

paid for. With passage of this legislation, costs incurred by the Defense Department in U.N. peacekeeping operations will be credited to the United States against our assessments to the United Nations. No more would the United States be, in effect, stuck with the bill twice: the first time, when the Defense Department expends resources to support a U.N. mission, and the second time when the U.N. bills us for our share of the same mission. Also, the Peace Powers Act requires that advance notice of funding sources for peacekeeping operations be identified before the U.N. Security Council votes to establish, extend, or expand U.N. peacekeeping operations. This would prevent "deficit voting" by the Clinton Administration—which has treated peacekeeping, in effect, as a sort of "international entitlement program," where we commit to an operation and only worry about paying for it afterward.

The Peace Powers Act is the start of what I hope will be a major reexamination of U.S. priorities in the national security area. In particular, the Clinton Administration, in the view of many of us, has not approached its responsibilities in this area with sufficient seriousness. For example, we have seen the way in which the Clinton Administration has completely mishandled the nuclear crisis involving North Korea. In fact, while the Clinton Administration claims that preventing the proliferation of weapons of mass destruction is a top priority, its actions, as evidenced by the October 1994 nuclear agreement with North Korea may do more to promote nuclear proliferation.

The agreed framework commits the United States to provide North Korea with immediate economic, political and security benefits in return for Pyongyang freezing its nuclear complex.

What signal does this send to other would-be proliferators? That building a nuclear weapons complex, in violation of an international accord—namely, the 1968 Nonproliferation Treaty—is the best way to get economic aid, political concessions, and national security assurances from the United States. Here is what Iraqi foreign minister Mohammed Saeed Sahhaf [sah-YEED sah-HAHF] had to say about the United States-North Korean deal: "What does North Korea get for its refusal?", [referring to international inspections of two sites suspected of holding nuclear weapons-related materials] "They get a \$4 billion light-water reactor, get a couple billion dollars in addition, plus unlimited oil deliveries. What do we get? We get nothing." [As related to the Washington Post by Rolf Ekeus [EH-kyoos], director of the U.N. Special Commission on Iraq.]

Under the agreed framework the United States will: Immediately provide North Korea with close to \$4.7 million worth of heavy oil; establish liaison offices with North Korea; begin relaxing trade restrictions; and cancel

the annual United States/South Korean military exercise "Team Spirit." And North Korea's shooting down of a United States helicopter that accidentally strayed north of the snow-obscured border-line—and then holding the surviving pilot prisoner—has not diluted this Administration's eagerness to deal with North Korea.

But even more astounding is that despite months of North Korean intransigence over allowing international nuclear inspections, the Clinton administration agreed to provide these valuable assets without ensuring international inspections. Only after about 5 years into the agreement's implementation, and close to the completion of the first of two light water reactors, is North Korea required to come into full compliance with the 1968 Non-Proliferation Treaty, which prohibits the diversion of nuclear materials from peaceful purposes to weapons use and obligates signatories to accept "safeguards" to monitor and verify compliance. And it is only at this point that the special inspections of the two nuclear waste sites will be allowed.

To give another example, I applaud the proposal of my colleague, Senator MCCONNELL, the incoming Chairman of the Subcommittee on Foreign Operations, to take a new look at our foreign aid to Russia and other states of the former Soviet Union in light of some of the things that are happening there. Senator MCCONNELL has called for cutting aid to Russia upon evidence that Moscow is directing or supporting the violation of another nation's sovereignty. In addition, I am sure my colleagues feel as I do about the disturbing television pictures we are seeing from Chechnya [chech-NYAH], and the actions of Russian forces there. While Chechnya is legally part of Russia and not a neighboring country, I am concerned what these actions may indicate about the direction of the Russian Government and its commitment to democratic reform.

So, as I have said, Mr. President, there are many issues for us to take a look at in the 104th Congress. The Peace Powers Act is an excellent beginning. I hope it will rapidly be enacted.●

UNITED STATES-NORTH KOREAN AGREED FRAMEWORK: WHAT IT MEANS FOR US; WHAT IT MEANS FOR SEOUL

● Mr. SIMON. Mr. President, last month my colleague Senator MURKOWSKI and I made a factfinding trip to several Asian countries, including North and South Korea. In both Pyongyang and Seoul we naturally focused much of our attention on the Agreed Framework recently concluded between the United States and North Korea. According to that document, North Korea is to dismantle its nuclear weapons production capability in exchange for assistance—primarily from South Korea and Japan—in reconfiguring its energy sector.

