

## Constructing a Rogue State: American Post-Cold War Security Discourse and North Korean Drug Trafficking

**Abstract** *Through an analysis of government reports, political testimony, influential periodicals and interviews, this paper holds that claims of North Korean drug trafficking and producing are greatly exaggerated. An assessment of the 1999 International Narcotics Control Strategy Report, 1999 North Korea Advisory Group Report, 2000 International Crime Threat Assessment, and 2004 United Nations Report on World Drugs, among other sources, reveals only inconclusive and anecdotal support for the contention that North Korea is a drug state. This lack of reliable intelligence allows American security analysts to construct North Korea as a drug sponsoring country, making the “truth” about North Korea’s relationship to drugs come from endless repetition rather than sustained analysis. As a result, US approaches towards security and drug policy in the region need to be reexamined and contextualized.*

“The dominant definition of a problem acquires, by repetition, and by the weight and credibility of those who propose and subscribe it, the warrant of ‘common sense.’”<sup>1</sup>

Stuart Hall

### Introduction

On April 20, 2003, the Australian Navy seized roughly 120 kilograms of heroin aboard the 4,500 ton cargo ship *Pong Su*.<sup>2</sup> Even though this naval interdiction proved to be a relatively routine drug seizure, it attracted an extraordinary amount of international attention. The *Pong Su* incident received surprisingly wide play in the U.S. media and in the foreign press. A search of popular newspapers, journals, and magazines on the Lexis Nexis database in October, 2004, revealed over 411 articles reporting on the *Pong Su* incident. These included media sources from China, Europe, Australia, Africa, and Southeast Asia. The *Pong Su* was owned and operated by the Democratic People’s Republic of Korea (DPRK), otherwise known as North Korea. Over half of the crew were DPRK citizens, and one of those arrested was a senior member of the North Korean Workers’ Party.

The *Pong Su* incident had particular resonance in the halls of Washington. Security think-tanks, high ranking members in the State Department, Congress, and the President all reported that the *Pong Su* incident proved that North Korea had taken part in

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<sup>1</sup> Stuart Hall, *Culture, Society, and the Media*, (New York: Routledge, 1989), p. 82.

<sup>2</sup> For a more complete description of the *Pong Su* incident, see Richard C. Paddock and Barbara Demick, “North Korea’s Growing Drug Trade Seen in Botched Heroin Delivery,” *Washington Post*, May 21, 2004, p. 12; and S. Struck, “Heroin Trail Leads to North Korea,” *Washington Post*, May 12, 2004, p. A1.

state-sponsored global narcotics smuggling. A study released by the Jamestown Foundation in the *North Korea Review* claimed that the seizure “is indisputable proof that the North Korean regime is busy exporting illegal drugs for generating state revenue.”<sup>3</sup> Senator Peter G. Fitzgerald, Chair of the Senate Governmental Affairs Committee, opened a hearing on the North Korean connection to drugs, but mainly referenced this particular incident. The U.S. State Department issued a press release noting that the *Pong Su* seizure “demonstrates that elements within North Korea are extending their illicit activities south into Australian waters.”<sup>4</sup> In the 2004 Presidential Determination on Major Drug Transit or Major Illicit Drug Producing Countries published in the *Federal Register*, President George W. Bush stated that:

We are deeply concerned about heroin and methamphetamine linked to North Korea being trafficked to East Asian countries ... The April 2003 seizure of 125 kilograms of heroin smuggled to Australia aboard the North Korean owned vessel *Pong Su* is the latest and largest seizure of heroin pointing to North Korean complicity in the drug trade.<sup>5</sup>

Widespread consensus among these experts emphasized that the *Pong Su* offered incontrovertible evidence that North Korea was rapidly becoming a “drug state.”

Yet the *Pong Su* incident proves, on further inspection, to be more complex than the reports would have one believe. Why is it that the *Pong Su* seizure captured so much attention? Indeed, why has drug trafficking become a significant part of a growing condemnation of the DPRK by security experts working in the United States? Examining the discourse around North Korean involvement in drug trafficking opens a window into the practice of public security policy since 9/11 and the ways in which tangential issues are mobilized to give support to political security objectives. Based on government reports, press accounts, and interviews with “experts,” this article makes two arguments. First, it argues that claims of North Korean drug trafficking illuminate the ways in which

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<sup>3</sup> Kim Young Il, “North Korea and Narcotics Trafficking: A View from the Inside,” *North Korea Review* 1:1 (March 1, 2004), p. 2.

<sup>4</sup> Peter G. Fitzgerald, “Drugs, Counterfeiting, and Weapons Proliferation: The North Korean Connection,” *Hearing Before the Senate Governmental Affairs Committee*, May 30, 2003, p. 2; Andrew Hollis, “Drugs, Counterfeiting, and Weapons Proliferation: The North Korean Connection,” *Hearing Before the Senate Governmental Affairs Committee*, May 20, 2003, p. 23.

<sup>5</sup> George W. Bush, “Presidential Determination of Major Drug Transit or Major Illicit Drug Producing Countries for 2004,” *Public Papers of the President*, September 22, 2003, p. 10.

“intelligence” is manufactured by “experts,” policymakers, and politicians. Since the satisfaction of political interests is linked to malleable notions of public security, ideologically narrow investigations that lead to questionable conclusions based on little or no evidence result. Second, this manuscript suggests that the very amorphousness of post-Cold war notions of security allow vague formulations like the “War on Drugs” and the “War on Terror” to overlap and augment each other, distorting a coherent notion of “security.”

Before investigating these arguments, however, it is necessary to briefly trace the genesis of United States security concerns on the Korean peninsula in addition to showing how security institutions have come to define “security.” Then, the article will discuss the ways that North Korea is constructed by security experts as a drug producing and trafficking state as well as how North Korean drug issues become conflated with other security concerns. It will conclude by placing these issues in the broader context of the international narcotics trade.

### **The Korean Peninsula and the Securitization of Narcotics**

Since the collapse of the Agreed Framework in 1994 – in which the United States agreed to provide Pyongyang with food aid, oil, and two light water reactors in exchange for a moratorium on North Korean weapons development – the United States has been unable to devise a consistent and reliable long-term strategy towards North Korea.<sup>6</sup> Senior scholar Michael O’Hanlon notes that action on issues involving North Korea is sharply polarized into proponents of engagement and proponents of containment, resulting in contradictory policy stances, ad hoc solutions, and confusing statements. This contributes to the notion that crises on the Korean Peninsula are inevitable, and forces the North Korean regime to engage in what many scholars call a cycle of

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<sup>6</sup> For contemporary histories on American security policy towards the DPRK, see Doug Bandow, *Tripwire: North Korea and U.S. Foreign Policy in a Changed World* (Washington, DC: CATO Institute, 1996); Bruce Cumings, *North Korea: Another Country* (New York: The New Press, 2004); Kongdan Oh and Ralph C. Hassig, *North Korea: Through the Looking Glass* (Washington, DC: Brookings Institution, 2000); Michael O’Hanlon and Mike Mochizuki, *Crisis on the Korean Peninsula: How to Deal with a Nuclear North Korea* (Washington, DC: Brookings Institution, 2003); Dae-Sook Suh and Chai-Jin Lee, *North Korea After Kim Il Sung* (London: Lynne Rienner, 1998); Samuel S. Kim and Tai Hwan Lee, *North Korea and Northeast Asia* (New York: Rowman & Littlefield, 2002); Tae-Hwan Kwak and Seung-Ho Joo, *The Korean Peace Process and the Four Powers* (Hampshire, New England: Ashgate Publishing, 2003); and Chuck Downs, *Over the Line: North Korea’s Negotiating Strategy* (Washington, DC: American Enterprise Institute, 1999).

brinksmanship, where North Korea provokes incidents to “extort” resources from the international community.<sup>7</sup> These tendencies demonstrate that, over the past fifty years, the United States “has been locked in a dangerous, unending, but ultimately futile and failed embrace with North Korea.”<sup>8</sup> And, as O’Hanlon & Mochizuki conclude, “U.S. policy toward North Korea in the past decade has been, for the most part, narrow and tactical, focusing on the crisis du jour rather than on a broader game plan.”<sup>9</sup> In all likelihood, the near future promises to continue the trend of persistently recurring military tensions.

