Building a Flywheel
The Biden Administration's Opportunity to Forge a New Path with North Korea

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Executive Summary

As the United States seeks to maintain a level of stability in its increasingly competitive relationship with China, North Korea has the potential to complicate their intensifying rivalry. Dealing with North Korea is a complex endeavor that requires deft handling by both nations because the stakes are high and instability can spread rapidly.

For decades, China has been seeking to bolster the stability of the Kim family regime and increase China’s economic engagement with North Korea, to the point where North Korea Inc.—the Kim regime’s network of elite state trading companies—has embedded itself in major commercial hubs throughout China. By prioritizing the stability of the North Korean regime over denuclearization in its policy actions, China created a loophole in which the North Korean regime could enjoy economic benefits without having to do denuclearization work. Beijing thus impeded the development of a connection to a larger process in which major denuclearization activity would be paired with major economic and diplomatic concessions.

In contrast to China’s sustained engagement with North Korea, U.S. policy toward North Korea over the last decade has focused substantially on sanctions implementation. There was a brief period of summit diplomacy during the Trump administration, but those efforts failed to bring about progress toward denuclearization.

The North Korean nuclear issue has mutated into a much more complex challenge that no longer fits into past policy molds that rely heavily on sanctions implementation. President Joe Biden’s administration will need to recognize that North Korea under Kim Jong Un has become highly resilient to U.S. policy tools such as sanctions, largely due to far-reaching advancements in the relationship between the Chinese Communist Party (CCP) and the Workers’ Party of Korea (WPK) as well as the migration and embedding of North Korea Inc. deep inside the Chinese national economy.

During the past few years, five key developments have changed the environment and called into question the efficacy of relying on sanctions alone to change North Korean behavior:

- **North Korea has advanced its nuclear and missile capabilities.** North Korea has advanced its nuclear-armed intercontinental ballistic missile capabilities and now poses a direct threat to the continental United States. In recent years, North Korea has also dramatically advanced other aspects of its nuclear and missile capabilities at shorter ranges. Sanctions are neither bringing North Korea back to the negotiating table nor impeding its ability to further build its nuclear arsenal.

- **North Korea is surviving a self-inflicted economic crisis.** North Korea effectively survived a severe protracted lockdown of its economy, raising serious doubts about depending on U.S. and U.N. Security Council sanctions as a tool of influence. Since January 2020, North Korea has implemented a stringent COVID-19 prevention policy that, in practice, has the impact of a full-scale economic quarantine. (Although the North Koreans reportedly made an exception for two train shipments in January 2022, the overall border closure remains in place.) North Korea’s trade with China plunged by 75 percent in 2020 versus the previous year, yet Kim made no effort to seek sanctions relief nor demonstrated any willingness to make concessions on his country’s nuclear or missile programs in order to access international assistance.

- **The season of summitry has failed, and North Korea is increasingly dependent on China.** The failure of the short-lived U.S.–North Korea summitry during 2018–19 resulted in North Korea shutting down communications with both Washington and Seoul. China emerged as North Korea’s sole outlet for support.

- **U.S.–China relations have worsened.** U.S.–China relations have deteriorated sharply over the last two years, making the possibility for cooperation on North Korea between the two countries more remote.

- **China has rapidly pursued a digital currency.** China continues to speedily build its own digital currency, which has major consequences for the United States’ sanctions playbook. Although China’s digital currency is at an early stage, its efforts to circumvent the U.S. dollar denominated system and build an alternative to the U.S. financial system will likely accelerate.1

In light of these developments, the traditional U.S. approach of applying more sanctions to bring North Korea to the bargaining table and pressuring China to rein in North Korea has largely run its course. The COVID-19 threat brought about the most intense actualization of a maximum pressure campaign that the United States could ever hope for, yet North Korea carries on.

The Biden administration has an opportunity to develop a more calibrated, practical approach that explores diplomacy with North Korea. This report draws on the idea of a flywheel—a heavy wheel that requires considerable effort to start rotating—and recommends creating a “flywheel effect,” or a structured series of decision points and wins to build momentum toward risk reduction and denuclearization, where “small wins for small wins” grow into “larger wins for larger wins.”
Implementing policies that create this effect can help lead North Korea toward a denuclearization path and break the country’s dependence on China. Figure 1 outlines how policy actions could bring the United States and North Korea closer to a common vision of stability and prosperity on the Korean Peninsula, while also creating the space for other actors, such as South Korea and Japan, to contribute momentum to transforming the security, political, and economic landscape in the region.

This strategy has two key risks. First, North Korea could benefit from the easing of sanctions and halt additional denuclearization activities. Second, China could expand its engagement policy with North Korea, thereby decreasing the appeal of lifting sanctions under the “flywheel effect.” The United States, however, can mitigate these risks by reinforcing the message to North Korea that only both sides' sustained actions will enable them to reach the larger wins.

FIGURE 1: U.S. ACTIONS TO CREATE “THE FLYWHEEL EFFECT” WITH NORTH KOREA

INITIAL TURNS: Small Wins for Small Wins

Political
End the Korean War.
- Sign a political document to mark the end of the Korean War, with a Korean Peninsula that is prosperous and free of nuclear weapons as the common vision.
- Acknowledge this new era of threat reduction as a concrete sign of peacebuilding on the peninsula.
- Turn the ending of the Korean War—with the signing of a political document—into the true beginning of the Korean Peace.
- Lay out the vision of how this initial turn—if sustained—could grow into a comprehensive and inclusive peace mechanism for the peninsula.

Technical
Freeze & dismantle the Yongbyon Nuclear Complex.
- Produce an initial inventory of North Korea’s primary and secondary facilities for freezing and dismantling to create a pathway for adding more momentum.
- Structure a program in which the North Korean side would freeze and dismantle facilities at a negotiated exchange rate calibrated to a specified reciprocal action.

Security
Reassure allies.
- Address South Korea’s security concerns about North Korea’s growing tactical ballistic missile capabilities by supporting Seoul’s measured deployment of comparable conventional capabilities, as well as missile defense systems, to enhance deterrence.
- Expand interactions on North Korea in the Quadrilateral Security Dialogue, where Japan is a leading member. As a country directly at risk from a nuclear-capable North Korea, Japan is well aligned with the United States to highlight the threat posed by Pyongyang in Quad discussions.
- Engage China in an enhanced security dialogue on Korean Peninsula affairs to clearly convey that U.S. reassurance of allies is related to the North Korean threat and not directed at China.

