United States vs. North Korea in No-Limit Poker: Alligator Blood or Dead Money?

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Abstract

“Listen, here’s the thing. If you can’t spot the sucker in your first half-hour at the table, then you are the sucker.” This line from Mike McDermott, a high-stakes poker genius in the popular movie “Rounders,” highlights the fact that when playing no-limit poker, knowing your opponents is much more important than the strength of the cards you are dealt. In many respects, U.S.-North Korea confrontation over the past fifty-some years resembles no-limit poker play. The problem is that many in the U.S. national political and defense circles do not see it; therefore allowing North Korea to take advantage of it and confront the superpower on an equal footing. The lens of no-limit poker provides an attractive and easily understood tool for analysis and explanation of the historical U.S.-North Korean confrontation. However, it does not provide a useful means for solving the confrontation. The United States must recognize the deficiency of the no-limit poker lens and find a more productive method for dealing with North Korea.
Introduction

In the 50-plus years since active combat ceased at the end of the Korean War, the United States and North Korea continue to find themselves in an extremely hostile relationship. Even with the implosion of the Soviet Union and the conversion of China to capitalism (if not in government, certainly in economics), North Korea has steadfastly maintained a stridently communist dictatorship, first under Kim Il Sung, then followed by his son Kim Jong Il. Due to the almost complete lack of visibility into the workings of the North Korean leadership, and the, at times, bizarre and hostile actions of that leadership, it is easy to label the Kims as “crazy.”

Yet, “North Korean leaders are not unpredictable madmen with suicidal urges.”¹ Rather, they are crafty negotiators and statesmen. Indeed, a review of the history of U.S.-North Korea confrontations shows that although North Korea is much smaller than the United States, it has not lost much (or scored fairly) in its dealings with the superpower. One key reason for this counterintuitive statement is that North Korea has been putatively engaged in a poker-like game with the United States; and the United States has in turn responded to North Korea’s provocative actions in a similar fashion. Over the years, U.S.-N.K. interactions have come to resemble a no-limit poker game. This “coincidental” interaction has allowed North Korea to exploit the weak links of the United States’ global interests and deal with the superpower on an equal footing. While many may not agree with this “laughable” characterization, at least one senior U.S. military officer at the United Nations Command in Seoul has expressed this idea succinctly: “Kim Jong Il has a pair of deuces and is playing them masterfully!”²

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² Name and title not provided as this statement was made in a non-attribution environment.
The question for the United States is: In a confrontation with North Korea, will the United States show “Alligator Blood” (a poker term to describe a tough poker player who performs well under pressure), or will the United States merely be “Dead Money” (an inexperienced and unskilled poker player who meekly loses his chips to a superior player)?

No-Limit Poker

Games and sports such as Chess, Go, American Football, Soccer, and so on have been used in various settings to provide insight into international interactions. Poker is another game that has influence on how war and diplomacy are conducted. In a poker game, poker players have no control over what they can get from the deck of cards. They do not know what their opponents get in their hands either; however, all try to make the best out of the limited resources (cards) in their hands. Typical poker tactics thus include risk taking, bluffing and intimidating. Acclaimed poker author James McManus makes the following observation: “The strongest no-limit players don’t even need a good hand to take down pots heaped with . . . chips; a well-timed intimidating raise, in response to some glimmer of doubt in the bettor’s eye or a twinge along the side of his neck, does the trick.” These poker-like actions find easy access into international conflicts. Intimidating threats and ultimatums are signature poker-like acts in war and diplomacy. Moreover, poker confrontation is straightforward, with a zero-sum outcome expected by all participants. Coexistence is not an option. A single winner, with one or more losers, is always how the game concludes.

No-limit hold’em poker is played with two to 10 players at a table. Each player is dealt two cards face down (hole cards), followed by the

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first round of betting. Each player can fold, check (make no bet, as long as no bet has been made before), call, or raise. Three face-up community cards (the flop) are then dealt. Another round of betting is followed by a fourth face-up community card (the turn or “fourth street”). The process is repeated with a fifth face-up community card (the river or “fifth street”). After a final round of betting, standard poker hand rankings determine the winner using the best five cards for each player.