One such point of contention involves the growing belief among policymakers, analysts, and politicians in Washington that the North Korean government is involved in the production and trafficking of illegal narcotics. A Congressional report assessing the DPRK argues that “North Korea has become a major drug producing and trafficking nation, using diplomatic channels to market heroin, opium, and methamphetamine.”<sup>10</sup> James Pryzstus, a senior fellow at the National Defense University, famously commented that North Korea is “the mafia masquerading as a government.”<sup>11</sup> Balbina Hwang, a senior analyst at the Heritage Foundation, argues that “North Korea has been one of the primary instigators of narcotics smuggling and counterfeiting activities in Asia.”<sup>12</sup> Owen Rathbone, a senior foreign correspondent for the *American Daily*, stated that “North Korea is a virtual gangster state kept alive by rackets ranging from illegal drug sales to counterfeit money schemes.”<sup>13</sup> Raphael Perl, a senior research for the Congressional Research Service, clarified in a recent interview that “there is no question in my mind that North Korea is a drug producing and trafficking state.”<sup>14</sup> And, similarly, Larry Wortzel, former Director of the Institute for the Institute for International Studies at the Heritage Foundation, commented that the international seizures of North Korean ships

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<sup>7</sup> Michael O’Hanlon, “Toward a Grand Bargain With North Korea,” *Washington Quarterly* (Autumn, 2003), pp. 7-18; Tsuneo Akaha, *The Future of North Korea* (New York: Routledge, 2002), p. 23.

<sup>8</sup> Cumings, *North Korea*, p. ix.

<sup>9</sup> O’Hanlon and Mochizuki, *Crisis on the Korean Peninsula* p. 8.

<sup>10</sup> North Korea Advisory Group, *Report to the Speaker U.S. House of Representatives* (November, 1999), Retrieved from <http://www.fas.org/nuke/guide/dprk/nkag-report.htm>, p. 41.

<sup>11</sup> In David E. Kaplan, “The Wiseguy Regime,” *U.S. News and World Report*, February 15, 1999, p. 38.

<sup>12</sup> Balbina Hwang, “Curtailing North Korea’s Illicit Activities,” *Heritage Foundation Backgrounder #1679* (August 26, 2003), p. 2.

<sup>13</sup> Owen Rathbone, “North Korea: A Gangster State,” *American Daily*, April 27, 2003, p. 4.

<sup>14</sup> Personal Communication (Phone interview) with Raphael Perl, November 2, 2004, p. 3.

and diplomats make it fair to say that the DPRK runs a “North Korean drug distribution ring,” and that “it is pretty conclusive to me based on multiple incidents and lots of evidence from a variety of countries that North Korea is a significant drug producing and trafficking country.”<sup>15</sup>

However, in order to understand why these statements are being made by Western security experts, it is important to explore how security institutions have come to define their conception of “security.” American notions of “security” over the past half century have taken the Cold War and the post-Cold War “new world order” as its organizing principles. That is, until the real and metaphorical fall of the Berlin Wall, security was primarily articulated as a multi-sided struggle between the free and the communist worlds. During the Cold War, security was conceived by United States policymakers as being built around four interrelated concepts: international anarchy, survival, territorial integrity, and military power.<sup>16</sup> Since the collapse of the Soviet Union and the emergence of the United States as the sole “superpower,” security has become a more amorphous articulation of concerns about various rogue actors, post-cold war disintegrations, the proliferation of weapons of mass destruction, and the rise of (Islamic) fundamentalists, all of which are increasingly tied together under the category of “terrorist threats.”<sup>17</sup>

Notions of “security” in the post-cold war era have adapted to the changing dynamics of military threats and alliances by expanding outward to securitize issues previously regarded as humanitarian, criminal, and environmental. As Michael Renner, a Senior Researcher for the Worldwatch Institute suggests, “the cold war’s rigid bipolarity has fallen by the wayside, making room for a more multipolar world in which countries do not automatically rally behind a leader, in which constellations of power and interest

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<sup>15</sup> Personal Communication (E-mail) with Larry Wortzel, November 1, 2004, p. 1.

<sup>16</sup> For investigations on how American perceptions of security have changed during the past ten years, see David Campbell, *Writing Security: United States Foreign Policy and the Politics of Identity* (Minneapolis: University of Minnesota Press, 1998); Ronnie D. Lipschutz, *On Security* (New York: Columbia University Press, 1995); and Ivelaw L. Griffith, “From Cold War Geopolitics to post-Cold War Geonarcotics,” *International Journal* (Winter 1993/1994), pp. 1-36.

<sup>17</sup> See Campbell, *Writing Security*, p. 3-17; Annmarie Oliverio and Pat Lauderdale, *The State of Terror* (New York: State University of New York, 1998), pp. 5-9; Edward Herman and Gerry O’Sullivan, *Terrorism Industry: The Experts and Institutions That Shape Our View of Terror* (New York: Random House, 1990).

seem more transient.”<sup>18</sup> In response, American security institutions expanded their role in tackling issues like crime, the spread of disease, transnational pollution, human trafficking, population growth, and illicit narcotics.<sup>19</sup> For example, Maarten A. Hajer suggests that the transnational threats of acid rain, global warming, and depletion of the ozone layer represent international problems frequently conceptualized by states as security issues.<sup>20</sup> Theorist Michael Thompson holds that security institutions have broadened their focus to include environmental issues such as soil erosion, population dynamics, and resource scarcity, some authors going so far as to claim that environmental issues are “more important for preserving international security than conventional military forces.”<sup>21</sup> And Karen Liftin, in her work on *Ozone Discourses*, argues that the emergence of new challenges to national security at the end of the Cold War have produced a shift in the way that security analysts conceptualize security. According to her:

A host of new issues, including the AIDS epidemic, drug trafficking, and the environment, require cooperative endeavors among states while simultaneously involving a diffusion of power away from states to non-state actors.<sup>22</sup>

More and more, these types of discrete “problems” have been subsumed under the umbrella “War on Terror” and other security dominated issues. According to Ivelaw L.

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<sup>18</sup> Michael Renner, *Fighting for Survival* (Washington, DC: Worldwatch Institute, 1996), p. 12.

<sup>19</sup> For discussions on how security institutions have expanded to incorporate environmental concerns into their threat assessments, see Miram R. Lowi and Brian R. Shaw, *Environment and Security: Discourses and Practices* (New York: Palgrave Macmillan, 2000); Jon Barnett, *The Meaning of Environmental Security: Ecological Politics and Policy in the New Security Era* (New York: Zed Books, 2001); Thomas F. Homer-Dixon, “Environmental Scarcities and Violent Conflict: Evidence from Cases,” *International Security* 19:1 (Summer 1994), pp. 5-40; Marc A. Levy, “Is the Environment a National Security Issue,” *International Security* 20:2 (Autumn 1995), pp. 35-62; and Simon Dalby, *Environmental Security* (Minneapolis: University of Minnesota Press, 2002). For work on how security institutions have widened their focus on issues of development, see Robin Luckham, “Democratic Strategies for Security in Transition and Conflict,” *Governing Insecurity: Democratic Control of Military and Security Establishments in Transitional Democracies* (New York: Zed Books, 2003); Benjamin Sovacool and Saul Halfon, “Security, Development, and Reconstruction: Imagining a New Iraq,” *Presentation at the Science and Technology Studies (R)evolutions Conference*, March 18, 2005, p. 5.

<sup>20</sup> Maarten A. Hajer, *The Politics of Environmental Discourse: Ecological Modernization and the Policy Process* (Oxford, England: Oxford University Press 1997), p. 2.

<sup>21</sup> Michael Thompson, “Security and Solidarity: An Anti-Reductionist Analysis of Environmental Policy.” In Maarten A. Hajer and Frank Fisher, *Living With Nature: Environmental Politics as Cultural Discourse* (Oxford, England: Oxford University Press 1999), p. 135.

<sup>22</sup> Karen T. Liftin, *Ozone Discourses: Science and Politics in Global Environmental Cooperation* (New York: Columbia University Press, 1994), p. 19.

Griffith, this new interpretation of post-Cold War security “involves the protection and preservation of a people’s freedom from external military attack and coercion, from internal subversion, and from the erosion of cherished political, economic, and social values. Perception, capability, geography, and ideology are crucial to this understanding of security.”<sup>23</sup> This means that post-Cold War security discourse has transformed from one based on competing sovereignties to a discourse founded on protecting the traditional nation state from external and internal threats. Part of this new discourse, comments Alan Dupont, is that drugs and drug issues have now become security concerns. As Dupont explains, “there are lingering suspicions that Western defense and security communities are playing up the threat of narcotics trafficking and transnational organized crime in their search for a post-cold war *raison d’etre*.”<sup>24</sup> Security discourse, then, has become a system of knowledge production that has expanded to include the securitization of drugs.

One component of the process of protecting the nation-state from presumed threats and providing justifications for the existence of security institutions is convincing the larger public that significant security threats actually exist. A vast network of think tanks, government institutions, and popular media sources have emerged to accommodate such a broader notion of “security” by producing thousands of reports, policy briefs, press releases, speeches, and memorandums that assess international threats – such as crime and drugs – and devise policy solutions to them.<sup>25</sup>

Security theorist Roland Bleiker cautions that just because concepts of Korean security are socially constructed is not to argue that they are not real or dangerous. The point is to avoid viewing security crises on the Korean peninsula as factually given, thereby “missing the key political processes that led to their emergence.”<sup>26</sup> Instead, one should accept that dangers do not occur naturally but result from a clash of different representations. If this is the case, then an inquiry into the values of such representations becomes critical. As Bleiker clarifies:

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<sup>23</sup> Griffith, p. 15.