I know that some in this chamber have serious misgivings about our deal with North Korea. I understand that; given Pyongyang's record, it would be a mistake to treat that government's "commitments" with anything less than a very healthy skepticism. But I believe that the more one looks at the Agreed Framework with North Korea the more one sees that the agreement does not depend on trusting Pyongyang. Rather, the United States has crafted an agreement that gives us and our partners, South Korea and Japan, new levers over North Korea. If the North Koreans don't live up to their commitments, they lose out, and we're the ones who decide if those obligations are being met.

When I was in Seoul our talented and hard-working Ambassador there, James T. Laney, gave me a memo that spells out very cogently just how much we and the South Koreans stand to gain from the Agreed Framework with North Korea. The memo does have a shortcoming: like many documents produced within the U.S. Government, it is full of acronyms. Let me spell some of those out. The DPRK is the Democratic People's Republic of Korea—North Korea—and the ROK is the Republic of Korea—South Korea. The ROKG is the Republic of Korea Government. An LWR is a Light Water Reactor, the NPT is the Nuclear Nonproliferation Treaty, and the IAEA is the International Atomic Energy Agency.

Ambassador Laney also gave me a very interesting statement describing the evolving South Korean reaction to the Agreed Framework. No country looks more warily at North Korea than South Korea does. So it's worth noting that, as details about the agreement became known, the Seoul stock market went up more than 20 percent. That's not the reaction of a business community that thinks its country has been left more vulnerable.

I respectfully request that Ambassador Laney's memo, "What the U.S.-DPRK Agreed Framework Means for Korea," and his statement, "Seoul's Second Thoughts," be inserted into the RECORD.

The material follows:

WHAT THE U.S.-DPRK AGREED FRAMEWORK MEANS FOR KOREA

South Koreans are nobody's fools when it comes to trusting North Korea. They don't. They are watching like hawks for the first sign of DPRK backsliding or nonperformance regarding the Geneva Agreed Framework. We drew heavily on the ROK's experience and advice to design a Framework that avoids the mistakes of past agreements with the DPRK. The Framework was designed to compel the DPRK to take measurable steps in compliance before getting significant benefits.

Determined not to be cut out of the game, the South Koreans are trying to promote inter-Korean dialogue. Equally determined to hobble ROK influence (and perhaps unwilling to talk before the succession is completed in Pyongyang), the North Koreans are

resisting. The recent ROKG initiative to unfreeze private commercial projects in the North was a clever first step which, in tandem with pressure from the U.S., may move Pyongyang back towards substantive dialogue with Seoul. Inter-Korean dialogue is essential because many of Korea's problems can only be solved by the Koreans and because the absence of dialogue generates ROK public fears about progress in U.S.-DPRK relations.

ORIGIN OF THE U.S. "CONCESSIONS"

LWR's: When North Korea floated the idea of converting from gas-graphite (GGMR) to the light water system (LWR), U.S. arms-control experts were intrigued. However, we declined its request that we supply LWR's because the DPRK could not pay for them. In mid-1994, the Kim Young-Sam administration indicated that it wished to provide an LWR to the DPRK as an investment in Korea, by Korea, and as an important inducement to the North to settle the nuclear issue on our terms. The LWR ultimately became the centerpiece of the settlement.

We refused to allow the offer of an LWR project to serve as a reward for North Korea belatedly complying with the NPT. Only on the condition that the DPRK would obtain a clean bill of health from the IAEA before getting any significant components did we use the ROK offer to induce the DPRK to go beyond the requirements of the Treaty and give up its entire graphite-based nuclear program permanently. The South's unique willingness to sponsor a LWR project denies this proposal any precedential value, and North Korea's unenviable position in the world makes it an unlikely role model for would be proliferators.

Heavy Oil: The second "trade-off" was designed to bring the DPRK even further beyond its NPT obligations—to freeze its nuclear program immediately and to dismantle it before the LWR project was even finished. We persuaded the DPRK to stop building and operating nuclear facilities (as was its right under the NPT) and instead take heavy oil (which the North cannot refine into gasoline) for generating substitute electricity. The DPRK renounced all nuclear activity, civilian or military, until the LWR project is completed in the next decade, to be verified by IAEA monitoring.