The lack of limits on betting makes no-limit poker particularly interesting. This facet of the game translates into the possibility of a player going “all-in,” i.e. risking his entire stack of chips on a specific hand. If an all-in player loses that hand, he is out of the game permanently. This sudden-death quality of no-limit poker adds to the tension surrounding what could be an otherwise mundane game. In addition, this aspect of the game lessens the role of the cards and places more emphasis on the betting skills of the player. Noted poker expert Doyle Brunson summarizes this key aspect of the game succinctly as, “Always remember, no-limit . . . is a game of position and people.”

The open-ended nature of betting in no-limit poker requires a system of “blind” bets. On a rotating basis, two of the players in each hand have to make an initial bet before the cards are dealt. This is done in order to ensure some plays to occurs. Without blinds, players could fold the vast majority of their hands after the initial deal if they do not have a strong hand, leading to extremely long duration games. Blinds force action, as a player has to bet on some hands eventually, otherwise the blinds will reduce his chip stack. In tournament play, the amount of chips required for each blind bet increases periodically in order to quicken the pace and eventually force a final all-in confrontation.

While a player with a large number of chips has an advantage over a player with far fewer chips, by winning a handful of all-in pots, the tables can be turned rather quickly. It is not unusual in tournament plays for the chip leader at a table to be completely eliminated in as few as two all-in hands.

This brief introduction of no-limit poker brings out a few of its key features that find their ways into international interactions. Indeed, the

diplomatic situation between North Korea and the United States shares many of the attributes of no-limit poker. Both countries suffer from having little or no insight into each other’s decision-making apparatus, just as in no-limit play, where each player has no insight into his opponents’ hole cards. With this lack of insight, North Korea has turned to time-honored no-limit poker tactics such as bluffing and brinkmanship in its diplomatic and military interaction with the United States. Although North Korean leaders may not be consciously playing poker with the United States, their actions and closed society force American leaders into interpreting and responding as a no-limit poker player would. The problem is that although the United States appears to have an overwhelming stack of chips compared to North Korea, as no-limit poker logic shows, the tables can be quickly turned depending on how the hand is played. At times, North Korea clearly took advantage of this game-like strategy to gain an upper hand against the United States.

No-Limit Poker Plays: The Korean War Armistice Talks

No-limit poker provides an interesting lens to examine past U.S.-N.K. conflicts and negotiations. The first case examined is the armistice negotiations that took place during the latter half of the Korean War. These were extremely difficult negotiations that lasted over two years. An initial “hang-up” in the negotiations occurred over the location of the Military Demarcation Line (MDL). North Korean (backed by the Chinese) negotiators demanded that the original 38th parallel demarcation be used, while the UN negotiators insisted the actual battle-line that reflected each side’s current positions be used. After the UN stood firm to communist harangues for over a year, the communists finally accepted the UN stance, with the MDL based on then-current positions.

Unfortunately, agreement on the MDL issue only led to an even more intractable conflict, that of returning POWs against their will. The

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communists, with some legitimacy, claimed all POWs must be returned either voluntarily or involuntarily. The UN felt that POWs should have a choice as to whether or not they wanted to return and stuck to this position in the face of even more strident communist pressure. Only after over a year of additional impasse was the issue finally decided generally in favor of the UN position.

From a no-limit poker sense, the North Koreans (in partner with their Chinese allies) played an aggressive game. This included strong opening bets (the 38th parallel for the MDL and an unyielding stance on POW returns) and extensive bluffing tactics (constant threats to end talks, loaded agendas, shrill propaganda campaigns, and so on). The UN also played well. They did not play weakly by folding (conceding on key points) or checking (offering no strong demands in response). Nor did they overplay their hand by raising (attempting to win the war with conventional military attacks) or making an all-in bet (using nuclear weapons to end the conflict). By patiently calling North Korean tactics, the UN was eventually able to achieve their, admittedly somewhat limited, objectives. They used their chip dominance to achieve this result, without actually ever putting their chips completely at risk.