<sup>24</sup> Alan Dupont, *East Asia Imperiled: Transnational Challenges to Security* (Cambridge: Cambridge University Press, 2001), p. 133.

<sup>25</sup> See Edward Herman and Gerry O’Sullivan, 1990, p. 15-22; Lipschutz 1995, p. 2-4.

<sup>26</sup> Roland Bleiker, *Divided Korea: Toward a Culture of Reconciliation* (Minneapolis: University of Minnesota Press, 2005), p. xxxvii – xxxix.

Politicians, as one commentator points out, have no hesitation in appealing to the collective memory – in a carefully selective way – in order to justify their present conduct by the past. Once these artificial demarcations of identity have become internalized in language, school curricula, political institutions, moral discourses, and the like, their mythical origin appears more and more real until the ensuing worldview, and the conflicts that they generate, seem inevitable, even natural.<sup>27</sup>

The issue is not that security institutions construct knowledge about North Korea in a particular way, but that such institutions politically manipulate that knowledge to gain political leverage.

In the case of the DPRK and illegal narcotics, security policy machinery constructs the “threat” of North Korean drug production and trafficking through a surprisingly small number of initial reports that build through circular citation among a diminutive pool of experts. Through the magic of constant repetition, these statements amalgamate into the weight of “truth.” The claim that North Korea is a drug state begins to emerge in the late 1990s in a limited number of government reports and articles, becomes constantly repeated and elevated to the status of a well known “fact” within the security community, and ultimately entrenches itself in the popular media.

### **Constructing North Korea as a Drug-Producing and -Trafficking State**

While mentioned anecdotally in various reports throughout the 1990s, the first report to formally suggest that the North Korean state sponsors drug production is the 1999 International Narcotics Control Strategy Report (INCSR) published by the Bureau for International Narcotics and Law Enforcement Affairs at the United States Department of State.<sup>28</sup> This report dedicates three out of over two hundred pages to the DPRK and states that “there have been regular reports from many official and unofficial sources for at least the last 20 to 30 years that the Democratic People's Republic of Korea encourages illicit opium cultivation and engages in trafficking of opiates and other narcotic drugs as a

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<sup>27</sup> Ibid, p. 116.

<sup>28</sup> Sections 481(d) and 489 of the Foreign Assistance Act of 1961 and Section 804 of the Narcotics Control Trade Act of 1974 require the State Department to release a report every year to “provide the factual basis for the Presidential narcotics certification determinations for major drug producing and/or drug transiting countries.”

criminal state enterprise.”<sup>29</sup> After citing approximately one dozen international drug seizures involving heroin and North Koreans, the report suggests that the DPRK government also supports methamphetamine production:

There have been numerous reports this year and in previous years that opium is refined into heroin in North Korea. More recently, North Korea is reportedly stepping up its manufacturing capacity for methamphetamine production. The proximity of the fast-growing Japanese market for illicit methamphetamine (more than 2 million casual users consuming an estimated 10-14 tons per year), and large seizures in 1998 and 1999 in Japan of methamphetamine traceable to North Korea also suggest an increase in methamphetamine production. Large scale imports of ephedrine (a chemical precursor of methamphetamine), such as 2.5 MT, temporarily held by Thai authorities in January 1998 as it transited from India on its way to North Korea, well beyond what many observers believe would be adequate for North Korea's own needs, also suggest increased methamphetamine production in North Korea.<sup>30</sup>

The 1999 INCSR, then, is the first official government report to establish an official connection between North Korea and state sponsorship of heroin and methamphetamine production and trafficking.

A few months later, the accusations made by the 1999 INCSR were picked up in an article written by David Kaplan for *U.S. News & World Report*. The article, entitled “The Wiseguy Regime,” referenced many of the international drug seizures mentioned by the INCSR and concluded that:

Interviews with law enforcement officials, intelligence analysts, and North Korean defectors suggest that the regime is now dramatically expanding its narcotics production and that much of the criminal activity is controlled at the highest levels of government.<sup>31</sup>

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<sup>29</sup> Bureau for International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report: 1999* (Washington, DC: United States Department of State, 2000), p. 46.

<sup>30</sup> *Ibid.*, p. 47-48.

<sup>31</sup> Kaplan, p. 40.

To make these claims, Kaplan interviewed two defectors. One, a pharmacist named Ho Chang Gol, claimed that the DPRK ran more than 10 poppy farms to export opium. The second, Bae In Su, says he worked for three years as a driver for the Communist Party's Foreign Currency Earnings Department, where he ferried opium and heroin to port for export. At least twice a month, Su indicates, he would deliver a van full of opium to Japanese ships or to a local pharmaceutical plant that refined it into heroin.<sup>32</sup>

A third report emerged quickly after the release of these first two sources in response to the successful testing of North Korea's multi-stage missile over Japan. In the autumn of 1999, House Speaker Dennis J. Hastert asked nine members of the House of Representatives to form the North Korea Advisory Group to report to him on "the North Korean threat to the United States and our allies."<sup>33</sup> The group, headed by Benjamin Gilman, Chair of the House Committee on International Relations, published a final version of their report in December. The report cites the 1999 INCSR report and "34 documented instances involving the arrest or detention of North Korean diplomats" that "provide credible allegations of state-sponsorship of drug production and trafficking."<sup>34</sup>

The authors also remark that:

United States DEA data and a myriad of domestic and foreign press reports portray an ongoing pattern of drug trafficking, counterfeiting of U.S. currency, and other smuggling for profit activities by North Korean diplomats.<sup>35</sup>

Rather than quoting the defectors themselves, the 1999 NKAG notes that "press reports citing North Korean defectors indicate that North Korea created an office specifically to bring in foreign currency."<sup>36</sup>

The process of cyclical citations continued in a 2001 article written for the *Wall Street Journal*. The *Journal* cited arguments from the 1999 INCSR, 1999 NKAG, and *U.S. News* to argue that:

Drug shipments to North Asia, which includes the Korean peninsula, Japan and Taiwan, have also been rising in recent years, these officials say. In the past three months alone, police in Australia and South Korea

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<sup>32</sup> Ibid, p. 37-39.

<sup>33</sup> North Korea Advisory Group, p. ii.

<sup>34</sup> Ibid, p. 41.

<sup>35</sup> Ibid, p. 42.

<sup>36</sup> Ibid.

have seized drugs allegedly either produced or marketed by North Korea estimated to be worth hundreds of millions of dollars. U.S. military officials estimate that North Korea's annual drug exports have risen to at least \$500 million from about \$100 million just a few years ago.<sup>37</sup>

The *Wall Street Journal* also repeated the claim that North Korea imported over fifty tons of ephedrine, often used as a cold remedy, in 1999, although their population only had a need for 2.5 tons.

The same year, the *International Crime Threat Assessment*, one of the key reports on drug trafficking created by the CIA, FBI, DEA, Customs Service, Department of State, and National Drug Intelligence Center, in cooperation with over ten other agencies, reiterated the facts from the year before with little additional information. While the report is over sixty-eight pages long, it devotes one paragraph to North Korea by stating:

A large share of the methamphetamine consumed in Japan comes from North Korea, *according to media reports*; more than 40 percent of the methamphetamine seized in Japan in 1999 came from North Korea. There have been regular reports from many official and unofficial sources that impoverished North Korea has engaged in drug trafficking – mostly to Japan, Russia, and China – as a criminal state enterprise to raise badly needed revenue. Over the years, customs and police officials of many countries have apprehended North Korean persons employed as diplomats or in quasi-official capacities at North Korean state trading companies trying to smuggle drugs produced elsewhere (emphasis added).<sup>38</sup>

By the spring of 2003, the issue had accumulated enough attention to persuade the 106<sup>th</sup> Congress' Financial Management, the Budget, and International Security Subcommittee of the Senate Governmental Affairs Committee, chaired by Senator Peter G. Fitzgerald, to hold a May 20, 2003 hearing entitled "Drugs, Counterfeiting, and Weapons Proliferation: the North Korean Connection," at the Senate Office Building. While the hearing called for the testimony of five experts – Andrew Hollis, Deputy Assistant Secretary for Counternarcotics at the Department of Defense, William Bach,

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<sup>37</sup> Jay Solomon and Haw Won Choi, "Money Trail," *The Wall Street Journal* (July 14, 2001), p. A1.

<sup>38</sup> *International Crime Threat Assessment* (December, 2000), Retrieved from <http://www.fas.org/irp/threat/pub45270index.html>.