SOUTH KOREAN PERSPECTIVE

War against Non-Proliferation: The U.S. and ROK shared the goal of ending the North Korean nuclear threat and agreed on strategy for accomplishing that. South Korea's overriding concern in dealing with the DPRK nuclear threat was to avoid turning the Korean peninsula into a battlefield. The conventional military threat—unabated despite the Geneva Framework—was a more immediate danger than the nuclear threat in the eyes of many Koreans. During negotiations, we systematically but quietly upgraded our deterrent posture and today the U.S. is in the strongest position militarily that it has ever been with regard to the DPRK. Further South Korean objectives were that a settlement also promote inter-Korean relations by engaging North and South in a joint project that will bring about—indeed compel—cooperation (while rendering the North increasingly dependent on the South); give the North nothing of possible detriment to the U.S. security presence or the U.S.-ROK alliance (such as the bilateral Peace Treaty that the DPRK had sought as a first step towards withdrawal of U.S. forces) and avoid giving the DPRK a legally-binding inter-Governmental agreement (but instead describe the unilateral steps the U.S. would take in response to DPRK fulfillments of its commitments). The ROK got what it wanted.

WHAT SOUTH KOREANS DON'T LIKE ABOUT THE SETTLEMENT

Zero-Sum Approach: A large and influential minority of Koreans who fled south during the war has traditionally dictated a "zero-sum" approach to North Korea. During U.S.-DPRK talks there was discomfort at having the ROK's ally engaged in dialogue with its adversary "over ROK heads". Exaggerated (and largely uninformed) reports of U.S. "concessions" to the North during negotiations generated criticism of the U.S. and heightened unjustified fears. Nevertheless, all Koreans seemed to agree that only the U.S. could negotiate a peaceful settlement with the DPRK. The ROK was unable to sustain its own its own bilateral talks with the North, and flatly opposed the idea of a multi-lateral approach such as the Russians suggested or the older idea of a U.S.-DPRK-ROK "trialogue." While the sensitive details were withheld from the public, the ROKG was briefed every step of the way in the course of negotiations.

Special Inspections: When the Geneva Framework was signed, initial South Korean complaints centered around the length of time before Special Inspections, which had become a symbol of DPRK non-compliance. Yet most ROK analysts had judged that Pyongyang would never provide access to the disputed sites which were tangled in DPRK national pride and had become an important source of its negotiating leverage. The ROKG agreed with us that the right of IAEA access was non-negotiable, but the timing could be adjusted because freezing the DPRK's current program took precedence over uncovering more details about its past activities. In the end, the DPRK agreed to permit IAEA access to the disputed (and any other) site by the mid-point in the LWR project.

No turning back: South Korea has already shifted from analyzing the framework to implementing it. No critic of the agreement believes it is renegotiable or that we would be better off without it. In fact, the Koreans are worried that U.S. domestic debate on the Framework could inadvertently lead to results that threaten their interests. ROK analysts point out that the perceived threat the U.S. might renege on the deal only encourages the North to retain and strengthen its leverage to forestall us. And in the event of any U.S. retreat from the Framework, they fear the DPRK might stop cooperation with the IAEA, expel the inspectors, restart plutonium production, and reprocess its accumulated spent fuel—returning us to the situation that prevailed this summer.

SIX MONTHS AGO

U.S. pressure: We veered as close to armed conflict on the Korean Peninsula in 1994 as at any point since the 1953 Armistice. The U.S. attacked DPRK non-compliance to IAEA requirements in the UNSC and mobilized support for economic sanctions. We took a firm line and—to the great discomfort of many South Koreans—came close to an exodus of U.S. citizens and a massive augmentation to U.S. military forces.

DPRK defiance: The North Koreans remained intransigent. There was no sign they would capitulate; instead, Pyongyang began to speed up its nuclear program. Experts believed the DPRK could withstand economic sanctions for some time, particularly with Chinese help. The ROK feared that North Korea would lash out in response to sanctions. Predictions included provocations on the DMZ; punitive military attacks on Seoul by commandos, artillery, missiles, and possibly even chemical weapons; terrorist acts in Seoul, Tokyo and Washington; or the extreme scenario of a full-fledged suicidal attack on the ROK. Only when we found a way to return to negotiations did the DPRK begin to reverse its hardline positions.

Strains on the Alliance: Anti-U.S. feelings were evident in South Korea during this period. A misperception took root that the U.S. was baiting a wounded but dangerous animal—gambling with Korean lives and property in defense of its global non-proliferation policy or, less flatteringly, U.S. business interests.

SIX MONTHS FROM NOW

In the Region: The U.S.-ROK alliance is stronger than ever and we are working as partners to see the Framework to a successful conclusion. The DPRK nuclear threat gave birth to a three-way partnership: the U.S.-ROK-Japan trilateral alliance. North Korean efforts to find a seam to exploit have been frustrated. At the same time, China has been prevented from wielding influence without responsibility or reaping benefits without investment in the settlement.

