

**Testimony before the House Foreign Affairs Committee**  
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Chairman Royce, Ranking Member Engel, and other distinguished members of the Committee, I sincerely appreciate this opportunity to testify on a matter of grave concern to our national security: the expanding danger of a nuclear-armed North Korean regime and the need for a new policy approach that comprehensively addresses the North Korean threat and applies effective pressure against the regime.

Despite determined diplomacy and global sanctions designed to curtail its ambitions, North Korea is winning its long Cold War with the world. In the wake of the recent successful nuclear and ICBM-class rocket tests, North Korea is close to attaining a position it has long sought – acceptance as a de-facto global nuclear power with the ability to threaten and coerce the United States and our allies directly. Our diplomatic strategy of getting North Korea to abandon its nuclear program within the Six Party Talks has proven an overt failure. Likewise, the UN sanctions-based pressure strategy has been ineffective at coercing a change in regime behavior or effectively containing the North Korean proliferation threat.

While the world has grown weary of North Korea's continued misbehavior, expressions of indignation have largely supplanted serious policy. The December "space launch" that many experts believe was a mock ICBM test, was met by no serious global response beyond a modest, though helpful, uptick in EU sanctions and a typical UN condemnation (with no invocation or reference of Chapter 7 of the UN Charter which would have required serious action by member states).<sup>1</sup> Even the testing on February 12, 2013 of what the North Korean news agency asserted was "a miniaturized reduced-weight atomic bomb" with "great explosive power," did not compel swift and severe international action. Nearly a month after the test, the United Nations Security Council has yet to adopt a new sanctions resolution condemning the test—largely due to Chinese opposition.<sup>2</sup> Moreover, the media – which typically loves a crisis – has in large part downgraded the story beyond the front page. Apparently, the surreal North Korean cartoon has been replayed so many times that people have forgotten that it actually reflects a highly dangerous reality.

### **The Rapidly Expanding Threat**

Even as the world has grown weary, I believe that in the next 24 months the North Korean global and regional threat could go from bad to worse. Not only do I fear North Korea will deploy nuclear warheads

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<sup>1</sup> United Nations Security Council Resolution 2087 (January 22, 2013).

<sup>2</sup> Rick Gladstone, "No Move Yet by U.N. Body After Test by Koreans," *The New York Times*, February 26, 2013, <http://www.nytimes.com/2013/02/27/world/asia/no-progress-seen-on-un-resolution-after-north-korea-nuclear-test.html?ref=securitycouncil>.

on its expanding and increasingly sophisticated missile force, I am concerned the chances of North Korea exporting nuclear weapons and nuclear capable missiles is alarmingly high. I also am concerned about the rapidly evolving North Korean/Iranian strategic relationship, which Tehran increasingly considers as part of its “Axis of Resistance” (which formally includes Iran, Syria and Lebanese Hezbollah).

North Korea has one and quite possibly two Weapons Grade Uranium (WGU) productions facilities. According to the Institute for Science and International Studies, “North Korea could accumulate enough WGU for 21-32 nuclear weapons by the end of 2016. With two centrifuge plants, it could have 26-37 nuclear weapons by the end of 2016.”<sup>3</sup> North Korea does not need another 26-37 enriched uranium warheads for its security. It already has more than enough plutonium based weapons in its arsenal to ensure a type of mutually assured destruction, an arsenal that few experts believe North Korea strategically needs in any event, given its existing ability to inflict tremendous conventional military damage. Even if we assume half of these WGU weapons will be deployed on missiles, it is unrealistic to assume the totality of WGU is being produce for domestic use. North Korea has a track record of exporting its main indigenously developed weapons systems as well as sensitive nuclear technology, with almost no exception. In Syria, the North showed it would readily cross a nuclear redline. Until the Syrian Al-Kibar facility was bombed by the Israeli Air Force on September 5, 2007, North Korea was well down the road to helping the Government of Syria build a Yongbyon-like plutonium reactor on the Euphrates, in partnership with the entity inside the Syrian Government in charge of WMD weapons programs. North Korea apparently was helping Syria develop a nuclear weapons program, not civilian electric power.<sup>4</sup>

North Korea also has a dangerously expanding arsenal of nuclear capable missiles. This includes the recently tested Unha-3 ICBM “space launch vehicle” as well as the untested road mobile rapid launch intermediate range missile, known as the Musudan, which is based on a Soviet SSN6 (one of the most tested nuclear missiles of the Cold War). Combined with Nodongs, Scuds, and Taepodongs, North Korea is hardly short of credible means of delivering nuclear weapons via missiles- all of which are for sale today in the Middle East by North Korean weapons trading companies and agents.