Economic
Ease sanctions.
- Establish an exchange rate system detailing what type of facility would correspond to a type of sanctions for easing. Just as there would be a list of facilities to freeze and dismantle at Yongbyon, there would also be a list of sanctions to ease.
- Ease sanctions to create separate opportunities to address the de-risking phenomenon. Financial institutions have been terminating or restricting business relationships with clients—including nongovernmental organizations—to avoid, rather than manage, risk.

SUBSEQUENT TURNS: Larger Wins for Larger Wins

Technical
Accelerate dismantlement of the Yongbyon Nuclear Complex and other facilities for lifting select core sanctions.
- Accelerate the pace of dismantling larger facilities—at Yongbyon and other sites (specifically, facilities related to uranium enrichment and ballistic missile production)—to create credible opportunities for North Korea to seek the lifting of core sanctions.
- Build on the track record of small wins (resulting in sanctions easing) so both the United States and North Korea can incorporate larger items such as dismantling core components of Yongbyon and verifying the dismantling activities (resulting in sanctions lifting).

Political/Economic
Link more sanctions lifting for more denuclearization activities to further build momentum.
- Facilitate economic development inside of North Korea by generating momentum for a foreign investors summit. The significant reduction of business risk resulting from lifting core sanctions would provide a pathway for foreign investors to begin exploring business opportunities in North Korea, such as the mineral resources sector or transportation infrastructure projects.
- Unwind an expanded range of sanction types, such as national ones (e.g., South Korea and Japan), that can add momentum to foreign investors’ involvement in infrastructure projects inside of North Korea—a hallmark of the flywheel effect.

Figure 1 outlines how policy actions could bring the United States and North Korea closer to a common vision of stability and prosperity on the Korean Peninsula, while also creating the space for other actors, such as South Korea and Japan, to contribute momentum to transforming the security, political, and economic landscape in the region.
Introduction

Sanctions on North Korea’s nuclear weapons and ballistic missile programs have failed to halt the growth of these capabilities. There are no agreements that limit North Korean weapons development or production at present, and the country’s ability to evade key sanctions is growing. The pace of these programs’ development is more constrained by the regime’s mismanagement of its economy, leading to chronic resource shortfalls and a limited technological-industrial base, than it is by sanctions imposed by the United States and the international community.

Deterrence has been and will remain effective at convincing North Korea to forgo the use of large-scale military force and thereby preserving a fragile peace in the region. However, the recent track record of U.S. deterrence policy on the Korean Peninsula has demonstrated that it is insufficient to prevent North Korea from expanding its nuclear weapons and ballistic missile capabilities and can only do so much to delay or prevent the testing of these weapons. If North Korea’s development of its nuclear weapons and ballistic missile programs continues to be largely unconstrained, the second-order consequences would exacerbate an already complex security situation in the region.

The recent track record of U.S. deterrence policy on the Korean Peninsula has demonstrated that it is insufficient to prevent North Korea from expanding its nuclear weapons and ballistic missile capabilities.

This report recommends creating a “flywheel effect”—a structured series of decision points and wins (“small wins for small wins” growing into “larger wins for larger wins”)—to build momentum toward risk reduction and denuclearization. A flywheel is a heavy wheel that initially requires considerable effort to start rotating. A series of small movements in the beginning grows into larger ones that enable the flywheel to power a machine. Successful business organizations have employed the “flywheel effect” to facilitate wider support for and clear implementation of a new strategy, particularly when progress is initially modest.

In policy terms, such a virtuous cycle of actions can bring the United States and North Korea closer to a common vision of stability and prosperity on the Korean Peninsula. The faster the progress with small wins, the more tangible the common vision and the economic benefits become for North Korea, thereby creating momentum toward larger wins. This “flywheel effect”—the “cumulative building of momentum to a point of breakthrough”—can also create the space for other actors, such as South Korea and Japan, to contribute momentum to transforming the security, political, and economic landscape in the region.

The main risks of pursuing this strategy are related to North Korea benefitting from a round of sanctions easing and not proceeding with additional denuclearization activities, and China expanding its North Korea engagement strategy in a manner that overshadows the appeal of sanctions lifting under the “flywheel effect.” The United States can mitigate these risks by including a snapback provision in a deal on a denuclearization pathway with North Korea and communicating to China that unilaterally advancing its North Korea engagement strategy would undermine a pathway to longer-term stability and security on the Korean Peninsula.

The United States should reinforce the message to North Korea that only both sides’ sustained actions will enable them to reach the larger wins. Should North Korea cease its working partnership with the United States, foreign investors would end their business ventures because of the snapback sanctions and would leave unfinished projects behind. In this respect, sanctions would have a wholly different meaning to North Korea: instead of evading sanctions, North Korea would preempt them by keeping the flywheel in motion.

No path guarantees success for reducing the North Korea nuclear threat; however, the United States can improve prospects for a more effective management of this security challenge. Important initial steps in this direction include taking full stock of the changed geopolitical environment, better understanding the key factors and policies that led to these changes, and debunking dominant myths that persist. With this comprehensive view, President Joe Biden’s administration can develop a more effective policy toward North Korea. The current policy framework that relies primarily on sanctions implementation may be comforting in its familiarity; however, it is outdated because it does not consider the scale and scope of the current China–North Korea relationship.
Implications of a Changing Geopolitical Landscape

The United States’ policy approach toward North Korea needs to evolve to fit changing geopolitical circumstances. Five key developments over the last few years call into question the efficacy of relying on sanctions alone to change North Korean behavior.

1. **North Korea has advanced its nuclear and missile capabilities.** North Korea significantly advanced its ability to deliver a nuclear warhead to the continental United States after a round of rapid nuclear and intercontinental ballistic missile (ICBM) tests during 2016–17. Before this, North Korea primarily threatened international security with its regionally focused missile and nuclear tests as well as its proliferation activities, which reached as far as the Middle East (Iran, Syria, Yemen), North Africa (Libya), and South Asia (Pakistan).

