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# **Policy Forum 02-06A: The Kelly Process, Kim Jong Il's Grand Strategy, and the Dawn of a Post-Agreed Framework Era on the Korean Peninsula**



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## **Recommended Citation**

"Policy Forum 02-06A: The Kelly Process, Kim Jong Il's Grand Strategy, and the Dawn of a Post-Agreed Framework Era on the Korean Peninsula", NAPSNet Policy Forum, October 22, 2002, <https://nautilus.org/napsnet/napsnet-policy-forum/nautilus-institute-policy-forum-online-the-kelly-process-kim-jong-ils-grand-strategy-and-the-dawn-of-a-post-agreed-framework-era-on-the-korean-peninsula/>

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PFO 02-06A: October 22, 2002

## **The Kelly Process, Kim Jong Il's Grand Strategy, and the Dawn of a Post-Agreed Framework Era on the Korean Peninsula**

By Alexandre Y. Mansourov

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#### **I. Introduction**

This essay highlights the major parameters of the Kelly process and discusses the possible outlines of Kim Jong Il's grand strategy vis-à-vis the United States. It argues that the North Korean leadership used the "Kelly moment" to send a dual message of nuclear deterrence and cooperative engagement to the Bush administration. The author believes that whereas in the short run, the ongoing "chicken hawk engagement" between Pyongyang and Washington is likely to bring to an end the agreed framework era on the Korean peninsula, in the long term, it is likely to lead to a quiet burst of the DPRK's "nuclear bubble" and eventual "friendly co-optation" of the DPRK's nuclear assets by the ROK "white knight."

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#### **II. Essay by Alexandre Y. Mansourov**

"The Kelly Process, Kim Jong Il's Grand Strategy, and the Dawn of a Post-Agreed Framework Era on the Korean Peninsula"

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In May 2000, the first U.S. presidential envoy brought an olive branch of détente to North Korea, whereas, in October 2002, the second U.S. special envoy delivered Washington's ultimatum to Pyongyang. US Special Envoy William Perry legitimized the North Korean regime and his mission was designed to promote peaceful change in the DPRK's internal policies and external behavior through comprehensive engagement. In contrast, US Special Envoy James Kelly seems bent on delegitimizing the North Korean leaders and aimed at compelling the disarmament and elimination of the "evil" DPRK through the threat or use of force.

Despite the ominous signs emanating from Washington since the DPRK was branded as part of the "axis of evil," last May, Pyongyang looked forward to Kelly's visit as an opportunity for a new beginning in its long-strained relationship with the United States. On the eve of the visit, the North Korean press noted "the DPRK leader Kim Jong Il asked Prime Minister Koizumi to convey his message to President George W. Bush that Pyongyang wanted to resume dialogue with Washington to improve chilly bilateral ties." During his general policy speech before the Diet on October 18, 2002, Koizumi confirmed that during his summit with Kim Jong Il he perceived the latter as being "eager to seek a comprehensive advancement in resolving security and other issues, including

missiles and the problem of nuclear development." The DPRK newspapers openly argued at the end of September that the success of the Kim-Koizumi summit was intended "to encourage those in the Bush team who advocate a negotiated solution with Pyongyang while containing a group of hawks and warmongers." Finally, less than a week before Kelly's arrival on September 28, 2002, Tokyo-based "The People's Korea," the official mouthpiece of the DPRK government in Japan, announced "indications are that Pyongyang is ready to amaze Washington and the world too, in the near future, as the DPRK's top leader did in June 2000 and September 2002, in order to put an ultimate end to the only remaining Cold War structure in Northeast Asia." Clearly, Kim was ready to negotiate some kind of a grand compromise with the Bush administration.