Director of the Bureau of International Narcotics and Law Enforcement Affairs at the Department of State, Dr. Robert Gallucci, Professor of International Relations at Georgetown University, Dr. Nicholas Eberstadt from the American Enterprise Institute, and Dr. Larry Wortzel from the Heritage Foundation – and two defectors, their statements merely repeat the previous arguments. Andrew Hollis, the first witness to speak, argued that the “numerous reports of drug seizures linked to North Korea” make it likely that the DPRK is a significant producer of Asian heroin and methamphetamine.<sup>39</sup> William Bach noted that the “50 arrests and drug seizures involving North Koreans in more than 20 countries around the world” is conclusive evidence that DPRK drug trafficking is state sponsored.<sup>40</sup> Similar comments were echoed by Dr. Robert Gallucci, Dr. Nicholas Eberstadt, and Dr. Larry Wortzel, who each suggested that North Korean drug production and trafficking amounts to a substantial amount of illicit narcotics in Asia.

Of more interest are the two defectors who were invited to testify. An anonymous “Former North Korean Official,” called “Defector 1,” immediately followed Dr. Wortzel. Defector 1 claimed that North Korea started its production of drugs secretly in the 1970s in the mountainous Hamkyung and Yangkang provinces. It began to sell these drugs in the 1980s, yet after flooding and economic collapse crippled the economy in the early 1990s, the government ordered that all local collective farms must “cultivate and grow opium” in late of 1997.<sup>41</sup> He claimed that the opium is then processed in state owned pharmaceutical plants in the Nanam area of Chungjin City and Hamkyung-Bukdo province. According to Defector 1:

North Korea produces two types of drugs, heroin and methamphetamine, which is called in Korean, hiroppon. They produce these drugs one ton a month each ... In China, near the border, the drugs are sold for \$10,000 per kilogram, and through the ocean on board, these drugs are sold for \$15,000 per kilogram. North Korea sells these drugs through the border

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<sup>39</sup> Hollis, 2003, p. 24.

<sup>40</sup> William Bach, “Drugs, Counterfeiting, and Weapons Proliferation: The North Korean Connection,” Hearing Before the Senate Governmental Affairs Committee (May 20, 2003), p. 31.

<sup>41</sup> Financial Management, Budget, and International Security Subcommittee, “Drugs, Counterfeiting, and Weapons Proliferation: The North Korean Connection,” Hearing Before the Senate Governmental Affairs Committee (May 20, 2003), p. 65.

with China to China or through the seas, Hong Kong, Macao, Russia, Japan, even South Korea.<sup>42</sup>

The anonymous defector went on to estimate that North Korea has anywhere between 4,200 and 7,000 hectares under poppy cultivation. When asked by the Chair of the hearing, Senator Fitzgerald, why there was no satellite evidence of this poppy production, the defector responded:

It is surprising to me that satellite pictures could not catch the poppy farms in North Korea because, as I said, all since 1988 there are about 30 acres put aside for the sole purpose of cultivating poppies only. And Chinese police officers and Chinese reporters came to the border and they took pictures of these farms. I'm just flabbergasted that satellites of the U.S. could not have access over or obtain this kind of agriculture activity growing poppies.<sup>43</sup>

A second defector, named Bok Koo Lee, also testified at the hearing. Lee stated that he worked at a munitions plant in Huichon, North Korea, between 1988 and 1997 as a supervisor of the "Technical Department," and was responsible for assembling and developing missile guidance control vehicles and software. Even though the hearing was nominally dedicated to drugs, the majority of Lee's testimony focused on an event that occurred in 1989, when he and five colleagues were ordered by the North Korean Second Economic Committee to depart on a 15 day from Nampo City for an undisclosed location (he thinks it was Iran) to test a missile guidance control vehicle. In exchange for the missile test, his vessel brought back 220,000 tons of crude oil.<sup>44</sup> When he defected to China on July 21, 1997, he claims to have inadvertently stumbled upon North Korean poppy fields. "Through my route," Lee clarifies, "I could see the poppies were growing there. I could see the poppy field. In the fall when they usually harvest these poppies." Lee suggested that the poppies were harvested by 2,000 military personnel and local school children.<sup>45</sup>

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<sup>42</sup> Ibid, p. 66-67.

<sup>43</sup> Ibid, p. 74.

<sup>44</sup> Ibid, p. 81.

<sup>45</sup> Ibid, p. 83.

By 2003, enough of the “facts” about North Korean illicit narcotics had been established to justify a Congressional Research Service policy brief on the issue, which cites each of the above sources. The report, written by Raphael Perl and entitled “Drug Trafficking and North Korea,” repeats verbatim the defector’s claims that North Korean farmers in certain areas were ordered to grow opium poppies, cultivating between 4,000 and 7,000 hectares.<sup>46</sup> Because the regime is apparently “pressed for cash,” Perl cites the *U.S. News and Wall Street Journal* to suggest that North Korea uses Bureau No. 39 to sell drugs to bring in foreign currency. Perl interprets all of this data to conclude that in the 1970s North Korean officials bought and sold drugs, began cultivating state opium poppy as a matter of state policy in the mid 1970s, started refining opium poppy for export and exporting opium refined products in the 1980s, and shifted to methamphetamine production in the mid 1990s due to heavy rains and an expanding methamphetamine market connected to the modernization and rapid economic growth in Southeast Asia. Because methamphetamine can be produced quickly and cheaply, sold locally in volume, and can be made using a flexible manufacturing process, it produces a quick return on investment and therefore offers an extremely attractive product.<sup>47</sup>

By 2004, the war in Iraq and the belligerent relationship between the Bush Administration and North Korea convinced the State Department to contain an expanded section on North Korea in their 2004 INCSR, which was amended to include many of the arguments advanced by Perl and the 2003 Congressional Hearing (which cited, among other sources, a previous version of the INCSR). When making their case for listing North Korea as a significant producer and trafficker of heroin and methamphetamine, the INCSR cites both the *Pong Su* seizure and a June, 2003, seizure in Pusan, South Korea, of 50 kg of methamphetamine concealed in noodle packages originating from China, but shipped in a North Korean cargo container.<sup>48</sup> The 2004 INCSR highlights that “defectors and informants report that large-scale opium poppy cultivation and production of heroin and methamphetamine occurs in the DPRK.”<sup>49</sup> The report admits that “testimony and

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<sup>46</sup> Raphael F. Perl, “Drug Trafficking and North Korea: Issues for U.S. Policy,” *CRS Report for Congress* (December 5, 2003), p. 8.

<sup>47</sup> *Ibid.*, p. 13-19.

<sup>48</sup> Bureau for International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report: 2003* (Washington, DC: United States Department of State, 2004), p. 61-62.

<sup>49</sup> *Ibid.*

other reports have not been conclusively verified by independent sources,” but that “defector statements are consistent over the years and occur in the context of regular narcotics seizures linked to North Korea.”<sup>50</sup> The report concludes that:

State trading of narcotics is a conspiracy between officials at the highest levels of the ruling party/government and their subordinates to cultivate, manufacture, and or traffic narcotics with impunity through the use of, but not limited to, state owned assets ... The cumulative impact of these incidents over the years, in the context of other publicly acknowledged behavior by the North Koreans such as the Japanese kidnappings mentioned above points to the likelihood, not the certainty, of state-directed trafficking by the leadership of North Korea.<sup>51</sup>

Finally, enough information on North Korea and drugs existed to convince the United Nations Office on Drugs and Crime, for the first time ever, to include references to North Korea in the *World Drug Report 2004*. The report establishes a North Korean connection to drugs at three separate places: in a chapter on heroin trafficking, the report notes that some seizures of heroin in Taiwan and Australia raise concerns that “there may be some heroin manufacture in the DPRK.”<sup>52</sup> When discussing heroin production in Oceania, the report argues that “the Australian authorities intercepted a major shipment of heroin involving North Korean traffickers.”<sup>53</sup> And when discussing methamphetamine, the report asserts that “North Korea has been repeatedly identified as a source country (or at least a major transit country) by the Japanese authorities.”<sup>54</sup>

### **Conflating Drugs with Security and Building the Echo Chamber**

Articulations about North Korean drug production and trafficking do not exist in isolation from other claims being advanced about terrorism, the proliferation of weapons of mass destruction, and the size of North Korean military forces. Indeed, many politicians and analysts conflate the DPRK “drug problem” with a wider array of security

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<sup>50</sup> Ibid, p. 63.

<sup>51</sup> Ibid.

<sup>52</sup> United Nations Office on Drugs and Crime, *2004 World Drug Report* (Geneva: United Nations Publication E.04.IX.I6, 2004), p. 23.

<sup>53</sup> Ibid, p. 69.