2. **North Korea is surviving a self-inflicted economic crisis.** North Korea’s ability to persevere after a comprehensive effort to prevent the spread of COVID-19 by imposing its own stringent economic quarantine since January 2020 raises serious doubts about a sanctions-dependent approach to dealing with Pyongyang. (Although the North Koreans reportedly made an exception for two train shipments in January 2022, the overall border closure remains in place.) The maximalist prevention approach of North Korean leader Kim Jong Un’s regime sparked severe internal economic hardship. According to Chinese customs data, North Korea’s trade with China dropped by 75 percent in 2020 compared with the previous year. The massive decline in Chinese trade reveals the devastating impact of North Korea’s self-inflicted economic crisis. Despite these harsh new economic realities, Kim has so far not sought sanctions relief nor signaled any willingness to make concessions on North Korea’s nuclear and missile programs to garner economic assistance.

3. **The season of summity has failed, and North Korea is increasingly dependent on China.** For North Korea, the failure to reach a deal with the United States has resulted in China being its only outlet for support. Despite promising starts with an inter-Korean summit in Panmunjom followed by a U.S.–North Korea summit in Singapore, the season of summity effectively came to a halt with the U.S.–North Korea summit in Hanoi, Vietnam. What looked like the beginning of a new era for North Korea with diversified relations with South Korea and the United States ended with the realization that North Korea would become more dependent on China.

4. **U.S.-China relations have worsened.** With this core bilateral relationship deteriorating deeply and swiftly, significant cooperation on North Korea is becoming more remote. A key component of recent diplomatic breakthroughs in dealing with North Korea was close cooperation between Beijing and Washington. Moreover, Beijing’s recent success in improving relations with North Korea has diminished U.S. leverage and space to adopt a new policy toward North Korea.

5. **China has rapidly pursued a digital currency.** China continues to speedily build its own digital currency, with potential major consequences such as an emerging alternative to the U.S. dollar denominated financial system. Although China’s efforts are at an early stage, its and other countries’ efforts to circumvent the U.S. dollar denominated system will accelerate as Washington continues to prioritize and expand the use of sanctions.

For those advocating dialing up sanctions beyond the maximum pressure period under the Trump administration to finally drag North Korea across the denuclearization finish line, North Korea’s recent self-imposed economic quarantine is an inconvenient fact. Since January 2020, a natural experiment has played out in which Pyongyang has implemented, in effect, the harshest sanctions regime ever proposed. Yet the North Korean regime continued to function and test its short-range ballistic missiles, as well as hypersonic capabilities—despite its own harsh economic quarantine measures to prevent the spread of COVID-19 inside the country. How would implementing more sanctions or increasing the implementation of existing ones produce a different outcome?

Sanctions on North Korea have become less effective in recent years due both to the migration of North Korean commercial operations to China and innovative North Korean business practices. U.S. efforts to pressure the Chinese government to implement U.S. sanctions inside of China quickly hit the “Great Wall of Sovereignty,” where the Chinese government’s position is firmly that it does not implement foreign laws on Chinese soil, only U.N. Security Council resolutions (UNSCRs)—which it retains the right to interpret and enforce on its own terms. (Although it continues to adhere to U.N. sanctions, China has eased up on implementing them.) Higher commission fees continue to draw out more capable local Chinese business partners, who, in turn, make procuring banned and dual-use components largely frictionless via their local networks. (That trend is likely to accelerate whenever initial sections of the Sino–North Korea border slowly reopen.)
This all means that sanctions will have diminishing impact. Exploring negotiation strategies where the main sanctions are lifted early in the process would be an effective way to ascertain what North Korea’s leadership is prepared to provide in return. If the Biden administration reverts to previous administrations’ structure of backloading the lifting of core sanctions, North Korea would view this as an attempt to wait it out. Exploring a front-loading approach to easing sanctions as a pathway to lifting core sanctions early is a critical element of launching the “small wins for small wins” initial turns to get the flywheel underway.

Sanctions on North Korea have become less effective in recent years due both to the migration of North Korean commercial operations to China and innovative North Korean business practices.

In contrast to the United States’ application of economic coercion, China had been steadily increasing its economic engagement of the North Korean regime via its Sunshine Policy with Chinese Characteristics until COVID-19 hit. In the post-pandemic period, the level of economic engagement will likely reach new heights as the Kim regime seeks to revive the ravaged North Korean economy. Significantly, China will not link this surge in economic activity—coordinated through a Chinese Communist Party (CCP)-Workers’ Party of Korea (WPK) channel—to progress with denuclearization. If China provides many of the economic inducements that would have gone into a U.S. package deal proposal, how can the United States develop an effective North Korea policy? The contrast between the approaches of Beijing and Washington will become even starker.

Beijing’s use of economic engagement presents it with an opportunity to advance its Korean Peninsula strategy. China has viewed strong bilateral relations with each of the Koreas as constituent parts of a comprehensive strategy for durable regional stability. Lack of progress in U.S.–North Korea negotiations could provide Beijing with the diplomatic room to take the initiative and launch a China-North Korea-South Korea trilaterally coordinated effort to promote peace and prosperity on the Korean Peninsula. A symbolic political accord among the three countries in an inclusive manner could set the stage for increased multilateral economic development cooperation activities in the Chinese provinces bordering North Korea. Such an initiative would directly benefit local Chinese populations in these underdeveloped areas. South Korea would benefit from this approach as well because it would provide a conduit to advance the infrastructure projects at the heart of the inter-Korean Panmunjom Declaration.

In practice, South Korean companies’ licenses and contracts would all be with local Chinese counterparties. North Korean state trading companies are likely to use their existing networks of local Chinese business partners as middlemen. This configuration would enable Chinese authorities at the provincial level to claim that these various business dealings are benign, low-level economic development activities. Significantly, these activities enjoy special carve-outs in key UNSCRs and under Chinese national law—loopholes large enough for Chinese border provinces’ multilateral economic development cooperation initiatives to pass through.16

More Chinese-led initiatives that would expand the scale and reach of Beijing’s Sunshine Policy with Chinese Characteristics are likely. In practice, the lack of progress with North Korea’s denuclearization would not be an impediment to launching these initiatives. Peaceful coexistence and multilateral economic cooperation could flourish in a sustained manner—all with the United States on the sidelines.

Assessing National Policies

As the Biden administration moves forward on its North Korea policy, it needs to assess how the national policies of the core countries—North Korea and China—contributed to undermining the effectiveness of the sanctions regime. To advance their respective national interests, each of these countries took steps that triggered intertwined consequences that resulted in rebuilding North Korea and reviving the WPK.