However, what James Kelly and his entourage told their North Korean counterparts, led by the middle-level DPRK MOFA official, Deputy Foreign Minister Kim Gye-gwang, on October 3, 2002, confirmed the worst fears about United States intentions espoused by Pyongyang leaders. Kelly reportedly demanded that "the North dramatically alter its behavior across a range of issues, including its WMD programs, development and export of ballistic missiles, threats to its neighbors, support for terrorism, and the deplorable treatment of the North Korean people." Otherwise, the North would have to face the dire consequences from the international community in the post-September 11 environment. Kelly's "belligerent" presentation was interpreted as a barely veiled threat of force. No wonder the DPRK government labeled Kelly's "inspector-like" demeanor as "extremely high-handed and arrogant" and declared that "the DPRK has no idea of having dialogue with those who are keen to disarm it and destroy the Korean-style socialist system centered on the popular masses."

The U.S. official version of the Kelly visit is that North Korean officials, despite initial denials, admitted the existence of a clandestine nuclear program when confronted with specific evidence of the DPRK's alleged "material breach of the agreed framework." Finally, the long-held U.S. suspicions of the DPRK's flagrant violation of its own international promises were confirmed by Pyongyang itself. "Gotcha!"

Nonetheless, the over-arching question is: "What was the North Korean motivation for making such a startling revelation?" Despite Kang Suk-ju's emotional outburst on the second day of the talks when he reportedly told Mr. Kelly "...of course, we have a nuclear program and more...", one should not view it as an emotional outburst or accidental slip of a tongue by a senior North Korean diplomat. Nor should it be interpreted as yet another example of "confessional diplomacy," (i.e. a sincere confession or admission of guilt on the part of the North Korea when presented with irrefutable evidence of culpability in hopes of a reward of promised hard cash.) This sort of "rapprochement by confession" seems to be reserved for the Dear Leader alone in the course of his personal charm offensives and summit diplomacy - and only when his own image and credibility are not at stake.

Kang Suk-ju's response was not meant to be any sort of confession or admission of culpability. On the surface, it may appear as if Pyongyang decided to use "the Kelly moment" to demonstrate to the world that Kim Jong Il represented a new type of reformed political leadership in North Korea. One that does not want to have anything to do with international terrorism and secret cynical violations of international agreements, by "coming out clean" on its past nuclear record along the lines of its previous apologies for naval clashes to the ROK and for abductions and spy boats to Japan.

The reality, however, is more complicated. The DPRK has been pursuing a clandestine alternative nuclear R&D program as a hedge against possible collapse of the agreed framework since as early as the late 1990s. "The Kelly moment" offered Kim Jong Il a unique opportunity to resolve his growing dilemma of what to do with the Pakcheon program in the long run. He could either declare it in the open and fully develop it, despite the high risk of tighter international isolation and possible

military action. Alternatively, he could opt to finally trade off his irrevocable abandonment of the nuclear option for unconditional removal of the U.S. nuclear threat and final normalization of bilateral relations with the sole reigning superpower and the concomitant improvement in relations with the ROK, Japan, Europe, and IFIs. Hence, Kang's remarks were foremost meant to serve the dual purpose of deterrence and engagement. On the one hand, Kim Jong Il responded to what he apparently perceived as Kelly's threats with a disguised nuclear threat of his own. On the other hand, he extended an offer of comprehensive engagement, if the United States could demonstrate a sincere attitude toward the recognition of the DPRK's national security interests and a clear-cut interest in the normalization of the U.S.-DPRK bilateral relations.

Following the U.S. revelations about Kelly's trip, on October 15, 2002, the official North Korean media stated that "the special envoy's visit to Pyongyang confirmed the fact that the U.S. administration continues to pursue a hardline and hostile policy aimed at bringing the DPRK to its knees by force and high-handed practice instead of working for the DPRK-U.S. dialogue." Obviously, Kang Suk-ju was responding not to a specific U.S. accusation of the DPRK's violation of the agreed framework. Rather it was a pent-up emotional response to President Bush's "hardline and hostile policy" as a whole. Kim Jong Il responded to the perceived U.S. threats with a threat of his own. It was not an instance of irrational brinkmanship. It was a case of premeditated coercive diplomacy

In his earlier conversations with Prime Minister Koizumi, Kim Jong Il indicated strongly that he was committed to nuclear deterrence. He reportedly stated "one never knows who is more superior unless an actual nuclear war breaks out." When Koizumi allegedly pressed on by pointing out to an overwhelming superiority in nuclear capabilities enjoyed by the United States, Kim Jong Il reportedly replied, "that is something no one could be absolutely sure." Whether it amounts to a confession of his true state of mind or well-calculated blackmail, Kim's message is clear: do not mess with me, or I am prepared to use all means at my disposal, including WMD.

