



The PCI News

Annual Award Dinner Honoring the Underwood Family

On the evening of February 24th at the Park Hyatt Los Angeles, the Pacific Century Institute presented its annual Building Bridges Award to the Underwood Family



for distinguished service to Asia as dedicated missionaries, influential educators and steadfast friends of Korea. For nearly one hundred and twenty years and over four generations, the Underwoods have influenced Korean culture, imparting religion, western sentiments and culture, and promoting education at all levels.



Before the official beginning of the night's program, an informal session was held with Ambassador Donald Gregg (Chairman of the Board of the Korea Society and board member of PCI) and the Project Bridge Youth Ambassadors (see **Project Bridge Update**).

The dinner program opened with Amb. Gregg as Master of Ceremonies, and with welcoming remarks by Kenneth J. Tuggle, the President of PCI. In his remarks, Mr. Tuggle



PCI President Ken Tuggle

focused on PCI's trademark slogan, "building bridges among countries and peoples". He encouraged attendees in their everyday lives to put into practice some of the moral values that underlie PCI, "connection, not separation; acceptance, not rejection; diversity, not isolation; respect, no disdain; and tolerance, not rejection".

After an introduction by Kenneth Paik, Horace H. Underwood delivered an address entitled "Open Doors, Closed Doors: the Underwood Family and

Korea". With great heart and compassion for a country and people he and his family clearly loved and cherished, Mr. Underwood vigorously (and humorously) encouraged and challenged Koreans

Horace Underwood addresses audience and their nation to open their doors to the larger world, noting that building bridges is a two-way endeavor.



PCI wishes to thank all those who participated in making the event a wonderful success. Special appreciation goes to the generous support of the following contributors: CBOL Corp., Celltron Inc., Center Bank, Far East National Bank, Hanmi Bank, Neufeld Rennett & Bach, P. Chan & Edward Inc., Samsung Electronics, Sonnenschein Nath & Rosenthal, Syracuse University, and the Wells Fargo Foundation.



2005 Building Bridges Recipient
Horace Underwood

Project Bridge Update

Project Bridge is an annual collaboration between the Korea Society and PCI. Participants are high school juniors and seniors from New York and Los Angeles. The primary goal is to create relationships between Americans of diverse ethnic backgrounds and foster mutual understanding between different cultures. Activities during the year-long program include: monthly workshops on multicultural youth leadership issues and relations; seminars covering Korean history, language and culture; field trips; community service; and, for those who successfully complete the program, a ten day educational study tour of Korea.



By all accounts, Project Bridge 2004-05 is proving to be a huge success. In the words of Ambassador Donald Gregg of the Korea Society, it has "evolved (continued on page 2)



Project Bridge

(continued from page 1) into...a far richer program". Upon her recent return from their ten day educational study tour of Korea, one Youth Ambassador wrote, "I've tried to explain to everyone back home just how amazing this trip was, but there don't see to be words...I miss you all endlessly and am walking around with a certain glow that people don't really understand."



YAs with Banpo high school students

This year's program will commence with a graduation ceremony on May 22nd at the White Eagle Ranch in Thousand Oaks, CA. Scheduled are presentations by the Youth Ambassadors, a time of final reflection, and submission of research topic papers.



Joe Fernicola prepares Bulgogi at the Institute for Research on Royal Cuisine

Board Members' Section

North Korean Crisis Task Force on North Korea Woodrow Wilson School, Princeton University Tuesday, March 8, 2005

This article is by Desaix Anderson, US Foreign Services (retired) and board member of PCI. The views expressed in this article are those of the author and do not necessarily reflect the official policy or position of the Pacific Century Institute. PCI seeks a diversity of views on important issues and responses are welcome.

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Since World War II, after fighting costly wars in Korea and Vietnam to rebuff communist aggrandizement, the United States is now risking its paramount position in East Asia through inept handling of the North Korean nuclear issue. Obsessed with terrorism, Iraq, and now tyranny, the Bush administration has failed to deal effectively with the North Korean crisis. This grave mistake could cost the United States its alliances and its pre-eminence in Asia - vital to America's interests in the 21st century.

The North Korean Crisis

Let me make absolutely clear one point. Kim Jong Il is a ruthless despot, but that is not the point. The question is whether or not U.S. policies are serving American and our allies' interest, and I firmly believe that they are not.