**No-Limit Poker Plays: The Pueblo Crisis**

Moving on to the 1968 Pueblo crisis shows a different result. North Korean forces seized the USS *Pueblo*, a U.S. intelligence-gathering naval vessel, in January 1968. Although a host of strong military and diplomatic options were considered, in the end the United States decided to address the situation using relatively mild diplomatic efforts. While the crew of the *Pueblo* was eventually repatriated, the long and drawn-out affair produced a large propaganda victory for the North Koreans, with a resulting loss of prestige for the United States. North Korea’s aggression in shooting down a U.S. EC-121 military reconnaissance aircraft later in 1969 could perhaps be explained by the relatively mild U.S. response to the *Pueblo* incident.

In this case, the North Koreans again made a strong, aggressive

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play when they took the *Pueblo*. The United States missed an opportunity to quickly use the strength of their chip stack with a strong military response to prevent the *Pueblo* from being towed into a North Korean harbor. This non-response was a check bet, which could be characterized as, “... what the pros call ‘tight-weak’—afraid to bet without the obviously winning hand and easily scared out ... players can smell fear, and they run all over you.”  

In this case, the North Koreans sensed the U.S. concern over potential escalation and used that concern to great advantage. The United States essentially folded at that point, with the resultant loss of the pot, even though they had a much larger stack of chips.

**No-Limit Poker Plays: The 1976 DMZ Tree-Trimming Incident**

A different play took place in 1976, however. North Korean troops attacked a UN working party attempting to trim a tree blocking a UN observation post at the Joint Security Area (JSA) of the De-Militarized Zone (DMZ). The North Koreans killed two U.S. Army officers in the attack. Within a matter of days, the United States (in partnership with South Korea) put forth a strong response to the incident. Apparently to the surprise of the North Koreans, a work party, backed by obviously strong military force, quickly removed the offending tree and replaced it with a memorial plaque, all without interference from the North Koreans. In an effort to relieve tensions, the North Koreans offered a rare apology and agreed to a rearrangement of the JSA to help prevent the potential for future incidents such as these to occur.

This U.S. response was a strong raise to the North Korean’s initial bet. They did not settle for a diplomatic solution (fold) or merely accept a North Korean apology (check). However, they did refrain from going all-in with a military attack, as some in Washington proposed. In contrast, North Korea responded to the U.S. strong play by quickly backing down and agreeing to certain U.S. demands (folding) instead of choosing to continue playing the hand. While these were certainly

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8 McManus, *Positively Fifth Street*, p. 86.
not completely similar situations, the contrast in the aftermath of the incident in 1976, relative quiet in the DMZ, versus the aftermath of the *Pueblo* incident and the EC-121 shoot down, is thought-provoking.

**No-Limit Poker Plays: The 1994 Nuclear Crisis**

The nuclear crisis of 1993–1994 is the fourth historical event analyzed. North Korea started a small nuclear research program with assistance from the Soviet Union in the mid–1960s. In 1977, under pressure from the Soviet Union, North Korea signed an inspection agreement with the International Atomic Energy Agency (IAEA).\(^\text{10}\) It also followed this agreement to become a member of the nuclear Non-Proliferation Treaty (NPT) in 1985. Yet by the late 1980s, North Korea publicly demonstrated their improving missile technology, while simultaneously attempting to secretly develop a nuclear weapon capability.

In 1993, North Korea refused to let the IAEA inspect their facilities and threatened to pull out of the NPT. These actions inflamed fears that...
North Korea was actively developing a nuclear weapon. The United States initially took a hard-line stance, including somewhat vague threats of military action. However, they did not make specific threats and continued to emphasize diplomacy. In 1994, North Korea further escalated the situation by publicly removing fuel rods from its reactor facility. While the United States and North Korea appeared to be lurching towards open conflict, former President Jimmy Carter conducted “11th hour diplomacy” toward Pyongyang and brought North Korea back to the negotiation table. In October 1994, both sides compromised in an Agreed Framework, which called for North Korea to freeze their nuclear program, agree to IAEA monitoring, and replace their plutonium reactor with an internationally provided light-water reactor. In addition, the Agreed Framework also called for the United States and North Korea to mutually develop a plan to dispose of North Korea’s spent nuclear fuel, fully normalize diplomatic relations, work toward a peaceful, nuclear-free Korean peninsula, and strengthen the NPT.11

