it, and we will require guidance from our board of governors and the [U.N.] Security Council regarding its content," spokesman David Kyd said. "Prior to that we will not be making any comments." He said the IAEA Board of Governors would hold a special meeting soon to consider the agreement.

Pyongyang situation stabilizing

"We are quite confident that normalization of bilateral relations will certainly make a significant contribution to greater peace and security in Asia and the rest of the world," North Korean Vice Minister Kang Sok-ju told reporters in Geneva on Oct. 18, praising the accord.

Kim Jong-il, heir to longtime North Korean President Kim Il-sung, is expected to be formally invested with the full powers of his father in North Korea on or about Oct. 25, a reliable diplomatic source told *EIR* on Oct. 19. Kim Jong-il made his first public appearance in three months on Oct. 16 at a mass memorial service on the final 100th day of mourning for his father, flanked by Defense Minister O Jin-u and Premier Kang Song-san, number two and three in North Korea's hierarchy, and other leaders.

Some demands by North Korea which stalled the Geneva negotiations, demands now dropped, the source said, may have been made to time the accord with Kim's investiture, which could not occur during the mourning.

One expert said the accord is a sign that Kim Jong-il has stepped into the shoes of his father. "Threats of war seem remote and a basic frame has been set for dialogue," said Cha Young-koo, senior fellow at the Korea Institute for Defense Analysis. "I think the Geneva accord would help strengthen Kim Jong-il's position in North Korea as this signals the inflow of badly needed foreign funds."

The United States and South Korea are likely to cancel joint war games this year to ease tensions on the Korean Peninsula, a Seoul Defense Ministry spokesman said on Oct. 18. The exercises, which normally involve tens of thousands of U.S. and South Korean troops, are viewed by North Korea as a rehearsal for invasion.