Kim Jong Il appears to have learned a great deal during his long tutelage by his father, Kim Il Sung. Contrary to earlier CIA assessments, he appears to be a coherent leader capable of perceptive strategic analysis. He has steered an impoverished country with both verve and comparative strategic success, considering the weak hand he inherited in 1994.

The collapse in 1991 of the North Korea's life-support system - from the Soviet Union -- and the elimination of special friendship price support from China - precipitated an existential crisis in North Korea, second only to the devastation of North Korea by U.S.-led UN forces and humiliating retreat of Kim Il Sung's forces to the Yalu River in late 1950.

With the new Russia ideologically and financially bankrupt after collapse of the Soviet Union, Kim Il Sung decided to attempt to balance the DPRK's relationship with its sole remaining ideological ally, China, with a new relationship with the United States.

In typical Korean fashion, Kim Il Sung then provoked a crisis by threatening withdrawal from the Nuclear Non-proliferation Treaty. This crisis was resolved by the intervention of former President Carter and Kim Il Sung, days before Kim Il Sung's death. Kim Jong Il seized the life-line of the Carter-Kim Il Sung initiative that led to conclusion of the US-DPRK Agreed Framework in October 1994.

Through the Agreed Framework, Pyongyang would seek to achieve its security and continued existence based on an end of hostility and movement toward a new, normalized relationship with Washington. Through the prism of the new US-DPRK relationship, Pyongyang would achieve new relationships with Seoul and Tokyo. Both were seen as pawns in the larger dynamic between China and the United States, but both could provide substantial economic means for overcoming the DPRK's dire economic straits.

Pyongyang would also seek to strengthen its relationship with China to ensure economic and political support, China's non-interference in North Korea's internal affairs, and because China was the rising global power on its border. Despite these factors, Pyongyang remains wary of Beijing's ultimate intentions.

By 1997-98 Pyongyang chafed at the lack progress in normalizing US-DPRK relations, a commitment in the Agreed Framework. Dissatisfaction with the U.S. connection and the felicitous offer by Pakistan's A. Q. Khan in 1998 to trade missile technology for highly enriched uranium technology led Kim Jong Il ostensibly to hedge his bets even though it violated the Agreed Framework and the North-South nuclear agreement of 1991.

This possible violation notwithstanding, the Agreed Framework froze the existing North Korean reactor, precluded reprocessing of 8000 spent fuel rods from 1994

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until 2002, and kept North Korea from having fuel theoretically for perhaps fifty nuclear weapons;

President Bush's reflexive hostility toward North Korea shocked Kim. Refusal by Bush to talk directly to Pyongyang, threatening, hostile comments by Bush Administration about "regime change" in Pyongyang, inclusion of North Korea in Bush's "axis of evil" and the U.S. strategic position paper of September 2002 suggesting use of nuclear weapons to maintain US hegemony led Kim to conclude that Bush was intent on destroying his regime, as in Iraq, and accelerated Kim's efforts to achieve a nuclear breakout.

Kim noted that the Bush Administration invaded Iraq for supposed efforts to build nuclear weapons, but had not yet attacked Iran or North Korea, both of which were much closer than Iraq to achieving a nuclear breakout. Kim also noted frequent comments by the Pentagon and influential figures that military attack on North Korea was not an option because of the devastation it would cause in South Korea. The lesson was clear. Pyongyang should accelerate its efforts to develop its "nuclear deterrent."

Washington, unwisely, for ideological convenience, used suspicions in late 2002 of the highly enriched uranium project to abrogate the Agreed Framework (throwing the baby out with the bath water), opening the way for Pyongyang to resume its nuclear activities at Yongbyon, and reprocess the 8000 spent fuel rods canned and under IAEA watch, as required by the Agreed Framework.

Whereas President Clinton had drawn a red line if Pyongyang reprocessed the fuel rods, Bush blithely ignored Pyongyang's crossing that threshold. Bush suggested a new red line: forbidding any export of nuclear materials or technology. This, in effect, invited North Korea to build not only the highly enriched uranium facilities, but also to reprocess the 8000 spent fuel rods. This reprocessing likely provided sufficient plutonium fuel for six more nuclear weapons, a gift of the "tough" Bush Presidency. Bush and South Korea's President Roh announced in March 2002 that North Korea would not be allowed to have nuclear weapons. This commitment has meant nothing.

