

A U.S. Perspective on the Impact of Sanctions

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Despite a crowded news agenda, North Korea has managed to draw the attention of both political leaders and the public at large. Missile tests, an assassination employing VX nerve agent, and preparations for a nuclear test have drawn strong reaction from Washington to Kuala Lumpur. Each new controversy sends policymakers scrambling for a response and, more often than not, that response has been a call for new and tougher sanctions. And not surprisingly, each new call for sanctions resurrects the old question: do sanctions on North Korea have any impact?²

There have been moments when sanctions seem to have motivated a North Korean response, as appeared to be the case with Banco Delta Asia (2005).³ In general, however, analysts have judged that sanctions on North Korea have not achieved the desired outcome, namely an end to North Korea's many objectionable behaviors.⁴ If anything, the situation looks worse, with the pace of weapons testing and human rights violations having increased over time despite ever-stronger sanctions. Still, despite the historical record, one might reasonably ask if conditions are changing. Over the last year and into the beginning of 2017, there have been a number of new developments in the North Korea file that might augur a shift in prospects. UNSCR 2270, whatever one thinks of it, was certainly unprecedented, e.g., for the first time setting hard caps on key commodities imported from the DPRK. North Korea's international isolation is, arguably, near an all time high, boosted by its row with Malaysia and an aggressive full court press by the South Korea foreign ministry to persuade countries from Africa to the Middle East to cut their ties with the North. And with a new, tough talking American president in office vowing to stop the DPRK, it may be time to consider again the topic of sanctions on North Korea.

This chapter assesses North Korea sanctions by first putting the topic in a historical and social science context and reviewing recent developments in the region. It then considers how one might define and measure the impact of North Korean sanctions and assesses the current and prospective state of the sanctions regime. Finally, it offers a stylized account of how Washington views the North Korean challenge and concludes with a cranky alternative view that reflects growing concern about events on the peninsula.

WHAT WE KNOW ABOUT SANCTIONS, NORTH KOREAN AND OTHERWISE

Before assessing the efficacy of new sanctions on North Korea, it is worth stepping back and putting the subject in a broader context of what we know about sanctions in general, as well as the record to date regarding sanctions on North Korea in particular. Sanctions have long been a tool of statecraft, and scholars, with varying degrees of success, have attempted to document their effects and their effectiveness.⁵ Here it is worth noting that sanctions have evolved over time and in recent years have come to include an array of financial and secondary sanctions that have provided policymakers with additional options. In general, analysts have fallen into two camps, sanctions optimists and sanctions skeptics. Optimists point to individual case studies where sanctions appear to have contributed to the desired outcome, e.g., Iran's nuclear program. Indeed, it has been said that sanctions are more effective than people think.⁶ Skeptics point to their own case studies.⁷ They also cite quantitative studies that appear to cast doubts about the value of sanctions.⁸

A judicious, if broad, assessment of the debate is that sanctions can prove useful under particular circumstances, but that, in general, they are a limited tool, their value being a complement to a broader policy approach that includes diplomacy, the threat of military force, and other tools. Sanctions alone are unlikely to achieve the desired results, and their potential contribution depends very much on the specifics of the case.

So what of this case, the case of North Korea? Is the situation on the peninsula one that is well suited or ill fitted for a sanctions-oriented approach? And what do decades of experience with sanctions on North Korea suggest about the future prospects of a sanctions regime?

Sanctions on North Korea have a long history,⁹ and analysts trying to assess the impact of sanctions also tend to fall into either the optimist or skeptical camps. Optimists about North Korean sanctions do not argue that past sanctions have worked as much as they maintain that future sanctions could work, and that the problem is that governments have not gone far enough in imposing sanctions.¹⁰ And without direct evidence that sanctions have changed North Korea's unwanted behavior, some optimists argue that indirect indicators point to the possible impact of sanctions. The increasing pace of defections and the apparent need for the Kim government to conduct loyalty campaigns might suggest, for example, that sanctions are biting. Optimists also take the view that, absent sanctions, the North would be even further along in its weapons programs than it is now.