What North Korea certainly needs much more than nuclear weapons and advanced missiles is money to cement the power of Kim Jong Eun, solidify his control over the military and pay for expanding WMD and missile programs. Who has both the money and the need for weapons grade uranium, weapons technology and the means to deliver such weapons? The answer is: Iran.

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<sup>3</sup> David Albright and Christina Walrond, “North Korea’s Estimated Stocks of Plutonium and Weapon-Grade Uranium,” *Institute for Science and International Security*, August 16, 2012.

<sup>4</sup> Erich Follath and Holger Stark, “The Story of ‘Operation Orchard’ How Israel Destroyed Syria’s Al Kibar Nuclear Reactor,” *Der Spiegel*, November 2, 2009, <http://www.spiegel.de/international/world/the-story-of-operation-orchard-how-israel-destroyed-syria-s-al-kibar-nuclear-reactor-a-658663-druck.html>.

## Clear and Present Danger of Nuclear Proliferation to Tehran

In mid-July 2002, North Korean President, Kim Yong Nam, led a high level delegation to Damascus, Syria for a mysterious purpose. On July 18, 2002 “an agreement on scientific and technological cooperation” was signed between the governments of the DPRK and Syria.” According to North Korea’s official news service, KCNA, “the agreement was inked by the President of the Academy of Sciences Ri Kwang Ho, upon authorization by the DPRK government, and Minister of Higher Education Hassan Risha, upon authorization by the Syrian government.” In hindsight this “scientific cooperation agreement” was the keystone for the commencement of covert nuclear cooperation between North Korea and Syria, which ultimately resulted in the construction of a nuclear reactor complex and possibly other forms of WMD cooperation.<sup>5</sup>

Ominously, Kim Yong Nam led a similar delegation to Tehran in late August 2012, ostensibly to attend the annual Non-Aligned Movement Conference. On September 1, 2012, Iran and North Korea announced the signing of a Scientific Cooperation Agreement that appears almost the same as that signed in 2002 by North Korea and Syria. The Iranian retinue attendant at the welcoming ceremony for the North Korean president should have set off alarm bells. Cabinet members attending the ceremony included Minister of Industry, Mine and Trade Mehdi Ghazanfari, Defense Minister Brigadier General Ahmad Vahidi and Head of Atomic Energy Organization of Iran (AEOI) Fereydoon Abbasi Davani. Whether a scientific agreement is a lead indicator of North Korean and Iranian nuclear weapons cooperation or not, given the Syria precedent, North Korea’s supply of material and Iran’s demand, this potential needs to be aggressively monitored.

## Time for Action, not Complacency

It is time to stop the complacency on countering, containing and disrupting North Korea’s proliferation machinery and malevolent regime before serious and enduring damage occurs to global security. A nuclear-armed and proliferating North Korea fundamentally jeopardizes international stability and U.S. strategic interests in Asia, the Middle East, as well homeland security. The existence of the dictatorial, kleptocratic and highly repressive Kim regime runs against our fundamental interests in freedom, human rights and democracy, as does a divided Korean peninsula. The interest and sensitivities of our treaty ally, the Republic of Korea (ROK), must be factored into all strategic decisions related to North Korea. Together with the ROK, U.S. policy must squarely address the North Korean threat and seek to actively counter, protect, deter and disrupt Pyongyang’s burgeoning nuclear and missile capabilities. Equally, U.S.

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<sup>5</sup> “DPRK-Syria Intergovernmental Agreement Inked,” Korean Central News Agency of DPRK, July 18, 2002, <http://www.kcna.co.jp/item/2002/200207/news07/19.htm>; “Leader Kim Jong Il Inspects Branch Stock Farm,” Korean Central News Agency of DPRK, July 19, 2001, <http://www.kcna.co.jp/item/2002/200207/news07/19.htm>.

policy must seek to apply decisive pressure against the Kim regime to promote the end of Communism in the North and reunification with the South.