Under Chinese pressure, Pyongyang humored the Bush Administration's insistence on Six-Party Talks, preserving Bush Administration "ideological purity" but the pro forma talks did nothing to stop Pyongyang's efforts "to expand its nuclear deterrent." Washington rejected North Korean proposals for freezing temporarily its acknowledged nuclear activities that also implicitly invited North Korea to continue its nuclear build-up;

Pyongyang's "Bombshell"

Pyongyang's announcement February 10 that it was 'suspending participation in the Six-Party Talks because of U.S. hostility' and that North Korea had manufactured nuclear bombs exposed the hollowness of the Bush administration's policy toward North Korea. In the eyes of North Koreans and many Americans, the emperor indeed has no clothes. The Bush administration has been in

deep denial regarding North Korea's nuclear activities and is deluding itself to think that China and South Korea are going to join Washington in pressuring North Korea to end its chase of nuclear weapons.

Unfortunately, the pattern exposed is clear. The Bush administration believes that diplomacy is only coercion, not mutually negotiated resolution of problems. Prior to the invasion of Iraq, Washington kept insisting that it was giving diplomacy a chance to work in the UN. There was no "war plan" on the President's desk. But it was all too clear what was going on; in fact, the U.S. was moving to invade Iraq regardless of the UN inspections or whether or not there was another UN resolution supporting the U.S. position. Washington had made its choice

U.S. handling of Iran's nuclear ambitions bears ominous resemblance to the prelude to the invasion of Iraq. Rhetoric has been in steady build-up recently. Iran has become the number one threat, according to Cheney. Iran has changed from being "authoritarian" to a "totalitarian state," according to Condoleezza Rice. There is no plan for military action "at this point in time," she claimed. Washington has treated the efforts of France, Germany, and Britain to reign in Iran's nuclear ambitions with the same skeptical disdain showered on the UN prior to the Iraq invasion.

North Korea was supposed to wait in line for its turn, presumably after Iran, but Pyongyang has turned the tables on Washington. For Kim Jong Il, U.S. policy was exposed by Condoleezza Rice's inclusion of North Korea in her neat bag of "outposts of tyranny." Bush's nomination of radical hard-liner John Bolton to become U.S. ambassador to the UN is contemptuous of the UN and accentuates a policy of confrontation with North Korea and Iran. We had better get serious. There are three options:

Possible Options

1) We can pursue Bush-style diplomacy, ratchet up the pressure, escalate the rhetoric aggressively to attempt to change the regime in Pyongyang. South Korea, China, and Russia will not join such an undertaking. We pursue this path administration radicals espouse with grave risk of war. With 11,000 long-range artillery pieces, North Korea could destroy Seoul, kill an estimated million South Koreans, Americans, and Japanese, wreck South Korea's economy and endanger Japan's. This approach is irrational but still appeals to Bush administration radicals. With the crisis in Iraq stretching our regular and reserve forces to exhaustion, we have few forces to deploy in a possible conflict in Korea.

2) As a second alternative, the Bush administration can continue not to deal seriously with the North Korean threat. In so doing all our friends in Northeast Asia will condemn Washington for failure to manage this immensely serious threat.

In both these options, the U.S. will lose the strategic struggle that is gathering speed for pre-eminence in Northeast Asia. China will assume that role by default. South Korea is already moving steadily into China's sphere

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of influence. South Korea's trade with China has surpassed that with the U.S., as has Japan's. South Korea's political and security affinity for Beijing is increasingly close, against the backdrop of growing disenchantment with Washington. Beijing could assume responsibility for Korean matters, managing a nuclear-armed Korea or with Koreans beholden to China for resolution of security issues in Northeast Asia and Korean reunification under Beijing's, not Washington's leadership. The Bush Administration has, in effect, subcontracted American responsibilities for resolving the Korean crisis to Beijing.

3) As a third alternative, the U.S. could exercise its historic leadership to negotiate a settlement with North Korea and lead the Six-Party talks to construct a durable framework for peace and prosperity in Northeast Asia.

Conclusion: New Strategic Directions

We need a new strategic direction. A more realistic strategy could promote a more promising environment for American influence in East Asia and perhaps avoid the dismal alternatives that I have described:

1) America's focus on terrorism and Iraq, now tyranny, needs to be balanced by renewed engagement on other strategic and economic issues.

2) President Bush should break the deadlock in his administration and give full authority to an empowered special envoy to pursue bilaterally and with flexibility a comprehensive solution to the nuclear issues related to North Korea. We need former Defense Secretary Bill Perry to rework his magic as he did in 1998.