Skeptics simply point to the empirical record as it is and conclude that sanctions have failed and are, therefore, unlikely to perform any better in the future. Skeptics doubt whether the pace of defections or the pronouncements by defectors predicting a coming collapse are all that meaningful. They have heard that before. In addition, they point to documented shortcomings of sanctions on North Korea.

One set of challenges revolves around the poor implementation of existing international sanctions.¹¹ Another set centers on the DPRK's evasion techniques, e.g., the use of front companies and private Chinese middlemen. Skeptics also point to specific structural impediments that undermine sanctions on North Korea (e.g., geography, globalization, and inherent limits on the ability of governments to police transnational trade).¹² So far, the skeptics have carried the day analytically. Sanctions optimists might be correct that the North is "under-sanctioned" and that success is just around the corner, but that seems more an aspiration than the record to date.

In sum, few would argue that sanctions are worthless, especially given the list of individual cases when they appear to have helped achieve a policy objective. Still, this brief review suggests that 1) sanctions are a rather limited tool whose success depends the conditions in play, and 2) sanctions on North Korea have failed to achieve their objectives. It is against this backdrop that we can now assess new developments in the region and the prospect that new sanctions and national policies might prove more successful.

RECENT DEVELOPMENTS

One reason for optimism about sanctions is that they are among the more innovative and dynamic arenas of policymaking. New types of sanctions have been developed, and old sanctions have been applied in new and novel ways. In addition, conditions in the region are evolving. Indeed, some of the biggest changes have occurred in the last year or so. Whatever DPRK sanctions' past successes or failures, it is worth considering these new developments and whether they provide reason to think that sanctions might be more effective going forward.

One set of developments relates to the behavior of the North Koreans themselves. Kim Jong-un has moved to accelerate the development of his illicit weapons programs. Compared to his father and grandfather, the young Kim has dramatically increased the number of missile and nuclear tests, and it seems likely he will continue apace. That could have two very different effects. On the one hand, repeated tests may keep the North Korean issue on the agenda and increase the political pressure on governments to address the implementation issues documented by the Panel of Experts. Alternatively, the constancy of testing may “normalize” the phenomenon with the consequence that any particular test or action carries less shock and political punch.

The North's assassination of Kim Jong-nam, though not directly tied to sanctions, may, nevertheless, have implications for the sanctions regime. First, it has resulted in a row with Malaysia, one of the few countries that had positive relations with the DPRK. The North's decision to hit back at the arrest of the plotters and to essentially hold Malaysian citizens in the DPRK as hostages will likely worsen relations further. The attention drawn to the DPRK-Malaysia relationship exposed the North's use of Malaysia to evade sanctions. Finally, the assassination irritated China, as Kim Jong-nam was alleged to have been under China's protection. Taken together, the North may have alienated an important country in its procurement network and given China yet another prod to rethink its strategy.

CHINA, SOUTH KOREA, AND REGIONAL DEVELOPMENTS

Over the past year or so, there have been a number of events in the region that could affect the viability of sanctions. On the positive side of the ledger is China's support for UNSCR 2270, which for the first time ever established caps on the economic value of coal imports coming from the DPRK. In private, U.S. officials downplay the significance of China signing on, pointing out that it took a long time for Beijing to finally agree to an import cap and that the livelihood exception – what some analysts strangely call a “loophole” – allows China to fudge its commitments. And at the end of the day, 2016 coal imports from the North to China actually increased over their 2015 levels by 15 percent.¹³

Still, to this observer, the fact that China agreed to a cap in a binding UN resolution is a surprise and may signal rising concern in Beijing. Perhaps adding credence to that interpretation was China's unexpected announcement on February 17, 2017 (following the test of an intermediate range missile and the assassination of Kim Jong-nam) that it had already capped out its coal imports from North Korea for the year and was suspending further imports. Time will tell whether China means what it says,¹⁴ but the regional coal

markets reacted at the time as if *they* thought it were true.¹⁵ In addition, it appears that China has moved forward with establishing the regulatory and administrative processes required to implement the caps.