The United States’ response to North Korea’s actions resembled another tight-weak play. During the 1980s, the United States essentially ignored North Korea’s missile program and secret nuclear weapon development program, simply checking folding in the face of North Korea’s bets. A strong call (or even a re-raise bet) of establishing economic sanctions in response to North Korea’s bet, refusal to allow inspections and threatening to withdraw from the NPT, would have been a powerful play. Instead, U.S. acceptance of continued negotiations over something North Korea had already agreed to, international monitoring of their nuclear program was a very meek check. When North Korea re-raised by publicly removing nuclear fuel rods in 1993, the United States responded with another meek call in the form of continued negotiations. The final negotiations of former President Jimmy Carter and the Agreed Framework, which resulted in a number of concessions to North Korea, could be seen as a fold, giving the pot to North Korea, “North Korea unilaterally raised the perceived costs to the international community of demanding a full accounting of the history of North

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11 See the full text of the Agreed Framework at the Korean Peninsula Energy Development Organization (KEDO) web site (www.kedo.org) and the current status of the project.
Korea’s nuclear program.” In the end, the United States was not willing to risk its chips by calling or raising North Korea’s bet, which would have set North Korea’s entire relatively limited chip stack at risk.

**No-Limit Poker Plays: The Current Nuclear Crisis**

Unfortunately, the Agreed Framework apparently was not agreeable to either the United States or North Korea, as difficulties again flared up at the turn of the century. Both sides accused each other of a variety of failures to meet the steps called for in the Agreed Framework. Accusations included failure to cease nuclear weapons research, failure to normalize relations, and failure to construct the light-water reactor according to the schedule. A discrete act took place when U.S. Assistant Secretary of State James Kelly confronted North Korea in October 2002 with evidence of continued efforts by North Korea to develop nuclear weapons. North Korean officials confirmed this accusation and challenged the United States with defiance. The United States, along with South Korea and Japan, then halted in the following month oil supplies to North Korea that had been promised under the Agreed Framework and declared the framework dead. North Korea responded by unilaterally removing IAEA monitoring equipment, withdrawing from the Nuclear Nonproliferation Treaty, publicly reactivating their nuclear reactor, and reprocessing nuclear fuel rods.

North Korea performed these actions while demanding bilateral talks with the United States. The United States then insisted that North Korea abandon its nuclear program before any talks were agreed to. North Korea responded by demanding the United States assure non-aggression against North Korea before North Korea would give up its nuclear program. Attempts to hold negotiations hosted by China in April 2003 were immediately disrupted by the North Koreans when they bluntly told U.S. Assistant Secretary of State James Kelly that they possessed a nuclear weapon, and openly stated, “Now, what are you going to do about it?”

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12 Snyder, *Negotiating on the Edge*, p. 72.
The crisis intensified. Four months later, only at the behest of China, Japan, Russia and South Korea would the United States and North Korea agree to the Six-Party Talks in August 2003. The six parties held two more rounds of talks in February and June 2004 respectively. However, North Korea called off the fourth round in September 2004 (to wait and see who would win the U.S. presidential election). It abruptly renounced the multi-lateral talks in February 2005 and stated that North Korea would not participate until the United States made certain concessions.

Interestingly, in no-limit poker terms, the United States made the first bet with its confrontation of North Korea over their secret nuclear weapons program in 2002, which was unusual, as the North Koreans have generally been the first to bet with their actions. However, the North Koreans followed with a quick call and subsequent rapid-fire raises with their various actions. At first the United States responded by re-raising when they cut off fuel oil to North Korea in late 2002. However, as North Korea continued to raise and re-raise, the United States has steadfastly called. The United States had not folded or checked by agreeing to North Korean demands. However, it had not raised by instigating strong international sanctions or put North Korea “all-in” by taking military action.

These sketches of selected U.S. and North Korean interactions, and subsequent interpretation to no-limit poker, show some apparent characteristics. North Korea tends to make strong, aggressive initial bets, and from the selected sketches, react in no-limit poker terms to the United States. If those responses were firm calls and/or raises, such as in the early 1950s armistice negotiations and the 1976 Ax Murders incident, the North Koreans backed down (folded). However, if the United States responded with a mild check or small tight-weak raise, such as in 1968 with the Pueblo or in the 1993-1994 nuclear crisis, North Korea quickly capitalized on the perceived weakness. The latest nuclear crisis
is still being played out, so it is difficult to conclude what the response of the North Koreans will be to the United States’ apparent tact of responding with firm calls.