Kim Jong Un Regime’s Byungjin Policy

Shortly after succeeding his father, Kim Jong Il, Kim Jong Un wasted no time pushing forward the regime’s Byungjin policy goals. The Byungjin policy has two parallel prongs: advancing North Korea’s nuclear weapons development program and building the national economy. Though Byungjin has receded in official rhetoric, the basic idea of being unwilling to sacrifice the nuclear program for the sake of the economy remains central to Kim’s policy vision, as he explained at the party congress in January 2021.17
Initially underestimated as a young and inexperienced successor who would be under the tutelage of his powerful uncle Jang Song Thaek, and as a potential economic and political “reformer” shaped by his education in Switzerland, Kim surprised many in the international community with the rapid pace of nuclear weapons testing and development under his watch. Kim launched a fast-paced cycle of missile and nuclear tests in 2016. (See Figure 2: North Korean Missile and Nuclear Tests.) The testing cycle demonstrated Kim was a risk-taker and a dangerous leader who would come to pose a direct threat to the United States.

During nearly a decade in power, Kim has conducted over 100 missile tests and four nuclear tests, demonstrating dramatically increasing capabilities. The nuclear test on September 3, 2017, had an estimated yield an order of magnitude larger than previous tests and was also claimed to be of a thermonuclear design shown to be small enough to fit on the last ICBM Pyongyang launched. By substantially improving Kim Jong Il–era sanctions evasion techniques, Kim Jong Un accelerated procurement of banned and dual-use components for advanced ballistic missile systems and transporter-erector-launchers. Greater access to the Chinese marketplace and gateways in Southeast Asia—specifically Singapore and Malaysia—served as a critical factor contributing to this acceleration.

These procurement innovations enabled Kim to claim that he was making progress toward his overarching goal of unveiling North Korea as a “strong and prosperous nation.” He could claim that he was effectively countering the United States’ “hostile policy” and that a nuclear deterrent would eventually enable the regime to free up and reallocate resources to build North Korea’s economy. In this way, Kim’s game plan bears a resemblance to China’s minimum nuclear deterrence doctrine “in service of the national development strategy.”

Although the Kim regime announced that nuclear weapons development and economic development would occur in parallel, that was not the case in practice. North Korea’s bargaining position at the summits revealed that Kim was aware that North Korea’s national economic development depended on at least some progress toward denuclearization, given its connection to sanctions lifting.

**FIGURE 2: NORTH KOREAN MISSILE AND NUCLEAR TESTS**

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<tr>
<td>Number of Launches</td>
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Accounts for full flight tests only. Does not include partial tests of missile subsystems such as static engine firings or cold-launch ejection tests, tests of air defense systems, or short-range rockets and artillery firings. Updated October 28th, 2021.
During Kim’s summit with then-U.S. President Donald Trump in Hanoi in February 2019, the North Korean leader put a deal on the table in which North Korea sought the lifting of key sanctions that blocked its ability to build its economy in return for the dismantlement of the Yongbyon Nuclear Complex. However, this deal represented only a portion of North Korea’s nuclear weapons development program, omitted its ballistic missile program, and included none of its actual nuclear weapons or fissile material.21 Kim had expected the United States to accept Yongbyon as the crown jewel of North Korea’s nuclear weapons program, which would merit the lifting of five of the 11 UNSCR sanctions on North Korea. Instead of paving the way for massive sanctions relief and improved economic development conditions, Kim’s offer fell flat.

Trump rejected the deal, noting that Yongbyon was far from sufficient for the level of sanctions relief Kim was seeking, telling The New York Times’ David Sanger, “I think you and others would’ve said we didn’t get enough for what we’d be giving up.”22 When the United States asked whether Kim had additional facilities to include in the initial offer, Kim revealed that he did not.23 It is unclear whether his overly optimistic expectation reflected his own assessment or the counsel of others, though he apparently punished some of the key advisors and negotiators involved.26

**Beijing’s Sunshine Policy with Chinese Characteristics**

The CCP, having studied the engagement policies of various countries, lauded South Korea’s Sunshine Policy for using economic development projects inside North Korea to bring about a transformation of inter-Korean relations. Building on this model, the CCP’s approach to advancing its national interests on the Korean Peninsula could be characterized as “Beijing’s Sunshine Policy with Chinese Characteristics.”27 Compared to South Korea’s Sunshine Policy, Beijing’s version has four distinct features:

- **Market Access:** China has opened its national economy to North Korea Inc. This access provides the Kim regime a solid foothold in a market where it can procure items ranging from luxury goods to dual-use components to banned equipment, thereby providing a conduit for sanctions evasion. Even at the height of South Korea’s Sunshine Policy, not a single North Korean state trading company operated inside South Korea’s national economy.

- **Mutual Economic Gain:** China’s Sunshine Policy brings benefits to the chronically underdeveloped Chinese provinces bordering North Korea. For example, during the booming coal trade in the second half of the 2000s, steel mills in the Chinese border provinces operated at peak capacity due to the enhanced energy security from North Korean coal. This powerful synergy did not exist with the special projects—Kaesong Industrial Complex and Mount Kumgang Tourist Complex—at the heart of South Korea’s Sunshine Policy, which South Korean taxpayers largely funded.

- **Political Stability:** The CCP is able to maintain continuity of its version of the Sunshine Policy because of the low likelihood that the CCP will be removed from power. The absence in Beijing of the political pendulum as it exists in South Korea provides a stable foundation for Beijing’s Sunshine Policy. The South Korean constitution’s limit of a single five-year term for each South Korean president results in a short period of political support for engagement policies with North Korea.

- **Party-to-Party Relations:** Through its unique party-to-party relations, the CCP has been promoting the growth and stability of the WPK. As Kim Jong Il accelerated the leadership succession process in 2009, the primary vehicle for doing so was the WPK. Most notably, Kim Jong Un began taking on key party titles. His titles eventually came to mirror those of Xi Jinping at the helm of the CCP, recently culminating in Kim’s elevation to party general secretary.28 This bureaucratic and power structure symmetry enables the CCP to coordinate more directly and seamlessly with the WPK. As a result, the CCP has been more efficient at shoring up the stability of the WPK. During a period of frigid relations between Xi and Kim before the thaw with a season of summitry in 2018, party-to-party interactions continued.29 South Korea lacks this unique bureaucratic symmetry.
According to Chinese experts in 2007, “influence from South Korea and China are the most worrisome destabilizing factors for North Korea’s leadership. ... ‘There is worry about the two winds: the wind from the west and the wind from the south. The greatest vigilance is toward the wind from the south...’”