There have been less encouraging developments as well. The U.S. decision to deploy a THAAD missile defense system in the South has, at least temporarily, soured relations between Seoul and Beijing, with China seeking to punish South Korea through various economic measures. Separately, South Korean relations with Japan, which have always been fraught, appeared to deteriorate despite the progress the two countries have made in trying to improve their bilateral relationship. It is difficult to know what, if any, impact all of this might have for the sanctions regime, but in general, North Korea prefers a situation in which the regional players are divided and at odds, probably on the theory that it can exploit those divisions for its own good.

Finally, no description of regional events would be complete without reference to the fall of President Park in South Korea. The lengthy scandal and domestic crisis affected South Korea policymaking for some months. Uncertainty about her future was replaced by uncertainty about the post-impeachment elections and the arrival of new leadership that may bring a change in the South's approach to the North.

A NEW SHERIFF IN TOWN: THE ARRIVAL OF MR. TRUMP

Donald Trump's surprise election victory could have far reaching implications for the peninsula, either as a result of the new president's policy choices or as a consequence of his personality and unorthodox governing style. The Trump administration has concluded its policy review for North Korea, a process that has endorsed an approach based on "Maximum Pressure and Engagement."¹⁶ Despite concluding the policy review, the senior administration officials – including the president, vice president, secretary of state, and U.S. ambassador to the UN – have offered a barrage of contradictory statements about its North Korea policy. Secretary of State Rex Tillerson himself offered radically different positions in a matter of weeks, first rejecting talks with the North during a visit to Seoul only to reverse that position soon after. Everyone in the administration has rejected the Obama doctrine of "strategic patience," though "maximum pressure and engagement" appears a re-articulation of that same policy.

Trump's impact on the future of the peninsula will be a function of not only the policies he chooses and how he reacts to provocations but also the nature of his bilateral relations with the key players in the region. To his credit, the president appears to have had a successful summit with China's president Xi, and while this has led to a series of awkward comments by the president that may have set off alarm bells in Seoul and Tokyo, so far it appears that China is more actively cooperating on North Korea. The new U.S.-China relationship is encouraging but likely fragile. Whether it can be sustained is one of the central questions for the future of North Korea policy.

The administration's early engagement with South Korea has been less successful, one would have to say. The president's statements that KORUS should be renegotiated and that South Korea should pay for THAAD – statements that were later retracted – could not have

been reassuring to this most important ally. Going forward, there are questions about the near-term future of U.S.-ROK relations given the presidential election in the South. If Trump embroils himself in disputes with both South Korea and China, it will not bode well for North Korea policy. Indeed, Pyongyang might get its wish that the major players are at odds with one another.

In sum, on the positive side, the DPRK apparently cannot refrain from behavior that alienates itself not only from the international community but from its closest friends. In addition, the sanctions regime and China's North Korea policy both appear to be evolving in unprecedented ways, with China having signed off on measures that could in principle severely affect the North's economy. On the other side of the ledger, potential divisions between the regional players reduce the odds of achieving the kind of consensus required to execute a sanctions policy, or more importantly, a shared political strategy that could change North Korean behavior.

DEFINING AND MEASURING IMPACT

Assessing the utility of sanctions requires definition and precision. One must specify: impact on *whom*, impact on *what*, towards what *objective*, and with what *result*. Sanctions on North Korea could affect different constituencies, including the inner circle of Chairman Kim and senior North Korean policymakers, North Korean elites, the average North Korean living outside of Pyongyang, the three Chinese provinces bordering the North, China more broadly, Chinese and other business entities that do (and do not do) business with the North, as well as humanitarian and other NGOs that try to operate in the DPRK. Moreover, sanctions likely have downstream effects not only on the target (DPRK) and those connected to the target but to the countries that are imposing them, e.g., the United States and South Korea.

