

To: Senator Chris Van Hollen (R-MD)
From: Shirui Zhou
Date: 02/10/2016
Re: Recommendation Regarding the Vote on Korea Sanctions and Policy Enhancement Act (H.R. 757)

Background

In 2016, the global and U.S. domestic context for the Senate's voting on the North Korea Sanctions and Policy Enhancement Act was marked by a complex interplay of economic and political factors. The world economy was navigating uncertainties due to factors like fluctuating oil prices, China's economic slowdown, and emerging market instabilities. Politically, tensions were high due to North Korea's nuclear provocations and geopolitical shifts. Within the U.S., the political landscape was influenced by the presidential election year dynamics, alongside economic challenges such as income inequality and trade debates. In this multifaceted context, your voting stance of 'yea' could be seen as aligning with the need for a robust U.S. response to global security threats, especially from a rogue state like North Korea, while also reflecting the broader bipartisan consensus on national security concerns.

The 2013 hearing on North Korea focused on the regime's reliance on criminal activities for financing, particularly its nuclear and missile programs. Sung-Yoon Lee's testimony highlighted North Korea's vulnerability to targeted financial sanctions due to its dependence on illicit activities. He recommended designating the North Korean government as a primary money laundering concern, applying measures to third-country entities aiding Pyongyang's illicit economy, and expanding sanctions to include activities like proliferation and luxury goods transactions. Chairman Royce emphasized the failure of diplomatic efforts with North Korea and suggested exploiting its illicit activities as a strategic weakness, akin to targeting organized crime. Royce's approach was to systematically restrict North Korea's access to hard currency and consider new legislation based on these strategies, advocating for a proactive approach to disrupt North Korea's criminal activities.

This heightened state of tension set the stage for the consideration of tougher sanctions against North Korea by the U.S. Congress. The bill in question, known as the "North Korea Sanctions and Policy Enhancement Act" (H.R. 757), was passed by Congress on February 12, 2016, following a strong bipartisan consensus. The House of Representatives first passed the bill with an overwhelming majority. This bill made it mandatory for the President to investigate and designate persons/entities for sanctioned activities. It expanded upon previous executive orders and congressional legislation, covering activities not previously targeted, such as North Korea's metal and coal exports. It also provided greater tools for implementing secondary sanctions, particularly financial sanctions against entities that facilitate North Korea's illicit activities.

Key provisions of the bill targeted a range of activities, including nuclear and ballistic missile proliferation, import/export of related WMD materials, arms trade, imports of luxury goods into North Korea, and illicit activities like money laundering and drug trafficking. It also imposed sanctions against entities undermining cybersecurity, engaging in human rights violations, and dealing in materials tied to WMD activities and internal repression.

Your affirmative vote resonates deeply with the national security concerns of the U.S., particularly in the context of global financial stability and the emerging threats in the realm of cryptocurrency. This act aligns with a proactive stance against North Korea's illicit financial activities, mirroring the efforts similar to those in cryptocurrency legislation, where safeguarding the integrity of financial systems from money laundering is paramount.

Additionally, your vote acknowledges the egregious human rights situation in North Korea, echoing your commitment to upholding international human rights standards. Given Maryland's significant Korean American population, this vote not only addresses national security and global human rights but also resonates with the concerns and sensibilities of your constituency. Furthermore, considering the geopolitical intricacies involving China and North Korea, your support for the sanctions demonstrates a nuanced understanding of the need to balance diplomatic engagement with firm measures against regimes that challenge global stability and security. This approach, Senator, reflects a thoughtful consideration of both the domestic and international implications of your legislative decisions.

Administration Position

The administration's stance on the Senate's vote on the North Korea Sanctions and Policy Enhancement Act was influenced by legislative procedures and strategies within the House of Representatives and its relationship with the White House. The bill may have been considered under the suspension calendar, reserved for expedited consideration of non-controversial bills. The Rules Committee's role in setting debate terms and amendments was crucial, indicating a strategic approach to the bill's passage. Despite attempts to rally Democratic opposition in the House, the House Democratic Whip communicated a lack of strong support for the bill to the White House, reflecting internal party divisions and the complexities of aligning various stakeholders in significant foreign policy legislation.

Positions of Congressional Leadership

The leadership positions in the Senate regarding the North Korea Sanctions and Policy Enhancement Act of 2016 reflected bipartisan support, a rare occurrence in an often-divided Congress. Democratic leadership, recognizing the growing threat posed by North Korea's nuclear ambitions and human rights violations, saw the bill as a necessary step in strengthening U.S. policy and aligning it with international efforts to address these issues. Republican leadership, emphasizing the need for a more assertive stance against North Korea, particularly in light of the regime's continued provocations and disregard for international norms, also strongly supported the bill. This unified stance from both parties' leadership underscored the urgency and importance of addressing the North Korean threat through comprehensive sanctions and policy measures.

Positions of Key Special Interests

The North Korea Sanctions and Policy Enhancement Act of 2016 garnered a spectrum of responses from various interest groups, reflecting their distinct priorities and concerns. Human rights organizations likely favored the bill for its focus on addressing human rights abuses in North Korea, aligning with their advocacy for action against repressive regimes. Business and trade groups might have exhibited mixed reactions, with some expressing concern about the impact of intensified sanctions on regional economic activities and stability, while others, particularly those adversely affected by North Korean policies, possibly supported the sanctions. Policy and security think tanks' responses would have varied based on their ideological leanings, with some endorsing the bill for its tough stance against North Korean provocations, and others advocating for a more engagement-focused approach to avoid escalating tensions. This diversity of reactions highlights the multifaceted implications of the Act across human rights, economic, and geopolitical dimensions.

Positions of Foreign Governments

The foreign government reactions to the North Korea Sanctions and Policy Enhancement Act of 2016 were diverse, reflecting differing regional interests and diplomatic strategies. China, as North Korea's main ally, likely viewed the Act with caution, balancing sanctions with a preference for dialogue, while its stance on whether to denuclearize North Korea can also be content-dependent. While it may want to control North Korea, it may also want to use it as a buffer state against the threat of Western countries. Japan supported the Act, aligning with its security concerns, and even imposed additional sanctions against North Korea to counter threats to its security. South Korea, in contrast, advocated for a more nuanced approach, emphasizing the need for flexibility in enforcing sanctions to aid denuclearization talks and advocating for humanitarian exemptions, illustrating the complex dynamics in Northeast Asia surrounding North Korea's actions.

Conclusion

In conclusion, your affirmative stance on the North Korea Sanctions and Policy Enhancement Act of 2016 aligns with the urgent need to address global security threats posed by North Korea's illicit activities and human rights abuses, reflecting a broader bipartisan consensus on national security. Furthermore, this decision considers the sensitivities and concerns of Maryland's significant Korean American population, demonstrating a nuanced approach that balances both domestic interests and international geopolitical dynamics. This vote underscores a commitment to safeguarding U.S. national security while promoting human rights and stability in the Korean Peninsula.