It is easier to understand now why in his talks with Mr. Kelly, First Vice Foreign Minister Kang Sok-ju, too, having cited a laundry list of the alleged U.S. violations of the agreed framework and perceived hostile actions against his country, including the Bush administration's numerous threats against the "axis of evil" member-states, reportedly said that the North would not mind a war with the United States with additional involvement of Japan and South Korea. He was probably ordered to communicate to the U.S. side the determination of the North Korean leadership to fight to the end to preserve its power and to ensure the national survival of the DPRK, despite the "hostile pressure" of the U.S.

In one big swing, Kim Jong Il raised dramatically the stakes if nuclear bargaining with the United States. Against the background of continued delays in the construction of two LWRs in Sinpo, irregular HFO shipments, and lack of political will in Washington to ever deliver key nuclear reactor components to a communist Korea, he probably determined that the KEDO-led project was going nowhere. Moreover, from his point of view, not only did Washington fail to live up to its broader commitments under the Geneva Agreed framework, including the removal of the economic embargo and full normalization of inter-state relations, but the United States was also getting increasingly aggressive in its push for the DPRK to come into full compliance with the IAEA safeguards ahead of the mutually conceived schedule. Frustrations mounted in Pyongyang, where many senior officials allegedly believed that the Agreed Framework was already dead anyway. Consequently, Kang Sok-ju, the North Korean official who signed the Agreed Framework in Geneva on October 21, 1994, pronounced it "nullified" eight years later, almost to the date.

North Korean nuclear threats and declared nullification of the agreed framework were heard loud and clear in the international community. When a country publicly admits it has "a nuclear program and more..." and implies that it will not be deterred by its existing international obligations in its

escalating fight for survival, its declaration of strategic intentions must be taken seriously, like it was in 1993-1994. If Kim Jong Il wanted to stress the credibility of his commitment to the pursuit of nuclear deterrent capabilities and leverage his negotiating position vis-à-vis Washington on the upside, he could not but achieve his goal.

But, as I mentioned above, this is not the full story. Now we know that the North Korean delegation, alongside nuclear threats, reportedly presented the Kelly delegation with a grand compromise proposal. Kang Sok-ju, the man who had negotiated the grand Geneva compromise back in 1994, is said to have called for a comprehensive resolution of all the DPRK's grievances and "matters of concern" for the United States, including suspected North Korean nuclear development using enriched uranium. Pyongyang apparently presented Washington with a stark choice - either to pursue a genuine détente through sincere dialogue and negotiations with the ultimate goal of reaching an Agreed Framework Two, so to speak, with an improved verification regime and an accelerated implementation schedule. Alternatively, the United States will have to live with or confront a nuclear North Korea in the volatile region of Northeast Asia, where the U.S. power and interests are constrained and impacted by the power and interests of two other nuclear giants - China and Russia, as well as those of two nuclear threshold states, i.e., Japan and the ROK.

Kim Jong Il chose to reveal one of his winning cards, previously tightly held, not only to deter the main adversary, but also to entice the latter into meaningful and credible negotiations over the entire spectrum of bilateral relations. He surely knows how to startle his opponents. And he appears to be much more pragmatic than his ideological foes believe he ever could be. Fox, hedgehog, and porcupine in one person, Kim Jong Il, wants to play hardball in the big league. After self-admitting himself into the exclusive nuclear club, he wraps up a message of nuclear deterrence into the clothes of "confessional diplomacy," brazenly scratches the itching Achilles' heel of the Saddam-obsessed Bush White House, and openly offers an olive branch of détente to the global cop on the beat in order to secure an early exit ticket from the "axis of evil."