<sup>54</sup> Ibid, p. 187.

concerns. The letter written by Benjamin Gilman to Congress summarizing the five important conclusions to the NKAG report argues that:

Current U.S. Policy does not effectively address the issues posed by international criminal activity of the North Korean government, such as narcotics trafficking.<sup>55</sup>

Similarly, Kaplan's *U.S. News & World Report* article notes that:

Some analysts suspect that drug profits may, in fact, be going into that [WMD] program. Since 1994, Washington has pursued a policy of engagement, offering billions of dollars in Western aid if North Korea gives up its nuclear weapons development and missile exports.<sup>56</sup>

Comparable comments were later echoed by Senator Fitzgerald at the opening of the 2003 Congressional hearing, where he stated that:

The two North Korean defectors have never appeared before Congress until today. Their testimony will establish that North Korea produces poppy and manufactures heroin for sale abroad. The proceeds from these sales, as well as the proceeds from sales of military weapons, fund North Korea's large military and nuclear program that pose a growing threat to international security.<sup>57</sup>

William Bach testified that the United States is "very eager to get into a relationship with North Korea where they stop doing what they're doing with missile exports and drugs and development of nuclear weapons."<sup>58</sup> Dr. Robert Gallucci added that "since money is fungible, these funds undoubtedly can be used to support the North Korean military capability, including its ballistic missile and nuclear weapons program and other weapons of mass destruction."<sup>59</sup> Raphael Perl frames North Korean criminal activity as one of four primary security concerns in his *Congressional Research Report*, the other three being limiting possession and production of weapons of mass destruction, limiting ballistic missile production and export, and addressing humanitarian needs.<sup>60</sup> Dr. Larry

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<sup>55</sup> North Korea Advisory Group, 1999, p. 2.

<sup>56</sup> Kaplan, 1999, p. 32.

<sup>57</sup> Fitzgerald, *Ibid.*

<sup>58</sup> Bach, *Ibid.*

<sup>59</sup> Dr. Robert Gallucci, Personal Communication (Interview), November 3, 2004, p. 1.

<sup>60</sup> Perl, *Ibid.*

Wortzel argued that “it is important for us to remember that the same network of North Korean officials that distribute those drugs and distribute that opium, could distribute nuclear materials.”<sup>61</sup> The key issue, here, is that these claims conflate the War on Drugs with security issues like the War on Terror and proliferation policy.

As a result of this conflation between drugs and security, the concept that North Korean involvement with illicit narcotics is a significant security concern has become widely diffused into the popular media and security institutions.<sup>62</sup> In their list of six recommendations for a comprehensive security strategy with the DPRK, O’Hanlon and Mochizuki state that one of them should be to “end DPRK counterfeiting and drug smuggling activities.”<sup>63</sup> Balbina Hwang introduced her Heritage Foundation policy brief commenting that “North Korea’s increased criminal behavior poses a serious security challenge to Asian and U.S. interests.”<sup>64</sup> Rachel Ehrenfeld comments that “North Korea uses heroin trafficking to fund its own illegal activities,” and that “profits from the illegal drug trade are as high as \$1 billion per year.”<sup>65</sup> Joel Wit, the former Department of State coordinator for the 1994 Agreed Framework, argues that:

For 50 years, the Democratic People’s Republic of Korea has been the poster child for rogue states. It has pursued a nuclear weapons program, constructed and exported ballistic missiles, sponsored terrorist acts, allegedly participated in the drug trade and counterfeiting, and posed a continual threat to U.S. allies and interests.<sup>66</sup>

Thus, even though the connection between North Korea and drugs is initially contained to a small number of government reports and articles, it has expanded to become an important security concern for both the popular media and institution of American security experts.

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<sup>61</sup> Larry Wortzel, Personal Communication (Interview), Ibid.

<sup>62</sup> For example, another Lexis Nexis search undertaken in November, 2004, of articles published in the last two years mentioning “North Korea,” “drugs,” and “security” revealed over 3,000 articles asserting that North Korean drug operations funded covert weapons programs. An article in *Newsweek International* (Velisarios Kattoulas, “Neighborhood Dealers,” May 3, 1999, p. 58-63) even reported that “drug money could be supporting North Korean programs to develop long range missiles and nuclear weapons.”

<sup>63</sup> O’Hanlon & Mochizuki, Ibid, p. 15.

<sup>64</sup> Hwang, Ibid, p. 1.

<sup>65</sup> Rachel Ehrenfeld, “An Interview about IACSP,” *Journal of Counterterrorism and Homeland Security International* (Summer 2003), p. 45.

<sup>66</sup> Joel S. Wit, “North Korea: Leader of the Pack,” *The Washington Quarterly* (Winter 2001), p. 77.

Ultimately, these sources continually “build” the case for North Korean drug production by repeatedly citing each other. News reports reference a small number of government reports, and these and new reports then cite the previous news reports in a constantly churning cycle of self-fulfillment. Each of the eight primary reports documenting a North Korean connection to drugs – the 1999 INCSR Report, 1999 *U.S. News & World Report*, 1999 NKAG Report, 1999 *Wall Street Journal* article, 2000 CIA Report, 2003 CRS Report, 2004 UN report, and 2004 INCSR – cite “defector statements” and “newswire reports” as their fundamental sources. The *U.S. News & World Report* cites the 2000 International Criminal Threat Assessment and the upcoming CRS report, which references the *U.S. News & World Report* and *Wall Street Journal*, which references the NKAG report, which references *U.S. News & World Report*. Similarly, the 2004 INCSR references the 1999 NKAG report, which references the 1999 INCSR. And despite the fact that the NKAG has 13 different footnotes in their section on North Korea and drugs, it cites only two primary sources: the *U.S. News & World Report* and the 1999 INCSR report. The rest are anecdotal reports from newswires including the *Moscow-interfaks*, *Seoul Ton-A Ilbo*, *Kyodo News Service*, and the *Yomiuri Shimbun*.

Furthermore, many of the security experts writing and quoting these reports admit that they receive most of their information from the popular media. Susanne K. Scholte, the President of the Defense Forum Foundation and an expert that has testified in front of Congress on the issue, admitted to receiving her information from North Korean defectors and “major stories in periodicals.”<sup>67</sup> Based on this information, she concludes that “it is an established fact that the Kim regime forced farmers to grow opium, during a famine no less, for his illicit drug trade.”<sup>68</sup> Dr. Robert Gallucci indicated, “I only know of North Korean drug trafficking from the press.”<sup>69</sup> Dr. Nicholas Eberstadt admitted that “I have no security clearances so I read the newspapers about the North Korea drug issue.”<sup>70</sup>

### **Contextualizing the North Korean Drug Trade**

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<sup>67</sup> Susan K. Scholte, “North Korea and Asian Security,” *Hearing Before the Committee on House International Relations Subcommittee on Asia and the Pacific* (April 28, 2004), p. 2.

<sup>68</sup> *Ibid.*

<sup>69</sup> Gallucci, personal communication, p. 1.

<sup>70</sup> Nicholas Eberstadt, Personal Communication (Interview), October 31, 2004, p. 1.

In contrast to the claims being manufactured by the security community and popular media, adding up the total amount of drugs seized from North Korean drug seizures over the past 10 years results in only 36 arrests involving 400 kg of hashish; 909.25 kg of heroin; 53.2 kg of opium; 37.4 kg of cocaine; 3,474.6 kg of methamphetamine; 310 kg of Amphetamine-Type Stimulants (ATS); 600,000 tablets of rohypnol; and 500,000 tablets of psychomimetics (See Table 1).

**Table 1: Documented Drug Seizures Involving North Korea, 1976 – 2003<sup>71</sup>**

May, 1976: 400 kg of hashish seized from a North Korean diplomat in Egypt.
May, 1976: Four Scandinavian countries kicked out 17 DPRK diplomats for selling unspecified amounts narcotics, cigarettes, and alcohol, including the North Korean ambassador to Switzerland.
June, 1994: Russian police seized 8.25 kg worth of heroin from a Taiwanese citizen who claimed he received it from North Korea.
July, 1994: Chinese officials arrested a Chinese national on charges of smuggling 6 kg of heroin through the DPRK embassy in China.
July, 1994: Russian customs officials arrest a North Korean citizen and seize 200g of opium.
August, 1994: A DPRK intelligence agent is arrested in Russia for trying to sell 18 kg of heroin to a Russian mafia group.
January, 1995: Chinese officials in Shanghai seize 6 kg of heroin and arrest two DPRK nationals, one with a diplomatic passport.
February, 1995: Russian officials arrest two North Korean citizens and seize 8 kg of heroin.

<sup>71</sup> Source: William C. Triplett, *Rogue State: How a Nuclear North Korea Threatens America* (Washington DC: Regnery Publishing, 2004), p. 114; Samuel S. Kim and Tai Hwan Lee, *Ibid*, p. 43; Alan Dupont, "Transnational Crime, Drugs, and Security in East Asia," *Asian Survey* 39(3): 433-455; Financial Management, Budget, and International Security Subcommittee, "Drugs, Counterfeiting, and Weapons Proliferation: The North Korean Connection," Hearing Before the Senate Governmental Affairs Committee (May 20, 2003), p. 3-65; Bureau for International Narcotics and Law Enforcement Affairs, 2004, p. 63; Perl, 2004; Kaplan, 1999; Hwang, 2003; North Korea Advisory Group, 1999.