The Evolution of China’s Approach to North Korea

Beijing’s long-term approach to the Korean Peninsula is based on four principles, including nonproliferation in Asia; peaceful settlement of U.S.-North Korea disputes; peace and stability on the Korean Peninsula; and the need for the United States to consider the security concerns of the Democratic People’s Republic of Korea (DPRK). Starting in the early 2000s, Beijing departed from its earlier, discreet behind-the-scenes role and became more proactive in implementing these principles by directly facilitating a multilateral negotiation process. Beijing launched the Six-Party Talks process in August 2003 and took on considerable political risk in chairing it along an uncertain path forward. The international prognosis for this multilateral diplomatic effort was bleak. Yet, despite pauses and delays, the talks proceeded for five years until they foundered in 2008 over how to verify North Korea’s agreed denuclearization activities. During this time, Beijing, in practice, multilateralized its four principles through the Six-Party Talks.

As Beijing’s Sunshine Policy gained traction in the early 2000s, it concluded 50-year Chinese concessionary leases of key mines in the northeastern corridor of North Korea. During the period covering the late 2000s to the early 2010s, these mines’ energy resources fueled remarkable growth in the chronically underdeveloped Chinese border provinces. A boom in the coal trade and North Korea Inc. sinking deeper roots inside the Chinese national economy were not coincidental but by design—the North Korean regime used revenue streams from the coal trade to fund North Korea Inc.’s considerable expansion throughout China. Since these developments gained traction at a gradual pace, many analysts initially dismissed such activities as merely poor people doing desperate things to make a livelihood. They missed the larger picture—the Sino-North Korean border region was expanding its gateway function for bilateral commercial and economic interactions.

Beijing also applied these four principles to support the second of bilateral summits during 2018-19 between Kim Jong Un and the leaders of neighboring countries and the United States. The Chinese leadership emphasized to Kim that he should seize the opportunity of concluding a comprehensive nuclear deal with then-U.S. President Donald Trump. After the Singapore Summit, Beijing’s Sunshine Policy was poised to thrive further. In a comparative sense, Beijing’s regional development plans would have advanced faster than Seoul’s Panmunjom Declaration.

Three Pillars of the United States’ North Korea Policy

As China transformed its relationship with the Korean Peninsula with a new trading partner in North Korea and closer political ties with South Korea, there was little change in the United States’ North Korean denuclearization policy. Recent U.S. North Korea policy formulation has consistently centered on three pillars: sanctions, pressure on China to enforce sanctions, and the creation of a new relationship between the United States and North Korea based on denuclearization. The first and most dominant pillar has been sanctions. While China was expanding economic engagement opportunities with North Korea, the United States was expanding...
its application of economic coercion. The United States has led the way in innovating on and applying economic coercion in dealing with North Korea. However, North Korean entities have developed increasingly effective ways to evade sanctions. The main point is not that the entities are evading these measures—it is how they are doing so. While sanctions initially do cause a setback for the North Korean regime, they also unintentionally spark learning as North Korea Inc. entities develop new business practices, partners, and pathways to evade sanctions.

In the Chinese marketplace, the greater application of sanctions raises the risk of doing business with a targeted North Korean entity—as intended. For some local Chinese private companies, the elevated risk of getting caught outweighs the gain from a lucrative business transaction. However, for local players who are part of relatively sophisticated local networks, this presents a special business opportunity. These players seek out North Korean clients, identify what illicit item they seek, and propose an elevated commission fee to compensate them for the elevated risk. They have effectively monetized the risk and created an efficient market for doing business with North Korean clients. Sanctions—the centerpiece of a U.S. administration’s North Korea policy—are now the catalyst for rapid adaptation in the Chinese marketplace. Much like the phenomenon of overprescribed antibiotics leading to drug-resistant superbugs, core elements of North Korea Inc. are showing signs that heavy application of sanctions has simply led to their evasion.

The second pillar of U.S. policy is to pressure China to enforce sanctions and support North Korea’s return to denuclearization negotiations. Through a combination of political pressure (e.g., leader-level conversations) and economic pressure (e.g., secondary sanctions on lower-level Chinese banks and companies), the United States has increasingly tried to get negotiations back on track. In a period of rising tensions and complications in the U.S.–China relationship with tariffs and uncertainty about how to manage competition, U.S. pressure on China will be less effective. Future U.S. efforts to pressure China will be met with Beijing’s refrain that it is the United States’ responsibility to find a viable path of negotiation and deal-making with North Korea. Entreaties by the United States that China has an opportunity and an obligation to demonstrate that it is acting like a responsible stakeholder are increasingly met with disdain in Beijing.

The third pillar is the United States’ attempt to reframe the political relationship with North Korea based on denuclearization. The Singapore Declaration envisioned doing this by establishing “new” relations and through “efforts to build a lasting and stable peace regime on the Korean Peninsula.” A willingness to reframe the political relationship even while denuclearization remains in its early stages could be effective if U.S. and North Korean leaders are committed to achieving a meaningful transformation of the bilateral relationship. However, summits for summits’ sake without both sides committed to carrying out the substantive preparatory work at the working-group level can squander valuable diplomatic opportunities quickly, as was the case during the short-lived season of summitry in 2018–19.

Recent U.S.–North Korea policy formulation has centered on three pillars: sanctions, pressure on China to enforce sanctions, and the creation of a relationship between the United States and North Korea based on denuclearization.

Between Trump and Kim, it is now evident that the latter placed more political capital in a leader-level diplomatic process that was initially unveiled as the beginning of a new bright future in U.S.–North Korea relations. This is indicated by the unprecedented extent to which North Korean state media showed video and photographic coverage of Kim’s summits in Singapore and Hanoi to the North Korean people with relatively short delay—either in the evening after the day’s events or the next morning. Kim was brimming with confidence that he could secure a deal with Trump and threw whatever caution remained to the wind. This bilateral attempt to reframe the political relationship between the United States and North Korea will join the long list of “what ifs” in the history of negotiations between these two countries.

Based on its North Korea policy review, the Biden administration is likely to continue employing these three core pillars. The third pillar will be the most critical should the Biden administration seek to seriously explore a negotiated arrangement that would begin the difficult mutually agreed process of denuclearization for phased concessions. From North Korea’s perspective, how the Biden administration attempts to operationalize this pillar will reveal its true intent. It will also indicate to the North Korean leadership where this endeavor ranks on Biden’s priority list. If the North Korean leadership deems that the administration is engaging North Korea for the sake of keeping it quiet during Biden’s term, the road ahead could be a bumpy one for the United States.
Debunking Enduring Myths

To move forward with a new and effective North Korea policy, the Biden administration needs to recognize that past U.S. policies were based on three dominant myths. These myths have contributed to flawed confidence in previous U.S. administrations’ North Korea policy direction.