The effects of sanctions, both intended and inadvertent, may extend over a variety of areas: WMD procurement, the North Korean economy, or the regional coal market, to name a few.

As for the objective, sanctions can be used for a variety of purposes, including denial, coercion, bargaining, punishment, and inducing regime change. "Denial" refers to sanctions intended to prevent or otherwise slow and make difficult the North's attempts to acquire illicit goods and technology. "Coercion" describes efforts to impose economic, political, social, and other costs on North Korea in order to force it to change its behavior. "Bargaining" entails the imposition of sanctions that can later be used as a bargaining chip for concessions in negotiations. "Punishment," an objective that is more common than might be imagined with North Korea, involves the imposition of costs for the sake of imposing costs, without expectation of a particular change (in contrast to coercion). Punishment is a normative act meant to signal the social or moral unacceptability of a behavior. Sanctions in the service of regime change are intended to topple a government. A given sanction might fail to achieve one kind of objective (e.g., regime change), even if it succeeds with a different objective (e.g., punishment).

Most importantly, there is the question of whether a sanction produces the intended outcome or result. A sanction could be "successful" in many ways and yet fail to achieve the key objective. Sanctions to deny a country technology for its weapons program might work in cutting off foreign suppliers, but if the country is self-sufficient in those materials, the

sanction will have failed to slow or stop the program. Another sanction might successfully harm a country’s economy but not dissuade a government from violating human rights. This distinction between “impact” and “outcome” is crucial. Policymakers prefer to frame the issue of sanctions in terms of impact or the costs imposed on a target rather than outcomes (or changes in behavior), but it is the latter that counts, not the former.

Table 1. Defining the Impact of Sanctions on North Korea	
	Examples
Who	DPRK policymakers, elites, average North Korean, China, business entities, NGOs, countries doing the sanctioning
What	Procurement, economy, elite lifestyle, DPRK international political standing
Objective	Denial, coercion, bargaining, punishment, regime change
Outcome	Slow or halt weapons programs, reduce human rights abuses, release of foreign detainees

Finally, to answer questions concerning the impact of sanctions, one needs a way to measure the phenomenon. That includes metrics related to both what is being sanctioned and the outcome. Take, for example, economic sanctions that are imposed with the hope of inducing Pyongyang to end its WMD programs. Assessments might employ a variety of different metrics. To measure the impact of sanctions on the economy, one might use before-and-after indicators of the economy (e.g., GDP, inflation, unemployment), testimony by North Korean defectors, reports by sectorial businesses operating in the region, the level of refugee flows, or firsthand accounts of life in Pyongyang and the border cities. Metrics for outcomes related to the missile and nuclear programs might, for example, include the number of tests, the ratio of successes to failures, the relative capabilities being tested, or the pace of improvements in capabilities.

IMPACT OF SANCTIONS ON NORTH KOREA

Is there reason to hope that today’s sanctions (or others in the offing) could work a little policy magic and contribute to a change in North Korean behavior? Will sanctions on North Korea have an impact? To answer those questions, we begin with the concepts outlined in the last section, namely objectives, impacts, and outcomes. For each objective listed in Table 2 below, there is a summary assessment of the impact of sanctions on the North and an appraisal of the outcome. In general, the sanctions appear to have had a low to moderate impact but have been unsuccessful in changing behavior or altering the relevant outcomes. The question going forward is whether UNSCR 2270 and related actions might produce a different result.