**North Korea: On Tilt (Playing Aggressively) or Down to the Felt (Playing from Weakness)?**

Looking generally at North Korean negotiating styles and actions, a number of other parallels with no-limit poker are apparent. North Korea generally negotiates as if they are, “on tilt,” that is to say, they negotiate in an aggressive, almost reckless manner, particularly when compared to the actual strength of their chip stack. They do not negotiate as if they are “down to the felt,” in which case they would allow a player with the stronger chip stack (the United States) to push them around.

A noted North Korean observer, Scott Snyder, identifies six major themes of North Korean negotiating style.\(^{15}\) Two in particular have analogies with no-limit poker. The first is a distinct pattern of an initial hard-line stance, followed by quiet flexibility, followed by an extremely hard-line (almost obstinate) stance at the “end” of negotiations in an attempt to wring out some final advantage. This is similar to a check-raise in poker, where a player initially checks, but after having a bet placed by an opponent, not only calls the bet, but also raises the bet. Since this gives a hint of dishonesty (if the player is comfortable with raising, he should have been comfortable making an initial bet), most “friendly” poker games do not allow this tactic. However, this is an admired tactic in the “no-holds-barred” world of no-limit poker.

A second North Korean negotiating theme is the constant use of brinkmanship and crisis diplomacy to force action. This is similar to a no-limit poker player constantly making all-in bets. Snyder notes that this tactic has lost much of its effectiveness for the North Koreans, as the United States has come to expect these actions. The same result occurs in a no-limit game if a player constantly goes all-in. Opponents soon refuse to play, reducing to almost nothing the amount won with

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\(^{15}\) Snyder, *Negotiating on the Edge*, p. 9.
an all-in bet. Moreover, at some point an opponent will eventually call the all-in bet and have a winning hand, knocking the constant all-in player out. Similarly, a nation that continuously practices brinkmanship may one day find itself actually at the brink against a stronger nation willing to use that strength.

United States: Monster Hand (In Control) or Drawing Dead (Cannot Win)?

Having looked at both specific situations and general North Korean negotiating techniques, while relating these to no-limit poker techniques and stratagems, a path can now be laid out for how to address North Korea in the future using no-limit poker as a guide. The United States must develop a course of action that puts itself in a position to take advantage of a “monster hand,” a hand that is almost certain to win. While doing this, however, the United States must avoid being trapped into “drawing dead,” that is, continuing to put chips in the pot while playing a hand they cannot win.

Perhaps the first step that needs to be taken is to ascertain North Korea’s general long-term goals. Convincing arguments have been made that regime survival and reunification of the Korean peninsula on North Korean terms are North Korea’s two primary goals. As no-limit poker tournament action has been described as a fight to the death, the use of no-limit poker strategies and methods to develop and frame counters to these goals appears appropriate.

In a general sense, the lessons from the specific historical cases examined above emphasize maintaining the initiative and not backing down as successful U.S. tactics. Snyder points out how North Korea has effectively used crisis diplomacy to prevent the United States from gaining or maintaining initiative, in effect forcing the latter to remain in a defensive position. Similarly, poker legend Doyle Brunson describes...
how important it is to gain initiative and keep an opponent on the defensive in no-limit poker games. He states, “A very big part of winning consistently and winning big at no-limit is setting the other guy in a position where if he makes a bet he’s actually jeopardizing all his chips as opposed to you jeopardizing all of yours.”

However, while the United States capitalized on initiative and not backing down in 1952–1953 and 1976, this was accompanied by a willingness to not escalate also. Strong call bets were made, but rash all-in bets of massive military force were not made. This is in line with Snyder’s thoughts on effective counterstrategies to North Korea that emphasize the need for patience. Again, we look to McManus to see that a similar emphasis on patience is crucial for success in the no-limit world. “Lying in wait is what good poker players do best. More than any other character flaw, over-eagerness is what does in the rest of us.”