### What to do?

Working closely with our South Korean ally, we need to organize and commence a global plan of action against Pyongyang's proliferation apparatus, facilitators, partners, agents, proxies and overseas presence. We also need a program of action identifying and targeting the Kim regime's financial lifelines, including its illicit sources of revenue. Finally, the United States should commence a program to influence the internal workings of the North Korean regime to undermine it. Although heavy sanctions are in place, they are obviously not sufficient. They are neither deterring the regime, nor interfering effectively in its WMD programs. "North Korea Inc," though hobbled, remains functionally in the proliferation business. Via a network of nested trading relationships inside foreign partner countries (China especially), a litany of front companies, and the aggressive use of diplomatic "commercial sections" and "official" bank accounts (which are not sanctioned), North Korea's WMD proliferation and illicit money making machinery continues to turn. We need a multiplexed campaign strategy to shut North Korean proliferation networks down, interfere with and sabotage their nuclear and missile programs, cut off leadership finances, hold the regime legally accountable for state directed criminality and acts of terrorism and ultimately lay the grounds for a change in the regime if it doesn't change course.

In essence, this was the mandate of the North Korean Illicit Activities Initiative (IAI) and the North Korean Activities Group at the National Security Council that I ran during the first term of the Bush Administration. The IAI involved over 14 U.S. government agencies and 15 foreign government partners. Without the use of sanctions, we were able to use law enforcement, sensitive diplomacy and other tools to strategically interfere with the Kim regime's financial lifelines, culminating in the well publicized designation of Banco Delta in Macao as a key leadership finance node and the indictment of key members of the regime in U.S. Federal Court. The effect of the campaign of actions under the IAI froze North Korea out of key aspects of the international financial system and also produced destabilizing internal effects that could have been magnified as the ultimate tool of high level coercive diplomacy to compel North Korea to abandon its nuclear program.

### Recommendations:

- **North Korea Activities Group:** The administration should revive the NSC North Korea Activities Group, appoint a high level North Korea Pressure Czar at the Department of State, and commence an interagency and international effort to actively pursue North Korean illicit activities, weapons trafficking and regime finances using all instruments of national power.

- ***U.S. Department of Justice Investigations into North Korean Illicit Activities:*** The Department of Justice (DOJ) investigations into North Korean regime-level illicit activities which were conducted between 2002-2006 need to be reopened. The evidence produced through those previous investigations should either be used to support future investigations or declassified and made public. Evidence of the involvement of North Korean regime leaders and institutions in transnational organized crime should concurrently be brought to the attention of the UN Security Council and to the International Criminal Court.
- ***North Korea Influence Program:*** The president should order the appropriate government agencies to commence a program on influencing the internal workings of the Kim regime and preparing for and promoting its non-kinetic downfall.
- ***Assessment on China-North Korea:*** The administration should request a National Intelligence Estimate on the true nature of the China-North Korea relationship, including military, intelligence and WMD program cooperation, as well as an objective analysis of China's role in both facilitating and restraining North Korean sanctions violations. If the assessment concludes that China is providing more facilitation than restraint of North Korea's dangerous activities and sanctions violation, including WMD proliferation and procurement, sanctions should be considered against the Chinese government.
- ***North Korea Freedom Act:*** The Congress should enact a *North Korea Freedom Act* that, at a minimum, applies the financial pressure authorities invested in Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA) to North Korea. The fact that Iran sanctions are far more serious, encompassing and effective than those against North Korea is remarkable and unacceptable. This legislation should include the following provisions to effect financial pressure:
  - **Freezing the DPRK out of SWIFT:** Compelling the Society for Worldwide Interbank Financial Telecommunication (SWIFT) to deny its members to use the SWIFT system to facilitate financial transfers for Iranian entities has been perhaps the most successful effect of the European sanctions. The same should be applied against North Korea by the United States.
  - **Going After Those in the Middle:** In particular, an effort needs to be made to enforce the law and sanctions against those who are facilitating North Korean illicit access to the international financial and trading system, including non-North Korean banks, trading companies, freight forwarders and other partners who are fronting for North Korean sanctions evasion. This effort needs to include North Korea's use of trade-based means of

value transfer, directly and through second parties, including the purchase and sale of gold, diamonds and even scrap metal (all of which are used to avoid sanctions). Chinese trading companies and financial institutions, in particular – ala the 2005 case of Banco Delta in Macao – need to be targeted and held legally accountable for violating sanctions. North Korea is adept at exploiting loopholes in existing regimes of rules and regulations to conceal beneficial ownership and the true nature of illicit cargos. We find often that even basic due diligence, which would have disclosed a DPRK link, is not performed. “Customer’s customers,” “nested businesses” and beneficial owners need to be subject to enhanced-due diligence and those allowing them to transact freely should become legally liable for allowing their complicit activities.

