

Testimony before the House Foreign Affairs Committee

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Special Representative for North Korea Policy and

Deputy Assistant Secretary of State Sung Y. Kim

Mr. Chairman, Ranking Member Engel, and Members of the Committee, thank you for inviting me today, along with my colleagues from Treasury and DHS, to testify about North Korea. I particularly appreciate your convening this hearing early as the new Congress begins its work. North Korea is one of the most difficult and complicated challenges the United States faces. As we respond to its destabilizing, provocative, and repressive policies and actions around the world, we appreciate the interest and attention you and the Committee have given to this issue.

DPRK Behavior

In recent weeks, Mr. Chairman, the American people and international community have been deeply troubled by the destructive and coercive cyber attack on Sony Pictures Entertainment, and the subsequent threats of violence against American movie theaters and moviegoers. An extensive FBI investigation has concluded that

this attack was conducted by the government of the Democratic People's Republic of Korea. The Administration is totally committed to defending U.S. citizens, U.S. businesses, and our nation's constitutionally protected right of free speech. That is why the President made clear that the United States would respond proportionally to the DPRK's attack on Sony Pictures, in a time and a manner of our choosing.

Our response includes, as a first step, the Executive Order the President signed on January 2, which authorizes additional sanctions on designated agencies and officials of the DPRK government and Korean Worker's Party. My colleagues and I want to talk more about these specific measures, but I also want to make clear that our response to the attack on Sony is consistent with our policy on the DPRK across the board – one which seeks to work with our allies and partners to increase the cost to North Korea of its irresponsible behavior, to sharpen the regime's choices, and to persuade the DPRK peacefully to abandon its illicit nuclear weapons programs, respect the human rights of its people, and abide by international norms and obligations.

Sadly, the cyber attack on Sony is nothing new for the DPRK. Its destructive, destabilizing, and repressive policies range from its ongoing violations of the UN Security Council resolutions covering its nuclear and missile programs, to its

deplorable human rights conditions which the United Nations has strongly condemned. In the months before the Sony attack, the DPRK launched a series of ballistic missiles in violation of multiple UN Security Council resolutions; its Ocean Maritime Management Shipping Company was sanctioned by the Security Council for its illicit proliferation of weapons around the world; and it threatened a fourth nuclear test in response to a UN General Assembly resolution which condemned the gross, widespread, and systematic human rights abuses meticulously documented in a report by a UN Commission of Inquiry.

Together with the international community, we are using the full range of tools at our disposal to make clear to the DPRK that abandoning this course and abiding by international laws and obligations is the only way to end its political and economic isolation.

Diplomacy

Mr. Chairman, at the center of our efforts is our persistent, principled diplomacy with our partners in northeast Asia and around the world. The United States has offered – and continues to offer – Pyongyang an improved bilateral relationship provided it takes action to demonstrate a willingness to fulfill its denuclearization

commitments and address other important concerns which are also shared by the international community. We seek credible and authentic negotiations to bring the DPRK into compliance with its denuclearization obligations. We have made clear to the DPRK that the door is open to meaningful engagement, while applying unilateral and multilateral pressure to steer it toward that door. Unfortunately, while North Korea claims to seek talks without preconditions, it has consistently rebuffed or ignored our offers for dialogue and instead responded with a series of provocations – from last summer’s ballistic missile launches to November’s attack on Sony. We know we must judge the DPRK by its actions, not its words. We remain open to engagement when possible, but we will continue to apply pressure as needed.

Six-Party Diplomacy

Close coordination with North Korea’s neighbors, our partners in the Six-Party Talks – the Republic of Korea, Japan, China, and Russia – is essential. While the Six-Party Talks process has regrettably been dormant since the DPRK walked out and declared the process “dead” in 2008, our continued robust engagement with the other four parties has ensured that five-party unity has never been stronger on the common goal of the verifiable denuclearization of the Korean Peninsula. This

unity ensures that wherever Pyongyang turns, it hears a strong, unwavering message from all five parties – echoed by the wider international community – that it will not be accepted as a nuclear power, that it must live up to its international obligations, and that authentic and credible negotiations must be marked by concrete denuclearization steps. None of us insists that North Korea denuclearize *before* returning to the negotiating table. But we *all* refuse to be drawn into talks for the sake of talks. We have underscored the need for an early and demonstrable commitment from the DPRK to denuclearize. Instead, the DPRK has chosen to continue flouting the standards and obligations of the international community.

