



American Friends Service Committee: Office of Public Policy & Advocacy

SANCTIONS AGAINST NORTH KOREA: ARE THEY EFFECTIVE?

A historical analysis of sanctions challenges the assumption that they are a humane alternative to military force. A quick historical survey shows that less than 1 in 4 sanctions saw any success in the 1970s and 1980s, even fewer when the US acted unilaterally.¹ US relations with Cuba, a country with a long history of US imposed sanctions, saw a historic shift in December 2014. President Obama stated that isolation had failed for five decades, and that American interests could not be served by pushing Cuba towards collapse. This argument can essentially be applied to the failed sanctions regime against North Korea. The policy of ‘strategic patience’, based on the premise that the US could afford to wait for North Korea to make its decision to denuclearize, and that North Korea's provocations would lead to self-isolation from its neighbors, has proven to be unsuccessful. Keeping in mind the important lessons from Cuba, it is time for a policy of diplomatic engagement rather than continued isolation.

Failure of Sanctions in North Korea

Sanctions suffer from three realities, all of which are critical to understanding current US policy towards North Korea. First, the international community rarely unifies to impose and uphold sanctions, negating the effect of trade barriers and embargos. Second, sanctions inadvertently strengthen the very governments they target. Oppressive governments use sanctions as an excuse for social and economic ills. This deflects public dissatisfaction and rallies the population around the government against those imposing the sanctions. A prime example was the sanctions on Zimbabwe, which buoyed President Mugabe's hold on power. His government used the sanctions to justify the failing economy, cover up corrupt behavior, and focus on a common enemy to rally together a divided party and electorate. Third, sanctions often hit the poorest sections of society hardest, with dangerous humanitarian costs. Sanctions against Cuba, Iraq and Yugoslavia contributed to poor supply of food, clean water and medicine, with dire public health consequences.¹

Sanctions have been largely ineffective in preventing North Korea from developing weapons of mass destruction, and have in fact backfired and tarnished the credibility of the US. The period of sanctions has also been a time of modest but noticeable growth for the North Korean economy – it grew 1.3 percent in 2012, compared to a 0.8 percent the year before – while the North Korean nuclear program did not slow down. Even the harshest sanctions are unlikely to stem the flow of all goods, energy and money into North Korea. North Korea is an unlikely candidate for the success of sanctions due to the following:

- Recent studies have shown that sanctions have cemented the urban-rural divide as North Korea's government counters the effects of international economic sanctions by reallocating resources to the elite in urban centers and away from the poor in rural areas.³
- The nature of North Korea's economy places control of the impact of the sanctions with the ruling class. As the government controls the means of production and distribution, the elite are protected from the direct effects of economic sanctions.
- North Korea's foreign trade is sustained in large part by its relations with South Korea and China – the main providers of food and fuel. Despite diplomatic warnings before

North Korea's nuclear test, the post-test behavior of actors in China and South Korea has been accepting of North Korea's nuclear status.

- China is against any policies that would destabilize the regime in North Korea due to the potential impact of Korean refugees on China.

North Korea total trade (imports + exports)

Total trade figures include trade with South Korea and Russia. * Amounts in \$(mil)

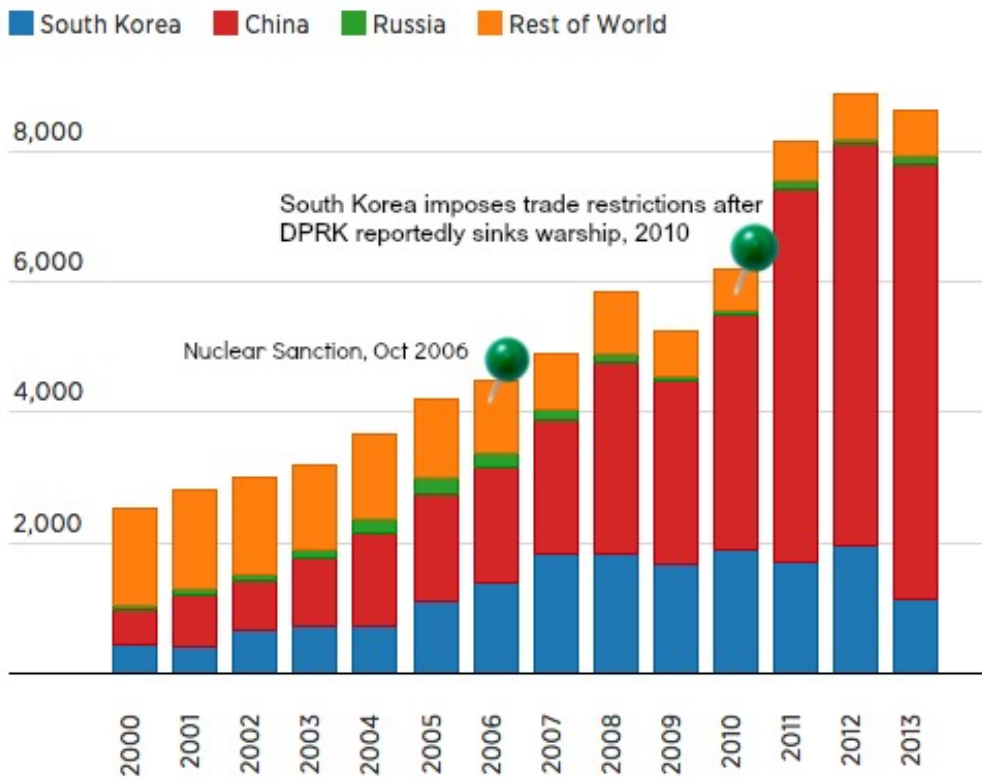


Chart 1: Impact of Sanctions on North Korean Trade 2000-13⁴

Finally, these sanctions have been imposed in a country with a grim humanitarian situation. While the affluent middle-class is growing, the majority of North Koreans are still dependent on international aid. According to the World Food Program, two-thirds of the population struggle to secure their daily meal, while some 2.4 million people - mainly children, pregnant women and the elderly - need food assistance to survive.

AFSC opposes the sanctions on North Korea and the policy of strategic patience, which has proven to be incapable of achieving its stated goals. North Korea's policies have not changed as a result of these sanctions, nor have they succeeded in isolating the government from its neighbors; in fact North Korea continues to grow its economy by trading with South Korea and China. The impact of sanctions has been borne by the least affluent in society, and humanitarian organizations seeking to improve the lives of North Koreans have been hobbled. History has shown that sanctions are a poor tool for impacting a country's policies over the long term; it is time that the more enlightened policy of engagement now playing out in Cuba be brought to bear with North Korea as well.

¹Elliott, K.A. (1998) '*The Sanctions Glass: Half Full or Half Empty?*', International Security

² Allen, SH & Lektzian DJ (2013) *Economic Sanctions: A Blunt Instrument*, Journal of Peace Research

³ Lee, Y.S. (2014) *Countering Sanctions: The Unequal Geographic Impact of Economic Sanctions in North Korea*, Freeman Spogli Institute of International Studies, Stanford

⁴ North Korea: Witness to Transformation, Peterson Institute & CNBC