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Possible U.S. Policy Approaches After North Korea's January 2016 Nuclear Test

On January 6, North Korea announced that it had successfully tested a hydrogen bomb, its fourth nuclear weapon test since 2006. Despite skepticism about Pyongyang's claim regarding the nature of the device (see CRS Insight IN10428, *North Korea's January 6, 2016, Nuclear Test*), governments around the world condemned the act as a flagrant violation of several United Nations Security Council resolutions. The UNSC convened an emergency meeting and began work on a resolution that would impose additional sanctions and punitive measures on North Korea, although it is doing so when most analysts agree that U.S. and multilateral sanctions have not prevented North Korea from advancing its fledgling nuclear weapons capability.

Reactions from China and South Korea

China's swift criticism of the test seemed to confirm Beijing's strained relations with Pyongyang. Under North Korean leader Kim Jong-Un, now entering his fifth year in power, China's role as North Korea's benefactor and protector appears to have diminished. China still provides critical assistance and trade to the isolated nation and does not appear to have adjusted its fundamental strategic calculus that opposes a collapse of the regime, fearing a flood of refugees and instability on its border. However, China's frustration with North Korea's provocations could convince Beijing to enforce international sanctions more consistently or otherwise scale back the economic lifeline it provides to Pyongyang.

As China's ties with North Korea have chilled, Seoul and Beijing have enhanced their strong trade and diplomatic relationship and South Korean President Park Geun-hye has pursued more influence over China's Korean peninsula policy. South Korea also recently signed an agreement with Japan to ease tension over historical issues stemming from the World War II era; the agreement could make it easier for the United States, South Korea, and Japan to cooperate trilaterally on North Korea's threats. A day after the blast, Seoul announced that it had resumed anti-North Korea propaganda broadcasts across the border, a practice that has elicited strong complaints from Pyongyang in the past.

U.S. Policy Options

The steady advance of North Korea's nuclear weapon and missile programs has prompted some criticism of the Obama Administration's "strategic patience" policy. The policy eschews negotiations with the North before the regime takes steps to follow through on its earlier commitments to denuclearization. The policy also entails expanding U.S. and multilateral sanctions in response to Pyongyang's provocations, aligning approaches with South Korea and Japan, and convincing China to increase pressure on North Korea to denuclearize. (See CRS Report R41259, *North Korea: U.S. Relations, Nuclear Diplomacy, and Internal Situation*.)

Possible alternatives to this approach include **increasing engagement**, either by resuming the Six-Party Talks (among the United States, North Korea, China, Japan, South Korea, and Russia) or using direct channels. The Obama Administration bilaterally negotiated the "Leap Day Agreement" with North Korea in February 2012, which committed Pyongyang to a moratorium on nuclear tests, long-range missile launches, and uranium enrichment activities in exchange for humanitarian aid. North Korea scuttled the deal only two months later by launching a long-range rocket, followed by a third nuclear test in February 2013. Pressing North Korea diplomatically could be paired with other options. Chief obstacles to negotiations are North Korea's refusal to honor prior non-proliferation commitments and its insistence on being recognized as a nuclear-weapon state.

Many observers support the **expansion of sanctions** to choke off the Kim regime's sources of hard currency and to weaken the North Korean economy. Although many sanctions are in place, more countries could follow Japan's approach that bans virtually all trade; current U.N. sanctions restrict trade in only luxury items and military goods. Bills circulating through Congress could expand U.S. sanctions. Congress could seek to go even further, for instance by targeting foreign countries and entities that deal with North Korea. This tactic could affect firms and international banks that have financial dealings with Pyongyang, including, for example, those in China. (See CRS Report R41438, *North Korea: Legislative Basis for U.S. Economic Sanctions*.)

Another measure that could increase pressure on North Korea is for the United States to **enhance military cooperation with allies**. This could include an increase in military exercises with South Korea, and potentially Japan, that feature advanced weaponry, similar to the overflight of two B-2 stealth bombers over the Korean Peninsula following the 2013 nuclear test. An overt improvement in ballistic missile defense cooperation among Japan, South Korea, and the United States would also send signals to the regime. In the past, indications of more integrated missile defense cooperation have spurred China to exert more pressure on North Korea.

Congress could consider several options. It could urge the Administration to **reinstate North Korea to the State Sponsors of Terrorism list** (see CRS Report R43865, *North Korea: Back on the State Sponsors of Terrorism*

List?). Congress also has the ability **to fund activities that attempt to choke North Korea of financial resources**, including Chinese, South Korean, and Russian investment projects in North Korea. Congress could consider whether additional U.S. funding to support interdictions of North Korean shipments of arms or other illicit goods would reduce sources of hard currency to the regime. Provision of resources and diplomatic energy by the United States to upgrade arrangements like the Proliferation Security Initiative could increase such interdictions. Similarly, additional funding for law-enforcement measures that target North Korean counterfeiting, money laundering, or narcotics trafficking may put further pressure on Pyongyang.

In the past, the United States has dismissed the option of launching military strikes on North Korea due largely to the threat of a potentially devastating counterattack on South Korea or Japan, and the possibility of creating a humanitarian crisis on the peninsula. There is **a range of more offensive options** shy of direct military intervention. Some analysts note that a cyberattack could disrupt North Korean communications networks. Upgrading intelligence resources dedicated to North Korea could clarify the state's weaknesses and reveal internal power struggles. Congress may also consider whether increasing the flow of anti-regime information into the country through radio broadcasts or other digital media could spread awareness among North Korean citizens of the regime's abuses. Some analysts have urged Congress to consider the use of other approaches that would destabilize the regime.

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