



FPI Bulletin: Trump's North Korean Nuclear Challenge

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North Korea's [test of an intermediate-range missile](#) this weekend is a stark illustration of Pyongyang's progress toward a ballistic missile capable of delivering a nuclear warhead against the American homeland. This "slow-motion Cuban Missile Crisis," as some national security experts [have called it](#), requires a determined U.S. response. While the Trump administration's emerging approach is in many ways commendable, it is not clear that the White House is willing to devote the degree of pressure that is required to force either Pyongyang or its Chinese patrons to change their behavior.

Will "Maximum Pressure" Be Enough?

Late last year, the Obama administration [warned](#) that North Korea's growing nuclear and ballistic missile capabilities would be President Trump's top national security priority. Pyongyang's nuclear arsenal has grown to as many as 30 warheads, according to one [estimate](#), and is poised to double over the next three years. As Victor Cha of the Center for Strategic and International Studies [observes](#), between 1994 and 2008, North Korea conducted only 17 ballistic missile tests and 1 nuclear test. Under President Obama's watch, Pyongyang performed 62 missile tests and 4 nuclear tests. The purpose of this dramatically accelerated program, Cha says, "is to traverse critical technical thresholds to achieve a modern nuclear weapons force."

In light of this growing security threat, the new administration [recently conducted](#) a comprehensive review of North Korea policy. This new approach abandons the Obama administration's "strategic patience" policy, and instead seeks to impose "'maximum pressure' against the North Korean regime to try to halt its illicit missile and nuclear activity, through sanctions and other diplomatic means."

In remarks before State Department officials this month, Secretary Rex Tillerson emphasized that the administration seeks new denuclearization talks rather than North Korea's collapse. He [described the policy](#) as "not about regime change, this is not about regime collapse, this is not about an accelerated reunification of the peninsula, this is not about us looking for an excuse to come north of the 38th Parallel." By emphasizing this limited goal, the administration seeks to woo Chinese support for a tougher approach without threatening the North Korea's survival.

The administration's tight-rope approach will make for a hard sell in Beijing. As Joshua Stanton, Sung-Yoon Lee, and Bruce Klingner [write in the new issue of Foreign Affairs](#), China has long enabled North Korea's atrocious behavior. They note, "China, in particular, has made a show of voting for each round of [U.N.] sanctions, only to flagrantly violate each of them. China's state-owned companies have sold missile trucks to Pyongyang; its banks have laundered the regime's money; its government has allowed UN-sanctioned companies and the North Korean hackers who attacked Sony Pictures in 2014 to operate on its soil; and its ports have allowed the transshipment of arms, materials for North Korea's nuclear and missile programs, and luxury goods headed to North Korea—all without fear of punishment."

If North Korea decides to denuclearize, it will only be because its leaders face the choice of abandoning their arsenal or the end of their regime. Beijing is unlikely to facilitate presenting Kim Jong Un or any North Korean leader with such a stark choice, and not willingly. Mr. Trump must instead be prepared to coordinate and conduct a comprehensive campaign of economic, political, and military and pressure to compel North Korea to renounce its nuclear arsenal.

In reality, there will be no qualitative difference between a campaign of this nature and one directed at ending the Kim regime. Secretary Tillerson described the administration's approach as a "Pressure campaign that has a knob on it. I'd say we're at about dial setting 5 or 6 right now." The administration should be prepared to crank that knob to 11. In every step, Washington should work to push Pyongyang to the brink of collapse and demonstrate that it will tolerate any risks associated with doing so.

The Way Forward

The first and easiest step in increasing pressure against North Korea would be to re-designate Pyongyang as a state sponsor of terrorism. The assassination of Kim Jong Nam, the older half-brother of Kim Jong Un, this February in Malaysia is a clear demonstration that the North's terrorist capabilities have not dimmed, and follows several notorious overseas attacks since the Bush administration removed North Korea from the terror list in 2008.

Re-designating North Korea as a state sponsor of terror, Klinger [notes](#), would "have tangible impact on regime finances. It would enable invoking stronger financial transaction licensing requirements under...and remove North Korea's sovereign immunity from civil liability for terrorist acts. Re-designation would require the U.S. government to oppose loans to North Korea by international financial institutions, such as the World Bank, International Monetary Fund, and Asian Development Bank."

This should only be the first step in a comprehensive sanctions effort akin to the initiative against Iran launched during the first term of the Obama administration. As Sue Mi Terry has [testified](#) before Congress, "U.S. sanctions against North Korea were [until last year] a mere shadow of the sanctions applied to Iran, Syria, or Burma, and even narrower than those applicable to countries like Belarus and Zimbabwe."

A [recent report](#) from the United Nations makes clear that the international community has a long way to go until sanctions against North Korea are fully brought to bear. "Designated entities and banks have continued to operate in the sanctioned environment by using agents who are highly experienced and well trained in moving money, people and goods, including arms and related materiel, across borders." The *Washington Post* notes that the U.N. report also [makes clear](#) that "Chinese companies continue to act as enablers, supplying the isolated communist regime with technology and hardware that allow its missiles to take flight."

David Cohen, a senior official in both the CIA and Treasury Department during the Obama Administration, [recommends in the Washington Post](#) that the Trump administration impose "secondary sanctions against midsize Chinese banks that aid North Korean front companies, leaving the larger ones for later, if necessary." Secondary sanctions threaten banks processing transactions for sanctioned entities with being cut off from accessing the U.S. financial system – "a practical necessity for almost any bank anywhere in the world," Cohen notes.

A pressure campaign against Chinese bank that facilitate North Korea's illicit activities will of necessity be a gradual process, in order to ensure that every step taken is both credible and based on thorough investigations. This should not stop Washington from targeting other gross

human rights violations that profit Pyongyang. Roughly 50,000 North Koreans [work abroad](#) – primarily in Russia and China – in conditions equivalent to forced labor, providing \$2 billion annually for the North Korean regime. As Juan Zarate has [recommended](#) in congressional testimony, the United States can crack down on these practices through both unilateral measures and through U.N. designations.

In keeping with such efforts, the Trump administration should recognize the importance of democracy promotion as a strategic tool against North Korea. The United States and its allies and partners should devise “a comprehensive strategy to help the people of North Korea further break the information blockade imposed by the state,” Terry writes. The Trump administration should also find ways to encourage and facilitate more North Korean elites to defect to the South. More of these officials [have already escaped](#) than is publicly known. By encouraging further defections, the United States would be furthering deeper splits in the Pyongyang power structure itself.

Conclusion

The North Korean nuclear crisis requires a fundamental reassessment of America's approach to the peninsula. Relying on China's cynical assurances that they will meaningfully pressure their only ally is just as naive a belief that the North will volitionally denuclearize through negotiations. On the contrary, the United States will have to establish and maintain debilitating, regime-threatening pressure against Pyongyang for years until the regime completely, verifiably, and irreversibly relinquishes its nuclear arsenal. However, there is no qualitative difference between this type of pressure and the type that could topple the regime, and the Trump administration should not undermine its own policy at the onset by allowing North Korea to believe it can return to negotiations and play for more time, as it did during the Six Party Talks a decade ago.

But more importantly, the Trump administration should recognize that the aversion it seemingly has to incorporating a defense of American values into its foreign policy is self-defeating. During his address to State Department employees, Secretary Tillerson attempted to explain how and where America's values impact America's foreign policy – and in the process only deepened the concerns of critics who believe the administration is stepping back from supporting democracy and human rights worldwide. In the case of North Korea, it is undeniable that the end of the Kim regime would benefit America's security interests and reflect our values. President Trump and the State Department should not shy away from making that case in public.