**Myth #1: North Korea is living on borrowed time because of stagnant economic growth.**

This belief has led the United States to assess that North Korea would be willing to make major concessions on its nuclear and missile programs to gain sanctions relief. Traditional per capita analysis of North Korea’s economy reveals bleak data. But this research method misses the scale of the extent to which the top 1 percent of the North Korean population has thrived. Beijing’s Sunshine Policy created an economic lifeline directly into the Chinese marketplace for North Korea Inc. companies. Formalized through their party-to-party channel, this lifeline has provided Kim with extra room to maneuver and evade sanctions. Stability of the North Korean regime is paramount to the Chinese leadership. This has translated into continued “life support” and periodic bailouts of the regime through the CCP-WPK relationship during crises—such as the current self-induced economic challenges spreading in North Korea. A key type of bailout has been the provision of critical energy supplies; a recent example is China’s temporary shipment of refined oil to North Korea in mid-July.

**Myth #2: Kim represents business as usual and operates like a traditional intergenerational family business leader.**

This mistaken belief has led U.S. policymakers to assess that they had the luxury of time to prevent further advancements of North Korea’s nuclear and missile programs. On the military and strategic capabilities development front, Kim is a break from the past. As the head of a military-industrial enterprise, he is more dangerous than many observers originally assessed and more of a risk-taker than his father, even though he has acted in a rational, calculating, and goal-oriented manner. When it comes to Asian family conglomerate fortunes, there is a saying that the first generation builds the fortune, the second tries to manage it, and the third ends up squandering it. Many North Korea watchers initially pegged Kim as a third-generation squanderer, with the real power residing with Jang, his uncle, and with Kim’s aunt Kim Kyong Hui (younger sister of Kim Jong Il).

North Korea watchers were rudely awakened by Kim Jong Un’s rapid missile and nuclear testing tempo starting in 2012 and the swift trial and execution of Jang. In short order, North Korea’s supreme leader consolidated his power by purging key senior officials his father had put in place to serve as a cocoon around him as he learned on the job, and then repeatedly reshuffled his main subordinates until he found those who would be both loyal and effective. Kim soon began carrying himself like a first-generation founder of his own enterprise—an image he has carefully cultivated by adopting the appearance and mannerisms of his grandfather Kim Il Sung. The new ruler then invigorated North Korea’s weapons development and testing programs, prompting startling advancements to the long-desired goal of nuclear-armed ICBM capabilities that could put the continental United States at risk.

**Myth #3: Additional sanctions or improved enforcement can solve the problem.**

This flawed analysis has led the United States to invest a great deal of resources, energy, and diplomacy into refining sanctions enforcement, rather than consider other approaches to the North Korea challenge. There are risks to Kim’s aggressive approach to advancing his nuclear deterrent, such as losing revenue streams from South Korea (via inter-Korean projects) and triggering another round of stringent international sanctions. However, the CCP’s expanding working relationship with the WPK mitigates these significant risks. In seeking to shore up stability in North Korea during the leadership succession process after Kim Jong Il’s death in December 2011, the CCP accelerated party-to-party institution-building. Multiple CCP-WPK commercial channels help offset new sanctions and the implementation of existing ones. U.S.-led sanctions campaigns, in practice, bring the CCP and WPK closer together, thereby fostering more trust and confidence in this multifaceted and difficult relationship.

In this two-party dynamic, the CCP has granted the WPK elites access to the Chinese marketplace for stability promotion purposes with zero linkage to progress on North Korean denuclearization. In doing so, the CCP has unintentionally undermined the basis of the Six-Party Talks approach, which it still formally chairs. Why would North Korea return to a multilateral denuclearization forum to negotiate away its nuclear arsenal for uncertain economic, political, and diplomatic concessions on a vague timetable when it is already receiving full access to the Chinese marketplace and steady flows of oil and fuel with no required denuclearization actions?
Herein lies the flaw of the CCP’s approach to dealing with the WPK. By not linking progress with denuclearization in the Six-Party Talks to progress with Beijing’s Sunshine Policy, the CCP essentially provided the North Korean regime with key economic benefits up front. By prioritizing the stability of the North Korean regime over denuclearization in its policy actions, the CCP created a loophole whereby the regime could enjoy enhanced coping mechanism capabilities without having to do denuclearization work. The CCP’s prioritization of stability over denuclearization impeded the development of a connection to a larger process where major denuclearization activity would be paired to major economic and diplomatic concessions.

Compounding this predicament is the CCP’s operationalization of a regime security guarantee—i.e., a guarantee to ensure the survival of the Kim regime—as the foundation for bolstering stability by building up the CCP-WPK relationship for the longer term. (In comparison, the maximum that the United States is willing and able to provide is a nonaggression assurance.)

The North Korean nuclear issue has mutated into a much more complex challenge that no longer fits into past policy molds. The Biden administration will need to recognize that North Korea has become highly resilient to U.S. policy tools such as sanctions because of far-reaching advancements in WPK-CCP ties as well as the migration and embedding of North Korea Inc. deep inside the Chinese national economy.

**Building a Flywheel: The Biden Administration’s Answer to China’s North Korea Policy**

Despite the advanced state of Beijing’s Sunshine Policy, the Biden administration has the opportunity to close the gap by building on its policy that “calls for a calibrated, practical approach that is open to and will explore diplomacy with North Korea.” Under the proposed policy framework, the Biden administration can develop and signal a calibrated North Korea policy in the form of a threat reduction process. In this process, the initial set of turns (“small wins for small wins”) can test the intentions of the North Koreans and create early momentum toward subsequent faster turns of the flywheel (“larger wins for larger wins”). Since both sides’ actions are required, sustained momentum to reach the larger wins is only possible in concert, which should allay concerns about North Korea pocketing early small wins and disengaging.

An initial hurdle to launching a threat reduction process is getting past the debate about whether arms control or denuclearization should be the central goal. These issues currently appear at opposite ends of a spectrum. Rather than categorizing options in these two camps, it is time for the United States to lay out a process that incorporates both. In other words, arms control and denuclearization are potential points along the same process. Arms control—in the form of risk reduction—can constitute the “small wins for small wins” mechanism through which sanctions easing can grow into sanctions lifting.