Table 2. Objective, Impact and Outcomes		
Objective	Impact?	Outcome?
Denial	YES, BUT interdictions denied some goods; in general, drove up price of procurement, but DPRK adapts so little net effect	FAILURE WMD programs progressing in numbers and capabilities
Coercion	YES AND NO Political isolation; shaming on human rights; but economy for elites has improved; leadership shifts costs to general population	FAILURE NK has not changed policy; if anything its nuclear/other policies have become more formalized
Bargaining	YES NK anxious to trade away Banco Delta Asia sanctions and terrorism designation; agreements use both inducements and sanctions relief	SUCCESS AND FAILURE Substantive agreements with substantive results reached but agreements eventually fell apart
Punishment	UNKNOWN BUT UNLIKELY Cost of some luxury goods inside DPRK may have increased; restrictions on travel	LIMITED Doubtful that elites are hurting; non-elites taking the brunt of costs
Regime Change	NO No evidence that sanctions have led to political opposition	FAILURE No regime change; improved economy for elites; economic insecurity for non-elites

DENIAL

Efforts to disrupt the DPRK's procurement of illicit material and technology have, in fact, had an impact. There have been occasional interdictions of shipments, and North Korean defectors report that sanctions have had the effect of driving up the cost of transactions, because working with North Korean entities has become more risky. Unfortunately, the North responded by monetizing the risk and paying higher commission fees. Higher fees and other innovations have enabled the North to continue and, in some cases, even improve their procurement.¹⁷ The North has found a way to not only sustain its weapons programs but to accelerate their development.

UNSCR 2270 does a better job at identifying some of the issues that need to be addressed such as Pyongyang's use of diplomats and consular offices for procurement. The resolution, however, offers little for countering the North's use of private Chinese brokers and front companies. The most recent Panel of Experts report makes evident that: 1) many of the member state compliance issues noted in previous reports persist; and 2) in any case, the DPRK continues to make extensive use of intermediaries to shield its activities. Even as the United States and others have moved to curb Pyongyang's access to international finance, the North has again turned to private brokers to evade detection.¹⁸

Individual governments and the international community have looked to impose a variety of costs—economic, political, diplomatic, and social—on Pyongyang with the hope that it would change its behavior. Their impact has been mixed, with diplomatic and social sanctions having hit the DPRK harder than the economic and political sanctions. In the community of nations, the DPRK is increasingly isolated and continues to be shamed for its human rights record. Still, the economic and political impact has been limited. Economically, Pyongyang's elites appear to be better off today than they were 10 years ago.¹⁹ And politically, Kim's leadership seems no more vulnerable than it was when he took power. Rising rates of defection, continued executions and purges, the North's sensitivity to propaganda from the South (e.g., loudspeaker broadcasts, leaflets), and the assassination of Kim Jong-nam might suggest that Kim is insecure about his position, but the evidence is hardly dispositive.

COERCION

UNSCR 2270, if enforced, could certainly impose tremendous and unprecedented costs on the DPRK. Chinese caps on imports of North Korean coal and other commodities could damage the North Korean economy. New sanctions on remittances could be costly as well, as would any number of national policies China could adopt in its dealings with North Korea. It remains to be seen how far China will want to go in squeezing its neighbor. Given China's national interests, there are reasons for skepticism, despite China's willingness to sign on to UNSCR 2270. Further complicating a coercion strategy is the reality that Chairman Kim can shift the costs of sanctions to the general population. Even with a substantially smaller pie, the Kim family and the ruling elite will get the first and biggest slice, which might be enough to keep the system going.

BARGAINING

In negotiations over its nuclear program, the North has sought both positive inducements (e.g., normalized relations, fuel oil, a light water reactor) and sanctions relief. In 2005, it seemed particularly interested in a resolution of the Banco Delta Asia issue and in being removed from the list of state sponsors of terror. U.S. negotiators were able to win concessions from the North in return for sanctions relief. The result was a series of agreements, the most notable and consequential being the 1994 Agreed Framework, which, while it lasted, froze the DPRK's nuclear program and ended long-range missile tests – two conditions most observers would prefer to be in force today. The agreement ended for a number of reasons relating to actions taken by both North Korea and the United States.²⁰ While not sustained, the agreement was successful, while it was in force. To date, it appears that the Trump administration is holding open the possibility of negotiations, and if negotiations begin, the U.S. and other negotiators will be able to use sanctions relief as a chip to trade for changes in North Korean behavior.