Prospects: By mid-1995, KEDO should be operating under U.S. leadership, investing Japanese capital, and overseeing a ROK contractor who will build the LWR project in the DPRK. The ROKG is satisfied with its central role in KEDO and the LWR project. Seoul is encouraged by early DPRK cooperation with the IAEA and the U.S. technical delegation negotiating the stabilization and shipment of the spent fuel. While sensitive to the risk that the opening of U.S.-DPRK liaison offices will reawaken anxieties in the South, the ROKG has taken a constructive position, recognizing that liaison offices will be critical in settling problems during the process of implementing North Korea's agreements.

Prying loose the shutters: In the weeks since the agreement we have acquired a great deal of information about North Korea and stand to uncover more. U.S. nuclear experts have visited its nuclear installation. IAEA inspectors have gathered significant new information of direct value in evaluating DPRK nuclear capability in the event that Pyongyang decided to abrogate the agreement. DPRK diplomats and negotiators have been exposed to the U.S. and have revealed information about their system and its problems that gives us important clues. Americans are entering the DPRK for a first-hand look. In the process, we are loosening the hermetic seals that have kept out foreign ideas and influences, and bringing that country closer to freedom.

For South Korea: Since talk of UN sanctions gave way to U.S.-DPRK talks in Geneva, the Korean stock market has shot up; adding some \$30-plus billions of wealth to the Korean economy and aiding U.S. investors and businessmen. The South Korean focus has measurably shifted away from a cold war fixation on beating the North—a mindset that spawned anti-democratic laws and policies that the U.S. has worked to erase. Instead, the ROKG has adopted measures to spur economic intercourse with the North, promoting trade and investment as a means to reduce tensions on the peninsula and accelerate reform in the DPRK. The South's interest now is in developing the North's resources and integrating it into this prosperous region. Not only can that strategy benefit the U.S. economy, it also gives North Korea a stake in the game that works to our advantage: something to lose from misbehavior.

MAINTAINING U.S. LEADERSHIP

Like us, the ROKG is watching the DPRK's performance and is keeping its powder dry. Seoul is not about to let North Korea evade the terms of the settlement, which the ROKG has embraced as a blueprint for solving the nuclear threat and for transforming the DPRK. The leaders of the U.S., the ROK,

and Japan stood shoulder-to-shoulder in Jakarta and promised to make the Framework succeed. The UN Security Council formally welcomed and endorsed it. The IAEA has blessed it and has begun performing its part. For the U.S. to abrogate that settlement would precipitate a crisis, not only with the DPRK, but a crisis of confidence in U.S. leadership throughout Asia. It would compound the difficulty of any effort by the U.S. to employ UNSC sanctions against the North in response to the renewed DPRK nuclear activity that would surely follow. If, on the other hand, the DPRK balks at living up to its commitment, the U.S. retains the full range of options in deterring, coercing, or punishing the North Koreans.

Implementation of the terms of the Framework, as the North Koreans repeatedly pointed out, will compel the DPRK systematically to strip itself of a nuclear capability. But far from achieving its major objective—normalization and an end to the U.S. embargo—North Korea faces precisely the same set of requirements that has confronted it for years. Pyongyang must make significant progress in accounting for and returning MIA remains, towards ending weapons and ballistic missile sales to the Middle East, in reducing the conventional military threat, in improving human rights practices, and the rest of the broad agenda of U.S. concerns. The South Koreans, who share these concerns and have many more of their own, believe that the significant leverage the U.S. retains will be an important tool for influencing DPRK behavior in the non-nuclear area.

SEOUL'S SECOND THOUGHTS

With the new leadership in Congress taking a hard look at the recent Geneva Agreement Framework between the United States and North Korea, it seems worthwhile to ask how South Koreans view it, since they are the ones that will be most affected by it and the ones who will carry the largest share of the cost.

It is true that, despite the closeness of U.S.-ROK consultation in both Geneva and Seoul throughout the course of the negotiations, and although the outcome met our joint objectives and priorities, the settlement was initially greeted with criticism and even some dismay in Seoul. Just before the completion of the Geneva talks, President Kim Young Sam himself voiced some caustic comments about American foreign policy in an interview with the New York Times. The real issue behind the criticism, however, was the pain that Koreans felt because they were not at the table in negotiations that were of such paramount importance to their nation. Still, it is interesting to see how much Seoul's early criticisms (most of which, like President Kim's interview, came before the agreement was final—let alone public) parallel the more recent comments by the new Republican leadership in Congress. "We gave away too much." "We are waiting too long to find out about the past." "How can we trust the North Koreans to keep their word?"