- **Aggressive Verification and Compliance:** The existing sanctions need a comprehensive monitoring and enforcement mechanism. An aggressive enforcement effort equivalent to the verification and compliance efforts made on strategic arms control in the 1970s and 1980s needs to be put in place against North Korea. This should not only involve Treasury and State but also DOJ, the Department of Homeland Security and the Department of Commerce enforcement agencies and officers who will need to be able to build international cases against violators.
- **A National Financial Tracking Center:** America’s centrality in the global financial system provides the United States with a remarkable ability to monitor and enforce sanctions compliance, anti-money laundering, as well as to detect and disrupt suspicious activities. Taking advantage of this centrality, the U.S. government should organize a National Financial Tracking Center for monitoring inbound and outbound financial flows as well as suspicious activities equivalent to the National Tracking Center that Customs and Border Protection (CBP) runs to monitor and police incoming and outgoing travelers, ships, cargos and trade. The National Tracking Center routinely alerts ships and planes coming into the United States that may be carrying suspicious cargos or passengers and compels them to take action before entering U.S. territory or at place of entry. No such alert mechanism exists to help financial institutions be aware and investigate potential suspicious financial activity.
- **Interbank Compliance Network:** Despite extensive and incredibly costly efforts to detect and avoid sanctions violations and money laundering schemes, as illuminated by the recent Iran sanctions violation and huge money laundering cases against some of the largest banks operating in the United States, the AML-CFT system is clearly not working adequately. Allowing banks operating in the U.S. to harness technology and economies of scale and scope to create an interbank compliance network is one of the best ways to help the U.S. financial system be a more effective tool in detecting suspicious activities,

including money laundering, terrorism financing and sanctions evasion. Collectively, anti-money laundering (AML) compliance functions and Bank Secrecy Act data across banks could be shared – something that Section 314 of the USA Patriot Act mandates but which banks have yet to embrace, despite large potential cost savings and increased effectiveness.<sup>6</sup> Ironically, despite a huge effort to enhance bank AML and sanctions compliance, the US financial system remains the world’s largest money laundering machine for terrorist, proliferators and traffickers. As was learned in the case of the Lebanese Canadian Bank, dozens of U.S. banks were involved in facilitating a multi-billion dollar scheme to launder money for the terrorist group Hezbollah via the purchase of used cars in the United States without being properly detected or stopped. Iran and North Korea have been detected using similar trade based and beneficial ownership schemes to evade law enforcement and sanctions, including via the global banking system whose main interbank transfer networks run through the United States and are accountable to U.S. law.

- **Enhanced Customer Due Diligence is Key:** The Treasury Department’s new “enhanced know your customer due diligence requirement,” requiring that banks not only be able to authoritatively identify their customers but also ensure that they are not engaged in financial activities for the benefit of unidentified third parties, should facilitate a substantial improvement in sanctions and AML compliance.<sup>7</sup> It also represents a further opportunity (and necessity, given the otherwise huge costs to the banks) to create a public-private partnership for enhanced AML, including the previously mentioned Financial National Tracking Center and Interbank AML Network.
- **A 21 U.S.C. § 960a-like Statute for Counter Proliferation:** In the world of drug enforcement, the Congress gave the DEA an incredible tool, the 960 statute, which allows DEA to pursue narco-terrorists globally. A similar statute should be enacted against those who engage in the proliferation of weapons of mass destruction, especially to state sponsors of terrorism like Iran or North Korea.

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<sup>6</sup> USA PATRIOT Act Section 314(b) permits financial institutions, upon providing notice to the United States Department of the Treasury, to share information with one another in order to identify and report to the federal government activities that may involve money laundering or terrorist activity. Public Law 107-56, “Uniting and Strengthening America By Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT Act) Act of 2001, October 26, 2001, Section 314.