ROK and Japan

Our alliances with Japan and the Republic of Korea are a bedrock of our Six-Party diplomacy. The President and Secretary Kerry speak regularly with their counterparts in Tokyo and Seoul, and this month I will travel to Japan for trilateral talks on North Korea with my South Korean and Japanese colleagues. The visit will mark my second trip to the region since assuming my current position just two months ago. Both allies are resolute in their commitment to the goal of the denuclearization of the Korean Peninsula and an end to North Korea's illicit behavior.

Our coordination has ensured that as South Korean President Park Geun-hye seeks to test Pyongyang's professed interest in improving North-South ties and healing the wounds that have divided Korean families for 70 years, there is no daylight between Washington and Seoul on what we expect from North Korea. President Park has made clear that major improvements in inter-Korean relations can come only with denuclearization, and we hope the North will embrace her principled vision. Similarly, as Japanese Prime Minister Shinzo Abe seeks the return of innocent Japanese citizens abducted by the DPRK and held for decades, Tokyo has made clear that real progress in the bilateral relationship comes only with denuclearization. In the weeks since establishing that the attack on Sony Pictures was launched by the DPRK, we have been in constant touch with both Japan and South Korea, and both governments have condemned the attack and expressed solidarity with the United States in our response.

China

On my upcoming trip to Northeast Asia, I will also visit Beijing. China has a unique and important role to play in addressing the challenges of North Korea's nuclear program and its provocations on the world stage. We believe there is more

that China can do to bring the necessary pressure to bear so that North Korea concludes it has no choice but to denuclearize and abide by its international obligations. China has already done a great deal, and North Korea remains at the top of our bilateral agenda with China and featured prominently in the President's discussions with Xi Jinping in Beijing last November. In their meeting, both leaders affirmed that North Korea cannot succeed in pursuing both nuclear weapons and economic development. It cannot have both. In the wake of the cyber attack against Sony Pictures, China has again sent a signal to its neighbor, condemning this type of malicious behavior in cyberspace.

Russia

As our global cooperation with Moscow has been strained by Russia's aggression in Ukraine, the DPRK has sought to reduce its economic dependence on China by pursuing stronger ties with Russia, and Russia has responded positively. Moscow has forgiven some of the DPRK's debt, pursued investment in North Korea's railroad network, and even invited Kim Jong Un to visit Moscow later this year. But our alignment on the core goal of denuclearization remains as strong as ever. When senior Russian leaders have met with their North Korean counterparts, they have consistently delivered a tough message on denuclearization. As a major

stakeholder in the international nonproliferation regime, Russia will remain an important player in our diplomacy with the DPRK.

International Community

We also work actively with partners in the broader international community to reinforce to North Korea that its isolation will continue until its provocations cease. In the United Nations Security Council, we successfully led the charge to sanction the DPRK's major international shipping firm for its role in the regime's illicit arms trade. We have worked with partners from Australia to Southeast Asia to Africa to increase enforcement of UN sanctions and reduce the revenues the DPRK can funnel to its nuclear and missile programs.

In the months since a UN Commission of Inquiry documented in disturbing detail North Korea's dire human rights situation, we have worked closely with countries around the world to maintain attention on this issue. The UN Human Rights Council and General Assembly this past year adopted by overwhelming margins resolutions calling for accountability for North Korea's human rights abuses. For the first time just last month, the DPRK's grave human rights situation was taken up as a standing agenda item by the UN Security Council. This helps ensure

continued Council attention on the egregious human rights situation in the North, and it reflects the international community's concerns for the threat to international peace and security that these systematic and widespread violations represent.

Our coordination with partners in Asia and Europe helped ensure that when North Korea's foreign minister and party secretary traveled abroad on an attempted charm offensive last fall, they heard a chorus of calls for progress on human rights and denuclearization. And in recent weeks, our international partners have joined us in condemning the destructive and coercive cyber attack on Sony Pictures, in calling on the DPRK to cease such attacks, and in supporting a proportionate response.

Pressure

And, in our messages to the DPRK and to our partners around the world, we have made clear that we *will* respond to the DPRK's misbehavior. We are under no illusions about the DPRK's willingness to abandon its illicit weapons, provocations, and human rights abuses on its own. We will apply pressure both multilaterally and unilaterally to increase the costs to the DPRK of its destructive policy choices.