PUNISHMENT

When meeting with officials in Washington, Seoul, or Tokyo, one cannot ignore the real anger and emotion that animates the views of some policymakers. One senses, and sometimes it is expressed directly, that particular officials want to simply punish the North for its outrageous actions. In particular, they want Kim (together with members of the ruling family and senior officials) to feel pain and to suffer for their actions. Of all the possible objectives, this is perhaps the most difficult to assess. Data are limited, and it is hard to measure an individual leader's level of pain. It may be that some luxury goods are not available or come at a higher price, and certainly international travel has been restricted, but it is difficult to say that the North's leadership is paying for its sins. And again, as long as the government can extract enough resources from its population, it can insulate itself.

There is not much reason to expect that the ability to punish political elites, and not the general population, will improve in the near term. The North's leaders will likely command enough resources to live in a style to which they have grown accustomed. At this point, it may be that the greatest source of fear and pain for DPRK officials is not international sanctions but their leader, who on any given day might turn on them and have them sent off for "rehabilitation" or even executed.

REGIME CHANGE

Regime change is not the official policy of any government grappling with the North Korea problem. Though it has to be said that some officials privately wish for that outcome, and few would shed tears if it were to suddenly happen. As a matter of policy, however, it is not an objective, and in any case, it does not appear to be happening. Forecasting collapse is a tricky business, and social scientists are better at diagnosing the causes after the fact than they are at predicting it in advance. There appears to be little evidence of political opposition to Kim's rule or of the kind of elite economic hardship that might encourage thoughts of a post-Kim Korea. Naturally, the military in what was once a "military first" society would be a candidate to lead such a change, but there is little evidence to suggest such a scenario. It is also difficult to imagine that the international community could ever impose the political stress and hardship that the North already experienced during the famine of the 1990s, and even then, the Kims survived.

UNSCR 2270 and other measures governments might plausibly introduce could, in theory, dramatically hurt the North Korean economy. If the economy collapsed, perhaps so too would the Kim government. Still, too many "ifs" combined with the demonstrated resilience of the North Korean state make this outcome seem unlikely – at least by intention. One could imagine, though, that China or other actors might impose sanctions on North Korea for the purpose of coercion but miscalculate the North's fragility and instead take steps that have the effect of inadvertently tipping over the regime. This inadvertent outcome is not likely for the same reasons that a purposeful pursuit of it is unlikely to be successful, but it is a possibility.

OTHER IMPACTS

Sanctions aimed at North Korean decision makers create outcomes that affect the North Korean government but also others as well. Some of these impacts involve other North Korean constituencies. It has long been suggested, for example, that sanctions foster corruption, and certainly some observers would say this was true of the late Jang Song-thaek's network. Of greater import are concerns that both international sanctions and the sanctions imposed by U.S. and ROK authorities have negatively affected the status of the civilian population. Sanctions have had an impact on non-governmental actors, and in particular the UN and private humanitarian aid organizations, that provide disaster relief, food aid, and medical treatment for communicable diseases such as TB.²¹

As documented in the Park-Walsh study, sanctions have affected the behavior of private Chinese businesses in ways both good and bad. On the one hand, sanctions have had the positive effect of fostering the growth of "compliance culture" in many larger, internationally oriented Chinese banks and financial firms. On the other hand, sanctions have led to North Korean counter-measures, whose effect has been to attract larger and more sophisticated Chinese partners that operate in black and gray markets on behalf of their North Korean clients.²²

Finally, one might surmise that sanctions have had an impact on the very governments that impose sanctions. In the U.S. case, for example, one might hypothesize about the political consequences of a "sanctions first" mentality. On the positive side of the ledger is the possibility that the sanctions option, effective or not, has given policymakers an alternative to the use of military force and that anything that staves off such a risky option is for the

best. Alternatively, some have argued that a preoccupation with sanctions has crowded out a consideration of diplomatic options and has interfered with using inducements and other approaches.²³

Indeed, though it is too early to say, it may turn out that sanctions have their biggest impact not on the DPRK's nuclear or human rights policies but on other actors and other areas. Chief among those possibilities is an outcome where the people most affected by sanctions are average North Koreans who already suffer the bad luck of living in the DPRK.