The President is responsible for our national security interests and, so long as he lets radical conservatives exercise a veto, the President himself is risking American and U.S. allies' national security interests, and the future strategic orientation of East Asia. The President can no longer out-source American national interests in East Asia to Beijing. Washington must engage North Korea directly and forge a solution.

Despite many signs to the contrary, Kim Jong Il may still be willing to eliminate North Korea's nuclear arsenal and facilities, basically in exchange for ending American hostility and obtaining security guarantees, gaining access to economic support from the rest of the world, particularly South Korea and Japan, and steady movement toward normalized relations with the United States.

Kim Jong Il has repeatedly claimed, again last week, that North Korea seeks a solution that would eliminate North Korea's nuclear weapons programs in exchange for ending U.S. hostility. Given the stakes, the U.S. is irresponsible not to test Kim's real intentions by serious negotiations. The price will be high, especially in light of Pyongyang's February 10 announcement, but that is the result of the Bush administration's failure thus far to deal with reality.

The key nuclear issue with North Korea must be negotiated essentially in talks between the U.S. and the

DPRK, since Pyongyang regards only the U.S. as a threat to its national security. China Foreign Minister Li Zhaoxing this Sunday again questioned the validity of U.S. intelligence in the briefing on the suspected highly enriched uranium project recently provided Chinese President Hu Jintao by special envoy Michael Green. Li also noted that the U.S. must negotiate the nuclear issue directly with the North Korea, contradicting emphatically what President Bush said in the third presidential debate.

However, such bilateral negotiations should be undertaken in the context of the Six-Party Talk format. After solution of the nuclear and missile issues, the Six-Party Talks could construct a comprehensive solution as the principal organization for building a peaceful and prosperous Northeast Asia.

America's vital interests and long-term strategic position in East Asia are at risk. Bush's denial of the crisis in North Korea gravely endangers our future in East Asia. To protect our national interests, President Bush should change course to resolve this issue.

Event News

A Conversation with **Chung-In Moon**, Senior Foreign Policy Advisor to President of Korea Moo-hyun Roh, was held on January 31st at the Park Hyatt in Los Angeles. Dr. Moon led a discussion about the prospects for Korea-U.S. relations, focusing in particular on the impact of changing foreign policy perceptions within South Korea and on possible new approaches to the continuing nuclear weapons issue with North Korea. Chung-In Moon is a former board member of the Pacific Century Institute who continues to work with PCI on various projects.



Korea was also the subject matter of two events arranged and sponsored by the Pacific Century Institute. The first was held on March 1st and involved four-star General **Young-Ki Kwon** and members of the Rand Corporation. Discussion centered around the issue of anti-Americanism in the Republic of Korea. General Kwon commented that much of the anti-Americanism in Korea comes from the youth and that the majority is still very pro-American.

The second event was a luncheon with **Rhee Bong-Jo**, the Vice Minister of Unification for the Republic of Korea, held at the Regency Club on April 8th. Afterwards, Vice Minister Rhee expressed his appreciation to PCI for its expert and detailed analysis on the standing of the American government and leadership on the Korean-American relationship.





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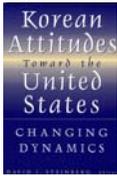
Future Events and Programs

In collaboration with the **East-West Center and the Korea Society**, PCI is supporting a **journalist exchange program** between the United States and Korea. Six representatives from each country will travel to their counterparts' country. Afterwards, these two groups will meet together to share impressions, ideas, and experiences. Los Angeles, New York, and Washington DC are scheduled for the U.S. program. The theme will be "**Bridging the Gaps in Understanding**".

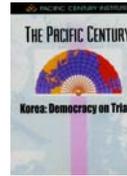
With the approval and agreement of the board of directors of the Pacific Century Institute and in accordance with its objectives, PCI is actively exploring opportunities to expand its work to the country of **Vietnam**. Past efforts have included sponsorships of visits to the United States by **Madam Ambassador Ton Nu Thi Ninh**, Vice-Chair of the National Assembly Foreign Affairs Committee. Future newsletters will more fully detail current and future efforts in Vietnam, so stay tuned.



New Resources Available



Title: *Korean Attitudes Toward the United States – Changing Dynamics*
 Editor: David I. Steinberg
 Format: Soft-cover



Title: *The Pacific Century Vol. 11, Korea – Democracy on Trial*
 Format: DVD

To acquire these and other resources, please contact Rijin Lee at 818-337-1630 or rijin@cbol.com.



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