July, 1995: An agent of the North Korean national security and intelligence bureau was caught by the Chinese police with 500 kg of heroin.
July, 1995: Zambian police arrest a North Korean diplomat with 2.4 kg of cocaine.
March, 1996: South Korean police seize 3.6 kg of crystal methamphetamine on a North Korean ship.
November 1996: Vladivostok law enforcement officials arrest a North Korean diplomat with 22 kg of opium.
April, 1997: Authorities in Japan seize 70 kg of methamphetamine aboard a North Korean freighter.
May, 1997: Chinese authorities in Dandong caught a North Korean businessman with 900 kg of methamphetamine.
May, 1997: Japanese authorities arrest two Japanese residents in Kyoto for attempting to smuggle 60 kg of amphetamines on a North Korean freighter.
November, 1997: A North Korean lumberjack working in Russia is caught at Hassan station with 22 kg of opium.
January, 1998: Russian officials arrest two DPRK diplomats with 35 kg of cocaine smuggled through Mexico.
January, 1998: A DPRK diplomat is arrested in Egypt with 500,000 tablets of rohypnol.
July, 1998: Syrian police arrest a North Korean diplomat with 500,000 capsules of psychotomimetics (stimulants).
August, 1998: Japanese police traced a 100 kg shipment of methamphetamine to a North Korean boat disguised as a Japanese vessel.
October, 1998: German officials arrest a DPRK diplomat in Berlin seizing an unspecified amount of heroin.
February 12, 1999: An employee of the DPRK consulate in Shanghai, China, is caught trying to sell 9 kg of opium.

April 3, 1999: Japanese police arrest Yakuza gang members attempting to smuggle 100 kg of methamphetamine into Japan on a Chinese ship that docked in North Korea.
April, 1999: Authorities at Prague airport detained a DPRK diplomat stationed in Bulgaria for attempting to smuggle 55 kg of rohypnol).
May 3, 1999: Taiwanese police arrest four members of a Taiwanese drug organization attempting to smuggle 157 kg of methamphetamine believed to be from the DPRK.
October 3, 1999: Japanese authorities seized 564 kg of methamphetamine from the Taiwanese Ship <i>Xin Sheng Ho</i> , believed to be from North Korea.
February 5, 2000: 250 kg of methamphetamine believed to be from the DPRK are seized in a raid of the Chosen Soren run trading company.
December, 2000: Taiwanese authorities seize 134 kg of heroin believed to be from North Korea.
February, 2001: Japan seizes 250 kg of Amphetamine-type Stimulants (ATS) from a North Korean boat.
April, 2001: Authorities in Taiwan seize over 100 kg of methamphetamine believed to be from North Korea.
May, 2001: An ethnic North Korean with Chinese citizenship is arrested with 30 kg of methamphetamine in South Korea.
October and November, 2001: Filipino authorities detain a North Korean ship twice in their waters, seizing 500 kg and then 300 kg of methamphetamine.
December 22, 2001: A Japanese patrol boat sank a North Korean vessel (the same vessel mentioned above in August, 1998) believed to be carrying drugs into Japan.
January 6, 2002: 150 kg of methamphetamine were seized from a Chinese ship in Japanese waters that had rendezvoused earlier with a North Korean ship.
July, 2002: Taiwanese police confiscated 79 kg of heroin which a local crime group said they received

from a North Korean battleship.
November and December, 2002: 200 kg of methamphetamine believed to be from the DPRK floated ashore.
April 20, 2003: 150 kg of heroin is seized aboard the North Korean owned ship <i>Pong Su</i> .
June, 2003: Customs officials in Pusan, South Korea, seize 50 kg of methamphetamine from a Chinese vessel that had stopped at the port of Najin, North Korea.

Of these seizures, seven occurred on North Korean vessels, six involved North Korean citizens, fourteen involved North Korean diplomats, and fifteen had a “presumed” connection to North Korea. The result of these seizures is far from conclusive. Seven of the seizures occurred simply on North Korean vessels, some of which were not carrying any North Korean citizens or personnel. Fifteen incidents were simply “presumed” to be North Korean and covered incidents such as drugs washing ashore on the coasts of Japan and Taiwan, seizures aboard unidentified vessels, and confessions of Chinese, Japanese, and Taiwanese nationals who claimed they received drugs from North Korean agents. One of these groups went so far to claim argued that they received their drugs from a North Korean destroyer near the coast of Japan, even though North Korea had no functioning battleships. Not all of the seizures involve trafficking or production, since ten of the seizures involve drugs that North Korea is not even suspected of manufacturing, such as hashish, cocaine, ATS, and rohypnol.

Moreover, even if one believes that all of the heroin, opium, and methamphetamine seizures are accurate, it constitutes a very small percentage of international seizures, especially when considered over the last ten years (which averages 30.3 kg of heroin, 1.77 kg of opium, and 115.7 kg of methamphetamine per year). According to the UN Office on Drugs and Crime 2004 World Drug Report, over 55,000 kilograms of heroin and 100,000 kg of opium were seized by international authorities in 2000.<sup>72</sup> In the UN’s tables on the “Global Illicit Cultivation of Opium Poppy and Production of Opium,” North Korea doesn’t even make the list (although Afghanistan,

<sup>72</sup> United Nations Office on Drugs and Crime, 2004, p. i-ix; Peter Chalk, “Low Intensity Conflicts in Southeast Asia: Piracy, Drug Trafficking and Political Terrorism,” *Conflict Studies* (February, 1998): 1-36.

Myanmar, Laos, Bolivia, Columbia, and Peru are mentioned).<sup>73</sup> And assuming that North Korea sold all of its seized heroin from 2003, it could raise only between \$90 and \$100 per gram, or approximately \$142,000 (hardly enough to support an ailing regime).<sup>74</sup> Regarding methamphetamine, over 1.3 tons were seized by international authorities in 1998.<sup>75</sup> The UN reports that this jumped to over 15.4 tons in 2002. Again, while the Netherlands, Belgium, Bosnia Herzegovina, Finland, and even Poland are listed as the top 22 countries, North Korea is never mentioned.<sup>76</sup> To put all of this in perspective, North Korea accounts for .00005% of global heroin seizures, .000017% of opium seizures, and .00089% of methamphetamine seizures.

Even the most cited and referenced incident, that of the *Pong Su*, proves to have been much more complicated than a simple tale of North Korean drug activity. According to Australian media sources, charges were dropped against most of those arrested because of insufficient evidence.<sup>77</sup> An independent Australian police investigation concluded that the heroin on board was of the high quality double “UOGLobe” brand, with a distinctive red seal and two lions, produced exclusively in Burma.<sup>78</sup> Officials predict that, rather than leaving North Korea with illicit narcotics, the ship likely picked up the heroin in route between Burma and Thailand, then headed south around Australia using established shipping lanes. Put in perspective, the seizures alone, including that of the *Pong Su*, do not indicate that North Korea is a major drug producing or trafficking country.

As for the defector testimony, the anonymity of the defectors makes it difficult to interview them or verify their statements. Yet many of their claims, such as those from Lee, rely on experiences from fifteen years ago. Moreover, defectors are rewarded handsomely for their testimony.<sup>79</sup> While the Republic of Korea (ROK) has recently changed its stance, for 30 years the government had a longstanding policy of providing

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<sup>73</sup> Ibid, p. 42.

<sup>74</sup> Ibid, p. 87.

<sup>75</sup> Dupont 1999, p. 438;

<sup>76</sup> United Nations Office on Drugs and Crime, 2004, p. 167.

<sup>77</sup> AAP Newsfeed, “Pong Su Crew Members Deported” (August 3, 2004), p. 3.

<sup>78</sup> Struck, Ibid; Paddock & Demick, Ibid.