<sup>7</sup> Department of the Treasury, “Financial Crimes Enforcement Network: Request for Comments: Customer Due Diligence Requirements for Financial Institutions,” RIN 1506-AB15 (February 28, 2012).

- Section 311 of USA Patriot Act:** Section 311 grants the Secretary of the Treasury the authority, upon finding that reasonable grounds exist for concluding that a foreign jurisdiction, foreign financial institution, class of transaction or type of account is of "primary money laundering concern," to require domestic financial institutions and financial agencies (e.g., banks) to take certain "special measures" against the entity identified as a primary money laundering concern. This includes the ability to cut a foreign financial institution off from being able to transact business with the U.S. It has been used with particular success against North Korea's nested financial relationships inside Banco Delta Asia in Macao in September 2005 and Lebanese Hezbollah's money laundering activities via the Beirut Lebanese Canadian Bank in February 2011. In both cases, the Treasury designations served as a powerful warning shot to financial institutions around the world, deterring them from accepting similar business relationships with the likes of North Korea and Hezbollah. The imposition of Section 311 against another Chinese bank would serve the purpose of dramatically driving up the cost of Chinese complicity and complacency in North Korean sanctions evasion and WMD proliferation financing via the Chinese financial system.
- Partner Country Capacity Building:** Encourage partner nations to enact Patriot Act Section 311 equivalents, in particular the EU and Japan. Japan, our closest partner on the North Korean Illicit Activities Initiative (IAI), would be able to strategically utilize a 311 capability. I am greatly pleased to see my distinguished senior counterpart in coordinating the Japan side of the North Korea IAI, Shinzo Abe, become Japan's Prime Minister. Prime Minister Abe has been a remarkably determined concerned leader and advocate against North Korea's illicit activities, most notably its abduction of innocent Japanese citizens. As I have told my Japanese colleagues over the years, those in North Korean intelligence and special operations who are directly involved in the Kim regime's lifeblood illicit activities are essentially the same people who oversaw and carried out the abductions. As Prime Minister Abe understands, effective law enforcement against North Korean illicit activities and related finances is a way of directly affecting those who stole Japanese citizens lives away, an act rightfully characterized as human terrorism.
- Enhanced Deterrence:** As North Korea increases its highly-enriched uranium stockpile, engages in further nuclear tests and weaponizes its missiles, enhanced strategic nuclear deterrence will be critical. Our allies are concerned about the credibility of America's nuclear umbrella. The United States should propose a Strategic Deterrence Dialog with Seoul and Tokyo to underline the safeguard of America's nuclear umbrella and demonstrate forward deterrent capabilities, if necessary, to stop our allies from pursuing indigenous nuclear programs.



**Conclusion:**

The United States has the power to effectively coerce change in North Korea (and Iran) without engaging in military action. Over the past decade, the U.S. government, led by the Treasury Department, has developed a new paradigm for using targeted financial power to achieve national security objectives of critical importance. At the heart of this paradigm is the integrated use of tools to curtail the financial activity of rogue actors, like North Korea, while protecting the integrity of the international financial system. This new paradigm represents an evolution away from classic, broad-based economic sanctions, and toward the employment of precision guided financial measures designed to influence the private sector's willingness to do business with dangerous and defiant actors and regimes. The new strategy is based on a widening appreciation within governments of the power of markets and the private sector to influence international security.<sup>8</sup> The use of targeted financial measures has not obviated the need for economic sanctions but has significantly added to their potential effectiveness.

Financial and economic pressure can achieve meaningful changes in behavior with a lower cost and at lower risk than other instruments of national security policy such as military force. Coercive financial and economic pressure is not an alternative to diplomacy. Rather, it should be part of a comprehensive approach to influence governments like North Korea that are at loggerheads with the international community, and where other measures are insufficient or inappropriate. Pressure strategies that are well conceived and well executed can counter, contain and disrupt the most dangerous and destabilizing behavior - from mass killing to nuclear proliferation. They can also fill a gap between what a government is prepared to do militarily and diplomatically. Additionally, they can have genuine, large-scale effects that, if mounted effectively, can compel defiant states to change their strategic direction.