POLICY IN A POST-FACTUAL WORLD

Washington is populated by a variety of rare species. There is, of course, the new president and the various departments and executive agencies he oversees. There is the Republican controlled Congress, the media, think tanks, political operatives, and lobbyists. Many of these players know little about North Korea, which does not prevent them from offering views that are strongly held.

In general, they espouse a set of views that sounds something like this.... “The DPRK's leadership is aggressive and, perhaps, even irrational. The North might attack the United States and is looking to retake the South. Missile defenses can protect the United States and its allies from a nuclear attack. As the North is an evil regime, the United States should not negotiate with it. If Washington were to negotiate, Pyongyang would cheat. Indeed, the Agreed Framework was a disaster that proves you cannot talk to the DPRK. Yes, South Korea is an important ally, but this is really about North Korea versus the United States.”

When it comes to sanctions, the consensus insists that: 1) sanctions are good, 2) sanctions are not working, and 3) we need more sanctions. There is a general and strong preference for coercion, despite its lousy record. And, of course, “this is all China's fault.” In this worldview, “The Chinese could solve this, if they wanted to but they will not because Beijing and Pyongyang are pals. Since China is not helping, we should threaten them –‘sharpen their choices.’ If that means “ringing them with missiles” or sanctioning their banks, then so be it. After all, once we pressure them, they will likely want to cooperate with us, even as we pursue THAAD, contest the South China Sea, and threaten tariffs.”

The Trump administration's contribution to this conventional “wisdom” remains unclear amidst a cacophony of contradictory official messages and unspoken signaling, but the hints coming out of the executive suggest a more muscular approach. It seems that the logic here is that the DPRK does not realize that the United States possesses the largest and most capable military in human history, complete with nuclear weapons. Somehow, despite the yearly large-scale military exercises off their coast, repeated threats by the U.S. civilian and military leadership, and the South's ever-growing conventional capabilities, Chairman Kim does not understand the military balance. If the United States would just simply display some symbolic acts of power or increase the U.S. military budget (whose results would not show up for years, if ever), the North will “get the message” and back down.

Almost every aspect of this “view from Washington” looks to be logically or empirically questionable, with the consequence that this is as dangerous a time for the peninsula as there has been since the Korean War. There have been other dangerous times to be

sure, when events might have gotten away from political leaders in a headlong rush to confrontation, but they did not. Despite a *Choenan* here, a Yeonpyeong Island there, a DMZ mine, or an American hostage, we have managed to muddle through.

It strikes this observer, however, that the odds of calamity, while still relatively modest, are higher than they have been in a while. President Trump and his small, neophyte team of foreign policy advisors have a penchant for bluffing, extemporaneously tweeted red lines, and tough talk. The president describes himself as a “counter-puncher” and recently declared that “I’m a very instinctual person, but my instinct turns out to be right.”²⁴ He abjures his own intelligence community, has little patience for interagency reviews or the counsel of allies, and has yet to fill critical national security appointments. He has little time for the details of policy but is supremely confident in his own abilities. He cares very much about manly strength, abhors embarrassment, personalizes political defeats, is concerned more with symbols than substance, and, it has to be said, seems completely out of his depth.²⁵

Add to this the peculiarities of Chairman Kim, the advancing DPRK missile program, escalatory military doctrines, force postures in the South and perhaps elsewhere, political divisions between most of the main players, inexperienced leadership, and the absence of communication between the North and the relevant governments, one cannot help but wonder about the future. Under the circumstances, the struggle to build a better sanctions regime may be the least of our problems.