<sup>79</sup> Defectors are given large additional cash prizes if they deliver especially valuable information. Yi Ung-Pyong, a fighter pilot who defected with his MIG-19 jet in 1983, received 1.2 billion won. Another received \$630,000 in 1987 for providing information on North Korean missile technology.

defectors with a generous aid package including fixed payments in gold bullion, a subsidized apartment, exemption from taxes, comprehensive health care, and the right to attend university free of charge.<sup>80</sup>

Despite claims of policymakers, experts, and the press to the contrary, North Korea does not play a substantial role in the production or trafficking of opium, heroin, or methamphetamine. Many analysts believe that drug production remains a significant problem in the region, but one that primarily occurs in Central and Southwest Asia. The Golden Triangle (Burma, Thailand, Laos) and Golden Crescent (Afghanistan, Iran, Pakistan) produce most of the worldwide heroin. Over 65 percent of illicit opium production occurs within the Golden Triangle, an illegal trade worth over \$160 billion annually, or four times the worth of the global arms trade. Of this, Burma produces almost 90 percent, and has an estimated 190,000 hectares of poppy fields. Singapore, with its well developed financial and shipping structure, remains a central point for the transit of drugs and the laundering of profits. The Philippines, Cambodia, Indonesia, and Vietnam remain large producers of opium, and significant opium production has increased in the northeastern provinces of Lai Chau and Son La, China. One recent estimate suggested that over 88 percent of heroin seized in the United States has come from the Golden Triangle. Closer to home, the United States Drug Enforcement Agency (DEA) reports that the majority of heroin entering the United States comes from Mexico and South America, and that heroin imports from Asia have declined significantly from 1977-2002. In addition, the DEA notes that the two biggest threats to the United States are coca and cocaine production from Bolivia, Peru, and Columbia, and heroin production from Pakistan, Afghanistan, and Mexico, not North Korea. Similarly, methamphetamine production that threatens the United States comes primary from Mexico and Burma. One recent *Economist* article went so far to note that Mexican drug labs produce “hundreds of pounds of meth a year” and that “Mexican criminal gangs exert more influence over drug trafficking in the United States than any other group.”<sup>81</sup> Another DEA report notes that Burma, China, and India perform key roles in production

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<sup>80</sup> W.R. Bohning, “Undesired Jobs and What We Can Do to Fill Them: The Case of the Republic of Korea,” *Presentation to the Korea Small Business Institute* (April 19, 1994), p. 4; Teresa Watanabe, “South Korea Braces for Defectors From the North,” *Los Angeles Times* (May 13, 1994), p. 9.

<sup>81</sup> See “Methamphetamine: Instant Pleasure, Instant Aging,” *The Economist* (June 18, 2005), p. 30-31; “Drugs and Violence in Mexico,” *The Economist* (July 2, 2005), p. 35-36.

methamphetamine production, with Burma and China being the two largest producers, and China and India having vast commercial chemical industries which produce significant quantities of ephedrine and pseudoephedrine, which are used in methamphetamine production.<sup>82</sup>

Consequently, Herbert Schaepe, former secretary of the UN International Narcotics Control Board, recently stated that “if those production figures [about North Korea] are correct, we would see seizures everywhere. But we just haven’t seen the evidence.”<sup>83</sup> Ethan Nadelman, the executive director of drug policy at the Drug Policy Alliance, was asked whether North Korean drug production represents a significant security problem. He responded:

Unlikely, since there is abundant production worldwide and it would probably make little difference if North Korea were entirely involved in illicit drug production and trafficking ... It would be grossly irresponsible for the United States or any other government to prioritize the drug issue over nuclear security issues. It ultimately makes little difference to global security or worldwide drug problems whether or not North Korea is involved in the illicit drug business.<sup>84</sup>

Victor Cha and Chris Hoffmeister, senior scholars in Asian Studies at Georgetown University, highlight that “because the North Korean state is so secretive, it is difficult to prove any direct links between the regime and drug trafficking.”<sup>85</sup> Raphael Perl acknowledged in an interview that “North Korea is not a drug problem for the United

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<sup>82</sup> For more on these global trends, see Alan Dupont, “Transnational Crime, Drugs, and Security in East Asia,” *Asian Survey* (May/June 1999), p. 433-455; Michael J. Dziedzic, “The Transnational Drug Trade and Regional Security,” *Survival* (November/December, 1989), p. 533-548; Alfred McCoy, “Coercion and its Unintended Consequences: A Study of Heroin Trafficking in Southeast and Southwest Asia,” *Crime, Law and Social Change* 33 (2000), p. 191-224; Peter Chalk, “Low Intensity Conflicts in Southeast Asia: Piracy, Drug Trafficking, and Political Terrorism,” *Conflict Studies* (February, 1998), p. 1-36; United States Drug Enforcement Agency, *Drug Intelligence Brief: The Evolution of the Drug Threat* (Washington, DC: DEA, 2002); United States Drug Enforcement Agency, *Drug Intelligence Brief: Methamphetamine: The Current Threat in East Asia and the Pacific Rim* (Washington, DC: DEA, 2003); and United States Drug Enforcement Agency, *Drug Intelligence Brief: Heroin Signature Program* (Washington, DC: DEA, 2004).

<sup>83</sup> In Kaplan, 1999, p. 40.

<sup>84</sup> Ethan Nadelman, Personal Communication (E-mail), October 23, 2004, p. 1.

<sup>85</sup> Victor Cha and Chris Hoffmeister, “North Korea’s Drug Habit,” *The New York Times* (June 3, 2004), p. A27.

States.”<sup>86</sup> William Bach reluctantly admitted before Congress that the Department of State has been unable to confirm a North Korean connection to drug production despite using satellite overhead imagery to scan for poppy fields in 1996 and 1999.<sup>87</sup>

However, the fact that many of the “experts” on North Korea and drugs downplay these conclusions raises two important questions about public policy. First, how can the public make rational sense of a North Korean connection to drugs when the “truth” of the issue is constructed by a small number of experts and a pliant media that mutually reinforce each other? Second, if the issue of illegal narcotics production and trafficking merely becomes a mechanism to talk about larger security issues, how can foreign policy experts make sense of the national drug policy? It is with these questions in mind that this paper advances three conclusions.

### **Conclusions**

First, the lack of reliable intelligence on illegal narcotics and the DPRK allows some analysts to construct North Korea as a drug sponsoring country, making the truth about North Korea’s relationship to drugs come from endless repetition rather than sustained analysis. This is not to say for certain that North Korea is or is not a drug producing and trafficking country, but it does hold that either claim remains unsupported by reliable and consistent evidence. In this way, media reports about North Korean drug production and trafficking largely become an echo chamber, indicating that as long as something is said long and loud enough (and purported by the right, credible people) over a sustained period of time, it becomes “true.” Defector statements, newswire reports, and expert testimony become seamlessly threaded together to support the “fact” that North Korea is a significant drug problem. This reveals that the operation of post-cold war security discourse permeates a wide variety of sources in the American media, and is sustained by powerful political institutions embedded within American society. Traditionally, security discourse functioned by drawing politicians, security analysts, and military commanders together to assess threats and revise tactical responses. Now, however, security discourse has expanded horizontally to encompass issues like narcotics, and vertically to include members of the media, popular press, and academia.

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<sup>86</sup> Perl, Ibid.

<sup>87</sup> Bach, Ibid.

In addition, media reports on drugs and North Korea reflect a failure of the marketplace of ideas to incorporate ideas that are outside the narrowly established confines of such a discourse, where the same narratives about terrorism and narcotics circulate endlessly. Such mimetic commentary transcends political ideology and unites diverse opinion on one point: North Korea is, to borrow from Bruce Cumings, “a rogue-terrorist-communist-Stalinist-totalitarian-Oriental nightmare, America’s most loathed and feared Other.”<sup>88</sup> Rather than starting with an analysis of the data on drug production and trafficking in Asia to draw their conclusions, such a discourse begins with the premise that North Korea is a security threat looks for any evidence to support such a claim. G.K. Gilbert once famously stated that “in the testing of hypotheses lies the prime difference between the investigator and the theorist. The one seeks diligently for the facts which may overthrow his or her tentative theory, the other closes his eyes to these and searches only for those which will sustain it.”<sup>89</sup> North Korean security analysts supporting the notion that the DPRK is a significant producer and trafficker of illegal narcotics fall into the latter category. For them, North Korea persists as a reclusive, misunderstood, ideologically isolated, and economically damaged “inherent other in a globalized neoliberal world order.”<sup>90</sup>

Second, the construction of North Korea as a progenitor raises deeper questions about the way that knowledge is produced within the security community. Rather than admit that information concerning North Korea and drugs is hard to come by, security analysts inflate their claims and attempt to make them appear objective and credible by citing similar sources, the idea becoming tacitly accepted as sacrosanct. The only serious question becomes how best to manage the North Korean drug problem, rather than how to improve techniques of intelligence gathering or to determine if North Korea even has a drug problem in the first place. This parallels other cases of knowledge creation concerning 9/11, Iraq and Iran, and a host of other issues where threat assessments made by the Bush Administration and previous intelligence communities were exaggerated, distorted, or wrong.

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<sup>88</sup> Cumings, 2004, p. ix.

<sup>89</sup> Grove Karl Gilbert, “On the Validity of Scientific Hypotheses,” *American Journal of Science* 31 (1886), p. 22.

<sup>90</sup> Bleiker 2005, p. ix.