Nonetheless, the effectiveness of economic coercive strategy or a campaign involving "counter threat finance" depends on the clarity of the desired end state; the sophistication of planning and integration of domestic and international capabilities and authorities; and the quality of intelligence support for planning, execution and monitoring. They also highlight the criticality of bringing in the government's best and brightest and motivating them. A genuine whole of U.S. government approach and real "coalition of the willing" among like-minded foreign governments are frequently discussed but infrequently accomplished.

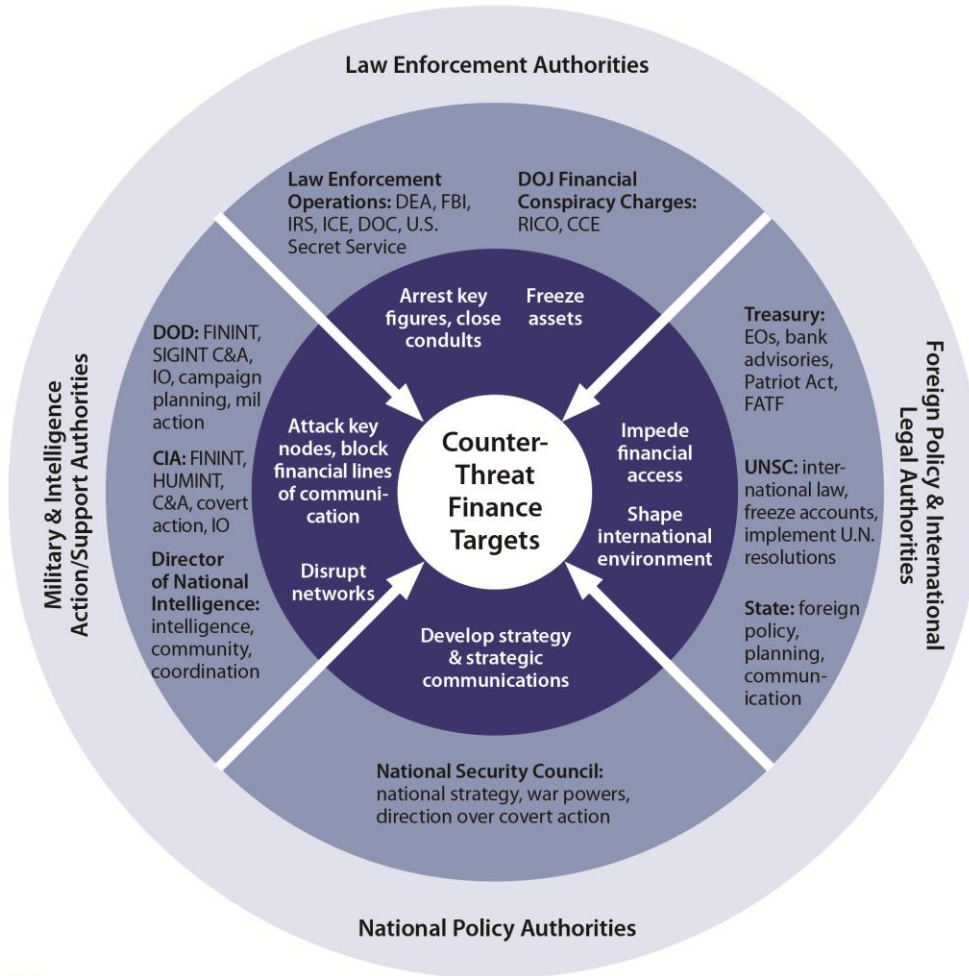
Bringing about change in North Korea will require a top-down determined effort across the whole of government and among a league of willing foreign partners. Failure to effectively counter, contain, deter

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<sup>8</sup> Juan Carlos Zarate, "Harnessing the Financial Furies: Smart Financial Power and National Security," *Washington Quarterly* (October 2009), 43.

and disrupt North Korea’s proliferation and regime threat could fundamentally jeopardize international security in the 21<sup>st</sup> century.