Whatever the North Korean motives were, through his landmark brinkmanship, Kim Jong Il has once again raised the stakes in nuclear bargaining to an unprecedented height, forced the neutral audience in the neighboring countries in Northeast Asia to choose sides, and all but dared the United States to walk away from the negotiation table. By forcefully stressing that his government will not disarm unilaterally without reciprocal threat reduction and strategic cooperation on the part of the United States, he has all but dared Washington to come down to Pyongyang and take his arms away through either negotiation or force. It is "hawk engagement reversed."

The bottom line is that the Kelly process is increasingly degenerating into a game of chicken. Neither side is suicidal, but each side wants to prevail in what appears to be a zero-sum game. Both Pyongyang and Washington escalate their rhetoric, trying to demonstrate how seriously committed they are to their respective values, assets, and courses of action. Both sides attempt to decommit the opposite side from its respective positions through "irrational" moves and escalation of threats. The crisis atmosphere is worsening, but neither side is willing to quit the contest. One can almost hear some people call the Kelly process as "chicken hawk engagement."

What is likely to happen next? Will the U.S. play ball or opt to preempt North Korea's full-scale nuclearization? If Washington decides to settle the outstanding issues through dialogue in a revamped agreed framework, can Pyongyang be trusted again after so many years of alleged deceit and clandestine violations of its obligations under the agreed framework, including its secret work on a prohibited uranium enrichment program? The answer is no, at least not in the medium term. Alternatively, if Washington opts for an Iraq-esque medicine to its Pyongyang headache, after all both countries are labeled as part of the same notorious "axis of evil," what will be the price of the U.S. victory in an open-ended conflict in Korea and will it be geo-politically prudent and politically

tolerable to accept such a risk? The answer is very high, imprudent but tolerable.

However, let me offer a speculation as to a possible third way of this crisis resolution beyond these two extremes. I would call it passive disengagement. Let me submit that there will be no near nuclear crisis on the Korean peninsula and 1994 déjà-vu. The "big bang" will never materialize (like it never did, following the U.S. unilateral withdrawal from the ABM treaty). On the one hand, Washington is likely to walk away from the Agreed Framework (either gradually dismantling it component by component, for instance, by suspending the HFO deliveries first, then evacuating the KEDO personnel and freezing the Sinpo site, and so on, or through a one-time unilateral declaration), thus relieving itself of its obligations, which were increasingly difficult to fulfill anyway amidst growing skepticism at the White House and congressional criticisms. On the other hand, North Korea may well decide to unilaterally abide by its agreed framework obligations as pertinent to the Yongbyun facilities, in order to avoid further deterioration in its rapidly improving relations with the ROK and Japan. The U.S.-led "maximum international pressure" on the North is likely to subside over time (as it happened with Pakistan and India in 1998 after they declared their nuclear credentials and saw the international sanctions hastily imposed and then gradually lifted). And if all the rumors about drastic internal change in North Korea are well-founded and Kim Jong Il turns out to be a Gorbachev-like leader who sincerely wants to reform his country and does not believe in the use of force, then, as his reforms progress, he will be stuck with the "uncut crown jewels," increasingly expensive to develop, but which, in reality, will prove to be some second-hand bijouterie. Hence, the Dear Leader may well find it very hard even to auction them off at a backyard sale for the lack of seriously interested buyers, other than the ROK, the country seemingly willing to pay hard cold cash for his co-optation and unilateral disarmament. Ultimately, the North Korean second "nuclear bubble" is doomed to burst. We know what happened with the Soviet nuclear deterrent after fifteen years of the Soviet and Russian internal reforms. The Pyongyang mouse would never roar. Chicken hawks will not have to come home to roost. Kelly will become Perry as passive facilitator of change in North Korea.

### **III. Nautilus Invites Your Responses**

The Northeast Asia Peace and Security Network invites your responses to this essay. Please send responses to: [napsnet-reply@nautilus.org](mailto:napsnet-reply@nautilus.org) . Responses will be considered for redistribution to the network only if they include the author's name, affiliation, and explicit consent.

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