Here in Seoul, however, after a few weeks of close inspection and vigorous public debate, public opinion has shifted unmistakably in favor of implementing the agreement, and there is no serious thought of turning the clock back. In fact, President Kim recently announced a policy of encouraging economic ventures in the North. While North Korea pretends to spurn this initiative, its officials already have begun to welcome South Korean business trips to Pyongyang. The opportunity of doing business in the North has been a lure to the South for several years. Furthermore, since

the U.S. and North Korea agreed to return to negotiations six months ago, the investment climate in Seoul has improved remarkably, and the Seoul stock market has shot up more than 20% for an appreciation of some 28 billion dollars in the equity market. These economic indicators speak worlds about the way business views the reduction in tensions.

Partly as a gesture of reconciliation but also shrewdly assessing the future, President Kim, in a major policy speech last August, offered to build Light Water Reactors for the North. Even those who have complained that Seoul is having to carry too large a share of the financial burden acknowledge that the Light Water Reactor can be viewed as a long-term investment in Korea's future. And while everyone would prefer to have the secrets of the past unlocked now, the fact is that the agreement requires the North to open up all of its nuclear facilities before the core nuclear components will be installed in the first Light Water Reactor. Meanwhile, the production of weapons-grade plutonium has been stopped, dead.

Only a few months ago, the United States was headed resolutely towards U.N. sanctions, which the North had declared would be "an act of war." During the previous six months, the United States had enhanced its military capability significantly by the introduction of Patriot Missiles, Apache Helicopters and Counter-Fire Radars to check the enormous strength of the North Korean artillery along the DMZ. Our resolve to defend the Republic of Korea and our preparations for any eventuality did not go unnoticed by the North. We discouraged North Korean adventurism while encouraging them to negotiate.

While many South Koreans preferred the status quo, sustained through mutual deterrence for 40 years, the fact is it had been irrevocably shattered by the aggressive nuclear program of the North, leading to a situation totally unacceptable to the United States, the Republic of Korea, and the international community. Washington and Seoul agreed that we had to act, either by inducing the North Koreans to relinquish their nuclear program through negotiations, or by forcing them to give it up. Mindful of the risks, we were prepared to pursue the latter course if negotiations did not work. Since the North had already isolated itself from the world, the effect of sanctions would have been limited. And with more than a million men under arms near the DMZ, the provocation of a weak and possibly unsteady regime could well have brought nightmarish results. No South Korean wanted to take that chance.

Those here who have claimed that we have rewarded North Korea's bad behavior have been reminded that the agreement calls not only for North Korea to meet all of the NPT conditions, but to go far beyond them: no further construction of new reactors and no reprocessing; and in the end, the demolition of all the facilities associated with the present program. We tend to overlook how much the North is actually giving up—years of enormous investment in their ultimate and prized symbol of independence. United States technicians have even visited the nuclear site at Youngbyon, an event unthinkable a few months ago.

Of course the jury is still out on whether this agreement will finally work. After all, North Korea has been an enemy for more than forty years, and as long as its nuclear and conventional threat remains, we will continue to be prepared and wary. The settlement is driven by performance, not by trust. But the International Atomic Energy Agency has confirmed that Pyongyang has

taken the first steps in the agreement, and South Korea and the Northeast Asia region are breathing a little easier now with the reduction of tensions and the prospect of opening up the North.●

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the calling of the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Before I start the business of closing, I ask unanimous consent that Senator D'AMATO be added as a cosponsor of S. 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASING PORTION OF FUNDS AVAILABLE TO COMMITTEE

Mr. GRASSLEY. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 28) to increase the portion of funds available to the Committee on Rules and Administration for hiring consultants.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 28) was agreed to, as follows:

Resolved, That section 16(c)(1) of Senate Resolution 71 (103d Congress, 1st Session) is amended by striking "4,000" and inserting "40,000".

Mr. GRASSLEY. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURE READ FOR FIRST TIME—S. 169

Mr. GRASSLEY. Mr. President, I send a bill to the desk and ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The assistant legislative clerk read as follows:

A bill (S. 169) to curb the practice of imposing unfunded Federal mandates on States and local governments; to strengthen the partnership between the Federal Government and State, local and tribal governments; to end the imposition, in the absence of full consideration by Congress, of Federal