By developing a graduated threat reduction process, the Biden administration can create a viable pathway with the Kim regime for jointly delivering small wins, thereby generating momentum to reach “larger wins for larger wins.” The United States and North Korea are the key parties that can lay out what it would specifically take to move from small moves (freezing and initial dismantling) toward big moves (accelerating the pace of dismantling core facilities and verifying the dismantlement). The “flywheel effect”—the “cumulative building of momentum to a point of breakthrough”—can catalyze this process.

By applying the flywheel effect to U.S.–North Korea relations, the two countries can build momentum toward denuclearization. The flywheel is so heavy that it is not possible to start moving it with large movements. In the beginning, the movements are minimal and barely noticeable. Continuing these small actions, however, builds momentum to the point that the wheel spins at a faster rate. This momentum, in turn, generates power in a motor that enables a machine to operate.

In policy terms, structuring a series of decision points and wins can bring the United States and North Korea closer to a common vision of stability and prosperity on the Korean Peninsula. The larger the scale and the faster the progress, the more tangible the common vision and economic benefits become for both countries. Likewise, if denuclearization activities do not progress, the prospect of halting these projects would impose costs and render North Korea more dependent on China rather than having more independence in its actions. This flywheel effect can also create the space for other actors, such as South Korea and Japan, to contribute momentum in transforming the security, political, and economic landscape in the region.

By applying the flywheel effect to U.S.–North Korea relations, the two countries can build momentum toward denuclearization.
Initial Turns: “Small Wins for Small Wins”

**POLITICAL—ENDING THE KOREAN WAR**
To add early momentum to the flywheel, the first step would be signing a political document to mark the end of the Korean War, with a Korean Peninsula that is prosperous and free of nuclear weapons as the common vision. Acknowledging this new era of threat reduction would be a concrete sign of peacebuilding on the peninsula. Together with South Korea and China, the United States and North Korea can halt the cycle of dead ends and venture forth to do something truly bold. Wise women and men have the capacity and agency to turn the ending of the Korean War into the true beginning of the Korean Peace. This important first turn of the flywheel—if sustained—could grow into a comprehensive and inclusive peace mechanism for the Korean Peninsula.

**TECHNICAL—FREEZING AND DISMANTLING THE YONGBYON NUCLEAR COMPLEX**
Talk of peace can only become actions of peace if the United States and North Korea have a concrete plan. In this context, producing an initial inventory of North Korean facilities for freezing and dismantling would be vital in creating a pathway for adding more momentum. With hundreds of significant facilities at the Yongbyon Nuclear Complex, there is an opportunity to structure a program where the North Korean side would freeze and dismantle selected facilities at a negotiated exchange rate to a specified reciprocal action—e.g., a commensurate level of U.S.-coordinated sanctions easing. A verification regime confirming freezing and dismantling actions would be critical in enabling this negotiated exchange rate system to gain traction.

**ECONOMIC—EASING SANCTIONS**
Just as there would be a list of facilities to freeze and dismantle at Yongbyon, there would also be a list of sanctions to ease. Rather than negotiating each facility and negotiating each sanction, the flywheel effect would entail establishing an exchange rate system detailing what type of facility would correspond to a type of sanctions for easing. Once this underlying logic is set, such a system could produce momentum with a desired tangible result for each side. What begins as a small win can become a series of small wins. The credibility of this process would grow with a track record of continued small improvements. This track record can bring South Korea, China, and Russia on board. Although not directly connected to threat reduction activities, U.S.-supported COVID-19 vaccine distribution in North Korea would help in building trust with Pyongyang in a time of humanitarian need.

SECURITY—REASSURING ALLIES
An important U.S. action is addressing South Korea’s security concerns about North Korea’s growing tactical ballistic missile capabilities by steadily supporting Seoul’s measured deployment of comparable conventional capabilities to enhance deterrence, as well as missile defense systems. The joint statement by Biden and South Korean President Moon Jae-in at their May 2021 summit featured a major step in this direction with the announcement of the termination of the revised missile guidelines that had limited the range of South Korean defensive missiles. Another reassuring move is expanding deterrence-enhancing interactions of the Quadrilateral Security Dialogue, where Japan is a leading member. With Japan directly at risk from a nuclear-capable North Korea, it is important to highlight within the context of the Quad the threat posed to another key U.S. ally. Washington will also need to engage China in an enhanced security dialogue on Korean Peninsula affairs to clearly message that the United States’ reassuring its allies is related to the North Korean threat and not directed at China.

Subsequent Turns: “Larger Wins for Larger Wins”

**TECHNICAL—ACCELERATING DISMANTLEMENT OF THE YONGBYON NUCLEAR COMPLEX AND OTHER FACILITIES FOR LIFTING SELECT CORE SANCTIONS**
Accelerating the pace of dismantling larger facilities can create opportunities for North Korea to seek lifting of select core sanctions. Building on the track record of small wins, both the United States and North Korea can incorporate larger goals such as dismantling core components of Yongbyon and other sites (specifically, facilities related to uranium enrichment and ballistic missile production), verifying the dismantling activities, and lifting select core sanctions. Celebrating these successful steps would signal progress and build confidence in the process.

**POLITICAL/ECONOMIC—LINKING MORE SANCTIONS LIFTING FOR MORE DENUCLERIZATION ACTIVITIES**
Highlighting “larger wins for larger wins”—more denuclearization actions for more lifting of key UN SCR sanctions—to facilitate economic development inside of North Korea would create momentum for a major foreign investors summit. The significant reduction of business risk resulting from “larger wins for larger wins” would provide a pathway for foreign investors to begin exploring business opportunities in North Korea, such as the mineral resources sector and
transportation infrastructure projects. Rather than government assurances, foreign investors would be drawn to the track record of North Korea and the United States recording “larger wins for larger wins.” Based on this progress, other countries, including South Korea and Japan, could start lifting their core national sanctions on North Korea. Unwinding an expanded range of sanction types, such as these national ones, can add more momentum to foreign investors’ involvement in infrastructure projects inside of North Korea—a hallmark of the flywheel effect.

