9/13/2017  
North Korea Amassing Cryptocurrencies Following UN Sanctions

*On Sep. 11, 2017, Cybersecurity firm FireEye issued a report that suggests North Korea is employing its cyber espionage capabilities to target cryptocurrency exchanges to grow the state’s funds amidst steep UN sanctions.*

The past year has seen a growing interest from the governments and regimes of the world in blockchain and cryptocurrencies. When a new paradigm emerges in the financial sector, the authorities of the world take note. A [report issued by the cybersecurity firm FireEye](https://www.fireeye.com/blog/threat-research/2017/09/north-korea-interested-in-bitcoin.html) outlines indicators of North Korea actively targeting and hacking several cryptocurrency exchanges. Back in April, the UN proposed sanctions on North Korea as punishment for its displays of military aggression and nuclear missile tests. On Monday, the sanction was approved, cutting off a significant source of the country’s revenue. FireEye’s report posits the idea that North Korea’s recent interest in cryptocurrencies is directly related to the economic pressures placed on the country.

North Korea’s notorious Office 39, a bureau that illegally funnels money and other goods into the country for the state and state’s elite, is likely behind the cyber espionage. The rising price of the cryptocurrency market and the largely anonymous nature of transactions make it a difficult “value proposition” for the shadowy organizations of the world to ignore.

While Bitcoin is not entirely anonymous or untraceable, the use of mixers and specifically anonymous currencies such as ZCash and Monero can make it easier to obscure the “paper” trail.

Threat researcher Luke McNamara concluded in the report:

“Consequently, it should be no surprise that cryptocurrencies, as an emerging asset class, are becoming a target of interest by a regime that operates in many ways like a criminal enterprise. While at present North Korea is somewhat distinctive in both their willingness to engage in financial crime and their possession of cyber espionage capabilities, the uniqueness of this combination will likely not last long-term as rising cyber powers may see similar potential. Cyber criminals may no longer be the only nefarious actors in this space.”

[North Korea Bitcoin](https://stock.adobe.com/stock-photo/north-korea-bitcoin-concept/65821460?prev_url=detail) image via Adobe Stock

Sources:

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