#### What smart sanctions on North Korea need

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1.The North Korea is one of the very few countries that have been suffering from international sanctions for decades. Especially the newly added sanctions by UNSC Resolution 2094, which was international community's response to North Korea's 3<sup>rd</sup> nuclear test, have made North Korean economy under more severe pressures, and brought about worse external environment for North Korea's economic sustainability.

It is, however, almost in the same period, when the external sanction pressures are increasing, North Korea's economic performances are obviously improving. Foreign visitors in Pyongyang have seen more construction sites, more free market activities, more lights at night, even more traffic jams, in short, all indicators shows that the North's economy is affected little by the increased external sanctions.

2. North Korean economic improvement under more sanctions doesn't mean ineffectiveness of the sanctions. Exactly speaking, their economy should have been in a better shape than now, if there's no the increased sanctions. The mystery of their economic recovery lies in their own policy changes, i.e. reallocating their limited national resources in more

favor of economic constructions, rather than their military build-ups under the new guidance of "Dual focuses Strategy" (development of nuclear weapons and development of national economy).

3.On the surface, the "Dual Focuses Strategy" remain holding the military build-ups ("represented by developing nuclear arsenals) as one of the strategic focuses, however, nuclear weapon development is, in reality, too specific to cover the previous "Military First Politics" in their planning economic regime. Furthermore, the new leader's Dual Focuses Strategy itself has replaced his father's "Military First Policy", and put the real core focus, "development of economy", in practice at top priority.

4. The "Dual Focuses Strategy" truly indicate that the new leader, Kim Jong Un, wants both economic prosperity and nuclearization for his country. But in reality, the two goals, economic development and nuclear weapon development, are totally in zero sum game. On one hand, developing and maintaining nuclear weapon arsenals keeps costing increasingly their limited internal resources that can greatly generate their economic development; on the other hand, their nuclear weapons blocked almost all opportunities of external resources that are prerequisites for their economic modernization.

Such a zero sum game between their nuclear strategy and economic strategy has actually brought strategic dilemma to the new leadership in Pyongyang, and made implementation of the "Dual Focuses Strategy" in an unsustainable way.

- 5. In the context of zero sum game and unsustainability, the nuclear issue has become a matter of cost of opportunity. Developing nuclear weapons has to be at sacrificing economic recovery and prosperity, and vice versa. Such a situation will gradually force the new leader to make a strategic choice between the two strategic goals, i.e. nuclear and economic. The new leader understands better than any other one else that the nuclear weapon can indeed guarantee their national security, however, their national security can never be guaranteed ONLY by nuclear weapons, between nuclear and economic goals, the latter one is far more vital than the early one.
- 6. Cost of opportunity facing the North Korea is in fact more opportunities than challenges for international community, as well as for a peaceful solution to the complex nuclear issue. To encourage North Korea make a right choice between the nuclear and economic goals, the international community should build an architecture, under which both comprehensive strategic benefits and consequences are strong as well as

tangible. If North Korea make a right choice, they will embrace bright future and prosperity, their national security will stand on solid peaceful ground, rather than fragile mutual deterrence ground, if they keep going on their nuclear weapon program, consequences will put North Korea in more and more difficult situation leading to unsustainability.

7. Regarding sanctions on North Korea, some people argue that sanction measures should play preventive role, while some others think that sanctions are actually reactions against North Korean bad behaviors. No matter what function the sanctions command, policy goals cannot achieved ONLY by any kind of sanctions. Conclusion to SMART SANCTIONS lies in a comprehensive architecture mentioned above. In other words, smart sanctions are always accompanied and coordinated with multiple policy measures, which clearly show international community's both firm determination to denuclearization and good willingness to North Korea's national security, show reachable comprehensive strategic benefits for North's right choice on the nuclear issue. The problem for implementing "smart sanctions" now is in lack of such architecture. The North Korea has understood clearly the consequences for nuclear provocations through the existing varied sanction measures, but never feel tangible and concrete benefits that can be translated into bright future for North Korea, IF Pyongyang truly

choose denuclearization. What smart sanction regime needs is more bold and decisive diplomacy on the nuclear issue to build up a comprehensive architecture, under which sanctions is just one of the pillars.