

Playing hardball

Kim Jong-il sat in front of his 84-inch, high-definition plasma TV, chewing caviar like popcorn while watching *Godzilla: King of the Monsters* for the 20th time. It was his favorite part: the destruction of Tokyo. The giant monster ripped a train off its tracks. Jong-il froze the frame, rewound a few seconds, and replayed the scene of carnage, grinning wickedly.

One of his advisors whizzed into the room on a Segway.

“Dear Leader, Great General, The Sun of the 21st Century, Supreme Commander of—”

“What is it?” Jong-il snapped peevishly.

“The United States has announced which items they will refuse to sell to us as part of the U.N. sanctions. They submitted a list of over 60 items we can no longer buy from them.”

Jong-il took a long pull on his \$630 bottle of Hennessy cognac.
“Let’s hear it.”

“Rolex watches, Jet Skis, Cadillacs, jewelry, yachts, designer fountain pens, DVDs, television sets larger than 29 inches, iPods...”

Jong-il winced at the mention of the iPod. The Americans were playing hardball.

“Enough! Tell me the worst thing on the list, the thing that will hurt the most to be denied.”

The advisor knew which item that was, but was loathe to say it, as he feared this would push his volatile leader over the edge. But he dare not disobey a direct order.

“Harley-Davidson motorcycles, sir.”

Jong-il’s face darkened. “No Harley-Davidsons?”

His advisor swallowed, but didn’t answer. His reply stuck in his throat.

Kim Jong-il turned off the movie, and stood up.

“This means war.”

That’s our guess as to what went down when Kim Jong-il, paramount ruler of North Korea, heard about the sanctions leveled against him by the U.N. Security Council to punish him for secretly conducting a nuclear weapons program, and testing a nuclear weapon last October. The ban includes military supplies, equipment, and weapons, and also luxury items—particularly those favored by Kim Jong-il. It’s intended to stand

until he returns to six-nation talks aimed at ending North Korea's nuclear weapons program.

It's the first time the U.S. has used trade sanctions specifically to aggravate a foreign leader. Kim Jong-il is known to lead a wildly extravagant life (he spends an estimated \$650,000 to \$720,000 on rare cognac annually), and he also uses the expensive toys as gifts to reward loyalist families. The list includes things like Segways, DVDs, artwork, and yes, Harley-Davidsons.

"In a country as impoverished as North Korea, luxury goods are a key currency that keep the elite happy and reward those who win the favor of its leaders," said a South Korean government official, who asked to remain anonymous. The population in North Korea is impoverished and routinely suffers wide-scale food shortages. The trade ban would forbid items that are favored by Jong-il but are unattainable by almost everybody else in the country.

If the U.S. government failed to prevent Kim Jong-il from building and detonating a nuclear weapon, it's anybody's guess what makes them think they can prevent him from buying an iPod—or for that matter, a V-Rod—but given that Harley posted a net profit of \$1.04 billion for 2006, we doubt they're too worried even if they do lose North Korea's business.