The New Executive Order

The Executive Order signed by the President on January 2 is an important new tool, enhancing our ability to apply pressure on Pyongyang. It responds to the attack on Sony Pictures, but also provides a framework for addressing the full range of DPRK illicit behavior going forward. In this initial tranche of sanctions issued under the Executive Order, our application of this Executive Order has been targeted. We seek to impose consequences on the wrongdoers in the DPRK regime, not on the North Korean people. We have designated the Reconnaissance General Bureau, the DPRK's elite intelligence agency known to be responsible for many of its cyber operations, as well as its major arms dealer and missile technology procurement agency, and several of its overseas arms trade representatives.

Designating these entities and individuals under this new Executive Order, in addition to their previous designations under nonproliferation-related authorities, not only highlights the DPRK's violations of international norms and laws at a moment when the world's eyes are on Pyongyang, but also – as my colleague from Treasury can discuss in greater detail – gives us the ability in the future to designate those who provide material support to these designees. This Executive

Order is one aspect of our response to the cyber attack on Sony Pictures. My colleague from the Department of Homeland Security can elaborate on the measures the Administration is taking to shore up the cyber defenses for both the public and private sectors here at home.

Multilateral Cooperation on Sanctions

With this expansion of sanctions, as with our existing sanctions authorities targeting the DPRK, we seek to increase the costs of North Korea's misbehavior, reduce the revenues the DPRK is able to funnel to its illicit nuclear and ballistic missile programs, and sharpen the regime's choices.

In applying this pressure, just as in our efforts at engagement, our work with allies is critical. As I mentioned, we worked together with China, Russia, and other members of the UN Security Council to designate under UN sanctions North Korea's Ocean Maritime Management shipping company, and we regularly work together with partners like Japan, South Korea, and Australia to improve sanctions implementation. We are currently briefing our partners on the authorities provided under the President's latest Executive Order, as they continuously review their own sanctions programs. This approach – balancing the need to respond decisively to

North Korea's provocations with the need to enlist support from our allies and partners – is critical to the success of our sanctions regime. The United States has very limited economic and other ties with the DPRK, hence, our financial sanctions are always more effective when supported by and – when possible – implemented together with our partners.

Deterrence

We also work with our allies to deter DPRK aggression. Having left Seoul as ambassador just a few months ago, I can tell you that our alliance with South Korea is stronger than ever. From our day-to-day combined efforts to maintain peace and stability on the Peninsula through our Combined Forces Command, to the counter-provocation and counter-missile planning our Department of Defense and Joint Staff colleagues engage in with their South Korean counterparts, we send a strong message to North Korea that security is not to be found in nuclear weapons and military provocations.

Our growing trilateral security cooperation with South Korea and Japan also sends a powerful message of deterrence to Pyongyang. This was seen over the last year in our trilateral Search and Rescue Exercises, our July Chiefs of Defense meeting

between Chairman of the Joint Chiefs Dempsey and his counterparts in Seoul and Tokyo, the June trilateral defense ministerial meeting led by Secretary Hagel, and my own periodic discussions with my Korean and Japanese counterparts. Other measures we have taken in the region to strengthen bilateral and trilateral missile defense cooperation are also tied to our larger diplomatic strategy of building and maintaining a strong diplomatic consensus against a nuclear-armed North Korea. This past December we concluded a trilateral arrangement between the United States, the ROK, and Japan which will enable the defense authorities of our three countries to share information on the nuclear and missile threats posed by North Korea.

Conclusion

Ultimately, Mr. Chairman, our policy aims to bring the DPRK to the realization that it must take the steps necessary to end its isolation, respect the human rights of its own people, honor its past commitments, and comply with its international obligations.

North Korea is not, as they claim, developing nuclear weapons and intercontinental ballistic missiles in response to a threat from the United States or any outside

power. Rather, North Korea believes these programs will help prolong the Kim regime and obtain material and political benefits from the international community. By portraying the United States as a strategic enemy, the DPRK hopes to strengthen its narrative that the U.S. is responsible for North Korea's bad behavior and, therefore, solely responsible for mitigating it. We are not. North Korea is responsible for North Korean actions. Standing up to North Korea requires a sustained and concerted effort by all of the countries in the Six-Party process, and indeed by the entire international community.

The leadership in Pyongyang faces ever-sharper choices. Its isolation grows with every outrageous act it commits. North Korea will not achieve security, economic prosperity, and integration into the international community while pursuing nuclear weapons, trampling on international norms, abusing its own people, and using cyberspace to destroy the property of private businesses and threaten violence on Americans.

Thank you again for the opportunity to appear before you today. I am happy to answer any questions you may have.