North Korea’s actions described above: brinkmanship, crisis diplomacy, and calculated aggression, fit very neatly into that of a “poker bully,” one who uses large initial bets, reraises, check-raises, and all-in bets to mercilessly intimidate other players into giving up pots, even when the bully holds inferior cards. Mike Caro, known as the “Mad Genius of Poker,” provides a strategy for defeating the poker bully. This strategy relies on calling more often and raising less often. The goal is to not be “lured into an escalating battle to determine who can be more forceful and creative.” This advice is congruent with the apparently successful strategies of 1952–1953 and 1976, and is in contrast to the weaker strategies of 1968 and 1993–1994.

The so-called “Hawk Engagement” strategy Victor Cha describes in a Foreign Affairs article appears to follow these no-limit poker-driven ideas. This strategy accounts for the fact, “Hawks are skeptical that North Korea can be induced to cooperate but are willing to use engage-

19 Brunson, Super System 2, p. 555.
21 McManus, Positively Fifth Street, p. 102.
22 Brunson, Super System 2, p. 178.
23 Ibid.
ment to call Pyongyang’s bluff.” Just as the UN was willing to use negotiations as part of a strong call bet in 1952–1953, the Hawk Engagement strategy would insist on “. . . tangible compromises” not just potential sacrifices.

George Perkovich’s proposal in a 1998 *Foreign Policy* piece is an example of a strategy that does not follow “tried-and-true” no-limit poker ideas. He argues that paying North Korea to freeze nuclear weapon development is an insignificant cost relative to other potential strategies, and is therefore the most logical strategy. However, this type of cost-benefit analysis does not fly in no-limit poker. An analogous situation in no-limit is if a player has a large stack of chips, but only makes a tiny bet relative to his chip stack in an attempt to win the pot, while keeping the rest of his stack out of harm’s way. Inevitably, opponents see this as a tight-weak move that only results in a lost pot, or the need to make a larger bet later in the hand. Opponents usually judge such a play as weakness, and strong players will quickly pounce on it. Similarly, attempting to “buy off” North Korea, while apparently a more cost-efficient strategy, will only result in moving a bigger problem down the road, as events since the 1994 Agreed Framework seem to have proven.

**Conclusion**

At first blush, no-limit poker does appear to have analogous application to the current situation facing the United States concerning North Korea. Comparison of previous dealings with North Korea shows that by standing firm (calling, without playing tight-weak or making wild all-in bets), North Korea can be forced into backing down and not gaining any permanent advantage. Examining historical interactions with North Korea through a no-limit lens has shown what does not work, such as attempting to negotiate in good faith. It also points out the weaknesses of proposed plans for dealing with North Korea, such

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25 Ibid., p. 80.
26 Ibid., p. 82.
as Perkovich’s proposal. Unfortunately, no-limit poker play does not appear to provide any real guidance on the end game with North Korea.

In no-limit poker, a winner is finally produced when all the other players are forced to put all of their chips at risk. While viable in no-limit poker, attempts to force North Korea to put in all of its chips (primarily nuclear weapons and the ability to ravage Seoul with conventional weapons) carry a huge risk. While regular blinds ensure a player cannot just sit on his chips and only play overwhelmingly strong cards, there are no regular blinds in the U.S.-North Korea dispute. There may be potential blinds for North Korea that would force them to put in all of their chips, such as a severe famine or extreme pressure from China and Russia. Yet these would occur only on an irregular basis, if at all, and the United States cannot rely on them to force the action. Conversely, North Korea does not see their strengths as mere chips. “Kim Jong Il’s nuclear breakout strategy is not a bluff. It is not a bargaining ploy. Nor is it negotiable for him at this stage. Kim Jong Il will not trade food for nuclear weapons.”

Moreover, the United States cannot lose sight of the fact that while North Korean actions appear interpretable in a no-limit poker sense, North Korea is not actually playing this game, and is not constrained by no-limit poker rules. Following no-limit strategies will not allow the United States to force a solution on North Korea. For instance, if the United States decides that North Korea must eliminate nuclear weapons, this will require an all-in bet. Yet without blinds forcing the action, North Korea can simply refuse to play, forcing the United States to create the action unilaterally. Therefore, strict adherence to no-limit poker strategies may be a trap of our own making, failing to achieve desired effects, and, even worse, causing undesired outcomes. The United States must find another lens and strategy if it hopes to conclude the North Korean problem successfully.