There have been dozens of documented instances that bear a suspicious resemblance to the hype about DPRK drug trafficking. The same intelligence community holding that North Korea produces and traffics drugs falsely accused Wen Ho Lee of leaking nuclear secrets from Los Alamos to the Chinese in 1996, “missed” the India-Pakistani nuclear tests of 1997, coordinated the accidental 1998 bombing of the Chinese embassy in Kosovo, provided reconnaissance for the 1998 air strike on the El Shifa pharmaceutical facility in Sudan, failed to prevent September 11, and was convinced that Iraq was producing nuclear weapons. Many of these “failures of intelligence” are just now becoming apparent. Numerous scholars have begun to critique the intelligence procedures established during the Cold War as too formal, hierarchical, and compartmentalized to meet the flexible, decentralized security concerns of the post-Cold War era. These structural problems relate to the Cold War compartmentalization of acquisition, analysis, and dissemination of intelligence designed to protect sources and prevent adversaries from gaining access to secrets. Moreover, the current intelligence apparatus consists of a polyglot of fifteen intelligence agencies loosely operating independently of one another and functionally unable to share information. Couple these problems with significant budget reductions, reductions in force, a shift away from human intelligence, and the suppression and distortion of intelligence to provide politically useful conclusions, and the current intelligence network is not the right instrument for the challenges of the 21<sup>st</sup> century.<sup>91</sup> The most salient pattern here is not that bureaucracies suffer from hierarchy, secrecy, compartmentalization, and congestion, but that such intelligence failures all seem to blunder in the same way – in a direction that justifies interventionist aggrandizement and the demonization of adversaries.

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<sup>91</sup> Many of these faults have been well documented by a number of recent studies, including Deborah G. Barger, “It’s Time To Transform, Not Reform, U.S. Intelligence,” *SAIS Review* (Winter/Spring, 2004), p. 23-31; James Jay Carafano, “An Agenda for Responsible Intelligence Reform,” *Heritage Foundation Executive Memorandum* (May 13, 2004); Frank J. Cilluffo, Ronald A. Markes, and George Salmoiraghi, “The Use and Limits of U.S. Intelligence,” *The Washington Quarterly* (Winter, 2002), p. 61-74; Chaim Kaufmann, “Threat Inflation and the Failure of the Marketplace of Ideas,” *International Security* (Summer, 2004), p. 5-48; National Commission on Terrorist Attacks Upon the United States, *The 9/11 Commission Report* (Washington, DC: Government Printing Office, 2004); Kevin Russell, “The Subjectivity of Intelligence Analysis and Implications for the U.S. National Security Strategy,” *SAIS Review* (Winter/Spring, 2004), p. 147-163; and James B. Steinberg, Mary Graham, and Andrew Eggers, “Building Intelligence to Fight Terrorism,” *Brookings Institution Policy Brief #125* (September, 2003).

In advancing this conclusion, a couple of caveats must be introduced. It is not the intent of paper to advance the claim that North Korea has never and will never dabble in the drug trade. The fact that there are some seizures aboard North Korean vessels and a cacophony of testimony arguing that North Korea is a drug producer and trafficker suggests that the DPRK probably plays at least some role in the drug trade. The point, however, is that North Korea is not at this time a major player, and that any attempt to treat its relatively minor drug operations as a grave threat to security border on absurdity. Furthermore, the tendency for some security analysts to exaggerate North Korea's role in the drug trade does not exonerate the DPRK and Kim Jong Il of other wrongdoings. While the international community lacks incontrovertible truth, it remains likely that North Korea has sold advanced weapons material to Pakistan and Iran and at least attempted to pursue nuclear weapons, even if success of their uranium enrichment operations been called into question.<sup>92</sup> The connections between the DPRK and the 1983 terrorist bombing in Rangoon and the 1987 bombing of Korean Air Flight 858 have been well documented to the point of becoming hackneyed, and the North Korean government was unable to prevent mass starvation from a famine that conservative estimates killed between 200,000 and three million people.<sup>93</sup> This piece should not be read as an apology to or a defense of North Korea, but rather a reassessment of American security practices that embellish such images to bolster political support for a policy of containment. North Korea indeed presents significant security concerns for countries in the Asia-Pacific and the United States. Yet these legitimate issues become counterfeit when tainted with chimerical claims of a rapidly expanding North Korean "drug state."

Because of this, the construction of a North Korean "drug state" has the opportunity to reveal as much about American values and systems of knowledge as it does about North Korean drug patterns. Ultimately, just like the claim that North Korea plays a significant role producing and selling drugs needs contextualized, so does the notion that American security institutions universally and tacitly perpetuate the idea that North Korea produces and traffics drugs. Instead, American security institutions are

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<sup>92</sup> For a well written investigation of North Korean uranium enrichment programs, see Selig Harrison, "Did North Korea Cheat?" *Foreign Affairs* (January/February, 2005), p. 100.

<sup>93</sup> See Andrew Natsios, *The Great North Korean Famine: Famine, Politics, and Foreign Policy* (U.S. Institute of Peace, 2001); Oh and Hassig 2000.

composed of intricate combinations of conflicting interests. Thus, while this paper holds that many of the systems of knowledge production within security organizations must be called into question, such a community does defy any single, consensual construction of truth. For instance, some members in the U.S. State Department have long denied North Korea hyperbolic status as a drug producing nation. The move towards American constructive engagement with North Korea, started by William Perry under the Clinton Administration and extended by Colin Powell in 2001 before September 11, changed only after President Bush's axis of evil speech and open discussions about North Korea's "tyrannical nature" by Undersecretary of Defense John Bolton. There are countless individuals working within and outside of the current Administration that resist the inflammatory oversimplification of security claims made about North Korea, even if they lack the organization and media influence of their counterparts.

To the third conclusion, some scholars have argued that the causes behind increased drug producing and trafficking in Asia are connected to broader social and economic trends. For example, analysts highlight that a long period of sustained economic growth in the region created world-class regional communication and transportation networks (including new road, river, and air routes) and established regional growth triangles and natural economic territories that made it harder to trace and prevent the trade of illegal goods. Pressure from the United States to liberalize Asian economies also accelerated cross border trade and reduced border restrictions. In addition, the standardization of consumer tastes increased demand for illicit narcotics at roughly the same time as the spread of electronic financial networks, which augmented the ease and speed of money laundering. The regional economic crisis of 1998-1999 deepened drug production and trafficking by escalating unemployment, convincing impoverished workers to switch to trade in illegal narcotics as a lifeline, and decimating the budgets of East Asian governments, reducing needed funds for drug interdiction, opium replacement crops, and cooperative regional responses.<sup>94</sup>

Yet the emulous and deceptive commentary produced by American security experts ignores these complexities and narrow policy options on the Korean peninsula.

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<sup>94</sup> See Alan Dupont, 2001, *Ibid*; Chalk 1998, *Ibid*; and Oded Lowenheim, "Transnational criminal organizations and security: the case against inflating the record," *International Journal* (September 2002), p. 513-536.

Scholars and analysts need to start with the complex interests and dynamics of the DPRK to build their knowledge from the bottom up, rather than fixating on presumed images produced by institutions and the media and implementing policy from the top down. Instead, they tend to relay on ideologically motivated experts from the American Enterprise Institute, Heritage Foundation, and Department of Defense to repeatedly testify before Congress to solidify what they presume about North Korea to be true. The problem is that such a move renders the notion of “drug policy” meaningless because it obscures or disregards many of the systemic causes to drug trafficking and producing in Asia. The result, according to Roland Bleiker, is “not only paralysis – the belief that when a crisis occurs nothing can be done except reinforce military-based defense – but also, and more important, an inability to appreciate nuances and detect changes when they occur.”<sup>95</sup>

There appear to be two reasons why the “drug issue” continues and will continue to be a permanent fixture in discussions about North Korea and security. For one, claims about DPRK drug trafficking and producing give policymakers strategic flexibility regarding policy options on the Korean Peninsula. Unlike nuclear proliferation and famine, which usually require immediate political and humanitarian response, the drug issue sets the mood for possible action, someday and indefinitely in the future, without demanding immediate emergency attention. “Drugs” can thus be used in a variety of ways to support and justify American policies. They can be a reason for economic reform with North Korea, as they were under the Clinton Administration, suggesting the need for constructive engagement and North Korean economic integration into the global community. They can also justify isolation and containment when used as a proliferation concern, cited by hardliners in the Bush Administration. The flexibility of the drug issue may be why it has spanned administrations and is likely to remain a permanent fixture in future negotiations.

And second, such practices continue because they are supported by the deeply held belief within the security community that North Korea is a rogue nation, and are perpetuated because they are seen as entirely logical. In his influential work on development discourse, Arturo Escobar writes that “much of an institution’s effectiveness

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<sup>95</sup> Bleiker 2005, p. xxxiv.

in producing power relations is the result of practices that are often invisible, precisely because they are seen as rational.”<sup>96</sup> In the case of North Korea, the narrow confines of security discourse about drugs ignores many of the countervailing “facts” about North Korea (that its seizures constitute less than .05 percent of global seizures, that satellite imagery has failed to confirm North Korean poppy fields, and so on) because these arguments are seen as irrational. The public is willing to believe these claims because of the tumultuous history between the United States and North Korea dating back to the Korean War, and because they are reinforced and disseminated by a complicit and oversimplifying media. The result is a conflated security discourse that inherently limits policy analysis about North Korea and illegal narcotics.

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<sup>96</sup> Arturo Escobar, *Encountering Development: The Making and Unmaking of the Third World* (Princeton, NJ: Princeton University Press, 1995), p. 105.