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ENDNOTES

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13. For a surprising account of the 2017 announcement, see Sun Yun. "The Myth of China's Coal Imports from North Korea." *38 North*, April 5, 2017, <http://38north.org/2017/04/ysun040517/>. Adding to the complexity is what appears to be increases in exports of some North Korea sanctioned commodities (i.e., iron ore) and decreases in the import of other sanctioned commodities (i.e., coal). Jane Perlez and Yufan Huang. "China Says Its Trade With North Korea Has Increased." *The New York Times*, April 13, 2017, <<https://www.nytimes.com/2017/04/13/world/asia/china-north-korea-trade-coal-nuclear.html>>.
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15. Matthew Pennington, "New North Korea Strategy: 'Maximum Pressure,'" *Time*, April 14, 2017, <<http://time.com/4741190/trump-north-korea-strategy-maximum-pressure/>>.
16. Park and Walsh, "Stopping North Korea, Inc."
17. "Report of the Panel of Experts, 2017."
18. See Choe Sang-Hun. "As Economy Grows, North Korea's Grip on Society Is Tested," *The New York Times*, April 30, 2017, <<https://www.nytimes.com/2017/04/30/world/asia/north-korea-economy-marketplace.html>>. This reporting is consistent with the author's observations during his trip to the DPRK in 2005 and compared with the accounts from other experts that have travelled to the North in recent years
19. The standard Washington narrative of the Agreed Framework was that it was a failure and ended due to cheating by the DPRK. The former claim is just wrong, especially when judged from where things stand today, and the latter claim is simplistic to the point of falsehood. For some eight years, the DPRK froze its production of fissile material and did not conduct long-range missile tests. The North did indeed violate the agreement by initiating a centrifuge procurement program, but long before that point, the United States had begun to undermine the agreement, first with the ascent of a Republican-controlled Congress under Clinton and then under the Bush administration. For example, American promises of normalized relations, a security assurance, and a light water reactor were never fulfilled. If anything, the Bush White House escalated threats against Pyongyang. American officials at the time later reported to the author their belief that something could have been worked out regarding the centrifuge program, but that the Bush administration was intent on destroying the agreement -- just as they had earlier pulled out of the ABM Treaty. For a brief recounting of events at that time, see Mike Chinoy, "How Washington hard-liners helped to create the North Korean crisis," *The Washington Post*, April 19, 2017, <https://www.washingtonpost.com/news/global-opinions/wp/2017/04/19/how-washington-hard-liners-helped-to-create-the-north-korean-crisis/?utm_term=.28ffd5a6699c>
20. "Panel of Experts, 2017"; and Eric Talmadge, "UN report: Sanctions disrupt humanitarian aid to North Korea." Associated Press, March 23, 2017, <<http://bigstory.ap.org/fc9005351cef4b6fabc015e5984ca4fe>>
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22. Tara Maller, "Diplomacy Derailed: The Consequences of Diplomatic Sanctions." *The Washington Quarterly* 33:3 pp. 61-79, <https://csis-prod.s3.amazonaws.com/s3fs-public/legacy_files/files/publication/twq10julymaller.pdf>; Joel S. Witt, "Trapped in No-Man's-Land: The future of US Policy toward North Korea," *North Korea's Nuclear Futures Series*. US-Korea Institute at SAIS. June 2016, 1-18, <http://38north.org/wp-content/uploads/2016/06/NKNF_Wit-2016-06.pdf>.
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24. Stephen J. Adler, Jeff Mason, and Steve Holland, "Exclusive: Trump says he thought being president would be easier than his old life," *Reuters*, April 29, 2017, <http://www.reuters.com/article/us-usa-trump-100days-idUSKBN17U0CA>