Conclusion

No policy can guarantee success in reducing the North Korea nuclear threat, but with the Biden administration in the White House, Washington has an opportunity to advance a framework for more effective management of this critical security challenge. By applying the flywheel effect, the United States and North Korea could significantly improve prospects for a new type of relationship centered on dismantling a nuclear past and building a peaceful future on the Korean Peninsula. The scale and scope of the current China–North Korea relationship overshadows Washington’s current sanctions-oriented policy. Still, Beijing’s flywheel remains structurally flawed because it is focused on the stability of North Korea’s regime and not denuclearization. The Biden administration can launch a better flywheel that aims for denuclearization and breaks North Korea’s dependence on China.
1. “... If they [sanctions] make the business environment too complicated, or unpredictable, or if they excessively interfere with the flow of funds worldwide, financial transactions may begin to move outside of the United States entirely—which could threaten the central role of the US financial system globally, not to mention the effectiveness of our sanctions in the future.”—former Treasury Secretary Jack Lew, “America’s aggressive use of sanctions endangers the dollar’s reign: Its rivals and allies are both looking at other options,” The Economist (January 18, 2020), https://www.economist.com/briefing/2020/01/18/americas-aggressive-use-of-sanctions-endangers-the-dollars-reign.


6. Collins, Good to Great, 201.


12. The exception has been oil smuggling, which eventually rebounded in a robust manner. Lucas Kuo, Lauren Sung, James Byrne, and Joseph Byrne, “Black Gold: Exposing North Korea’s Oil Procurement Networks” (Center for Advanced Defense Studies and Royal United Services Institute, March 9, 2021), 18, https://c4ads.org/black-gold.

13. Lew, “America’s aggressive use of sanctions endangers the dollar’s reign: Its rivals and allies are both looking at other options.”


18. “That explosion took place under Mt. Mantap at the Punggye-ri nuclear test site in the country’s north, rocking the area like a 5.2-magnitude earthquake. Based on seismic recordings from global and regional networks, and before-and-after radar measurements of the ground surface from Germany’s TerraSAR-X and Japan’s ALOS-2 radar imaging satellites, the team showed that the underground nuclear blast pushed the surface of Mt. Mantap outward by as much as 11 feet (3.5 meters) and left the mountain about 20 inches (0.5 meters) shorter.” Robert Sanders, “Radar reveals details of mountain collapse after North Korea’s most recent nuclear test,” Berkeley News, May 10, 2018, https://news.berkeley.edu/2018/05/10/radar-reveals-details-of-mountain-collapse-after-north-koreas-most-recent-nuclear-test/; and Markus Garlauskas, “The Evolving North Korean Threat Requires an Evolving Alliance,” in “The Future of the US-ROK Alliance” (Atlantic Council, March 2021), 40, https://www.atlanticcouncil.org/wp-content/uploads/2021/03/Chapter-4.pdf.

19. John Park and Jim Walsh, “Stopping North Korea, Inc.: Sanctions Effectiveness and Unintended Consequences” (MIT Security Studies Program, August 2016), https://web.archive.org/sites/default/files/legacy/files/Stopping%20North%20Korea%20Inc%20Park%20and%20Walsh%20.pdf. This study is based on interviews over a three-year period with North Korean defectors who worked in the regime’s procurement organizations. The primary objective of this inquiry has been to document North Korea Inc.’s practices, partners, and pathways, and in particular how North Korea Inc. has innovated in the face of international sanctions. The authors conclude that sanctions intended to deny North Korea access to materials related to weapons of mass destruction have not worked and that, in some ways, the sanctions have had the net effect of actually improving North Korean procurement capabilities.


26. While initial claims about the execution of key officials such as Kim Hyok Chol proved to be incorrect, many of them were punished. “North Korea’s Kim Jong Un reportedly executes officials after failed Hanoi summit with US,” Reuters, May 30, 2019, https://www.cnbc.com/2019/05/31/kim-jong-un-reportedly-executes-officials-after-hanoi-summit-collapse.html.


34. Park, “Restricting North Korea’s Access to Finance.”

35. Harvard Korea Project Track 1.5 Dialogue in Seoul (July 2019).

36. Harvard Korea Project Track 1.5 Dialogue in Beijing (October 2018).


40. A former senior U.S. negotiator noted that these three core pillars of U.S. policy are “rapidly becoming thin sticks, not capable of supporting a robust engagement with North Korea. Frankly, I think the North Koreans have moved on, from seeing the U.S. as the answer to their problems, to now ignoring the U.S. In their view, Americans have been unpredictable at best, but, more likely, untrustworthy and duplicitous. The North Koreans are over-thinking. The U.S. just wishes North Korea will go away, and as long as Pyongyang is quiet, Washington is perfectly happy ignoring the problem. Still, ignoring North Korea is quite perilous, as experience has shown.” Interview with the author, April 16, 2021.


47. The components of this “flywheel effect” proposal of interlinking an initial set of turns of “small wins for small wins” and subsequent faster turns with “larger wins for larger wins” are drawn from the following Harvard Korea Project research activities and events conducted under the Chatham House Rule: (1) Track 1.5 dialogues in Beijing (October 2018), Honolulu (December 2018), Hong Kong (June 2019), and Seoul (July 2019); (2) “Inside the Negotiator’s World: Negotiating North Korea’s Denuclearization” conference in Cambridge, MA (September 2019), which brought together a unique group of former negotiators and experts from the United States, South Korea, China, Japan, and Russia. On the U.S. side, former senior negotiators from the Clinton administration, Bush administration, and Obama administration, as well as a member of the Trump administration negotiation team, participated. Proceedings included a public conference and a private roundtable discussion; and (3) “2nd Harvard Korea Security Summit: Korea—An Oracle of Global Trends” (February 2021), which brought together senior practitioners, functional experts, and next-generation scholars for a three-day virtual conference. For a helpful detailed proposal outlining a phased process, see Duyeon Kim, “Negotiating Toward a Denuclearization-Peace Roadmap on the Korean Peninsula” (Center for a New American Security, June 27, 2019), https://www.cnas.org/publications/reports/negotiating-toward-a-denuclearization-peace-roadmap-on-the-korean-peninsula.
48. Collins, Good to Great, 201.


53. Collins, Good to Great, 174.


57. “By using a scalpel rather than an axe, the United States could retain the strict measures designed to curtail North Korea from expanding its WMD and missile programs or proliferating technology to others, while also allowing for limited commercial activity. There could be tightly crafted carve-outs for specific types of trade, coupled with a monitoring regime to prescreen exports to North Korea and confirm that they are used for strictly civilian purposes.”

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