COUNTER-THREAT FINANCE: BALANCING NATIONAL SECURITY RESOURCES



KEY

C&A: Collection and Analysis

CCE: Continuing Criminal Enterprise

DEA: Drug Enforcement Administration

DOC: Department of Commerce

DOJ: Department of Justice

EO: Executive Order

FATF: Financial Action Task Force

FININT: financial intelligence

HUMINT: human intelligence

ICE: U.S. Immigration and Customs Enforcement

IO: Information Operations

RICO: Racketeer Influenced and Corrupt Organizations Act

SIGINT: signals intelligence

UNSC: United Nations Security Council

### Background on the North Korea Illicit Activities Initiative, 2001-2006

Between 2002-2006 the U.S. government organized a multi-agency and multinational initiative to restrict the illicit activities and finances of the Kim Jong Il regime in North Korea. The Illicit Activities Initiative (IAI) sought to pressure Kim Jong Il to back away from his nuclear development and proliferation programs. It aimed to undercut the Kim regime's ability to profit from illicit activities. By impeding the regime's misuse of the international financial and trading system and threatening its accumulated fortune deposited in overseas banks, the initiative sought to create leverage over Pyongyang, without resorting to conventional coercive strategies – such as large-scale threats of military attack – or employing broader economic sanctions (for which it would be difficult to garner international support, let alone effectively enforce).

As a Senior Advisor to former Assistant Secretary of State for East Asian and Pacific Affairs James Kelly, I led this initiative under Kelly's direction. I also served as the North Korea working group coordinator, reporting directly to former Deputy Secretary of State Richard Armitage, and in 2004-2005, co-chaired a special policy coordinating committee at the National Security Council called the North Korean Activities Group (NORKAG).

The IAI ultimately involved 14 different U.S. government departments and agencies, 15 foreign government partners and more than 200 policy officials, intelligence analysts and law enforcement officers around the world. In addition to wide ranging and sensitive diplomatic efforts to curtail North Korea's illicit financing and weapons proliferation, the IAI featured multiple international law enforcement investigations, including two of the largest undercover Asian organized crime cases in U.S. history, and the innovative use of Treasury Department authorities in conjunction with those investigations. The IAI drove North Korea out of a range of criminal businesses and cut the nation's illicit trading companies and leadership off from bank accounts around the world. Through the IAI, the U.S. government generated significant diplomatic leverage over North Korea, a point made clear by the regime's reaction to the imposition in September 2005 of the Patriot Act's section 311 against Banco Delta Asia, a Macau bank accused of laundering money for the Kim regime and other North Korea entities. I believe that if this leverage had been sustained and used effectively, North Korea's ability to defy international rules and norms could have been crippled, compelling Kim Jong Il to make a strategic choice toward denuclearization.

## Biography

### Dr. David Asher Non-Resident Senior Fellow, Center for a New American Security



Dr. David Asher is a non-resident senior fellow at the Center for a New American Security. Asher is well known as one of the most experienced subject matter experts to the U.S. Government on countering money laundering, terrorism financing and sanctions evasion schemes.

From 2001 to 2005, Asher was the special coordinator of the State Department's North Korea Working Group (under the Secretary of State), co-chair of the North Korea Activities Group policy coordinating committee for the National Security Council, and U.S. delegation adviser to the Six Party Talks. During the Bush administration, Asher developed and oversaw the global targeting and disruption of the Kim Jong Il regime's financial, illicit trading and WMD networks. Asher was the strategic architect of the September 2005 designation of Banco Delta

Asia in Macao and the February 2011 designation of the Lebanese Canadian Bank, both under Section 311 of the USA Patriot Act. He also has helped spearhead and support numerous DEA investigations into Hezbollah and Iranian money laundering and trafficking activities, the FBI's Royal Charm and Smoking Dragon investigations (which targeted Italian organized crime, Chinese Triads and the DPRK Government), and U.S. Secret Service investigations targeting North Korean Supernote counterfeit U.S. currency distribution globally.

Asher is the principal author of the Center for New American Security report, *Pressure: Coercive Economic Statecraft and U.S. National Security*, which reviews the history of counter-threat finance campaigns and lays out principals for successful counter threat finance strategy. He is currently writing a CNAS strategic study on countering Iran and its proxies and leads the CNAS Financial Security Initiative (in partnership with Google Ideas).

Asher has a Ph.D in International Relations from Oxford University and was a College Scholar at Cornell University as an Undergraduate. He has over 20 years of experience working in and around the international financial community, including as a macro hedge fund strategist, a commercial lender and an investment banker focused on Asia. He is fluent in Japanese.