

North Korean Domestic Dynamics

Overview

The threats that North Korea presents to the outside world are inextricably linked to its domestic situation. The contradictions in the nation's political and economic structures and the regime's overriding goal of self-preservation restrict its ability to grapple with internal economic pressures and a towering imbalance with South Korea in most areas of endeavour. Pyongyang's reflexive militaristic response is unlikely to change as the nation faces the uncertainties of leadership change. Power in North Korea has been monopolised by the family of its first leader, Kim Il-sung (who died in 1994, but is still revered as the 'Eternal Leader'). And as the first ostensibly socialist state to adopt hereditary rule, the regime has overlaid 'communist' principles with its own ideologies extolling self-reliance and the role of the military to help maintain its grip on power.

After decades of mismanagement and resource misallocation, North Korea's economy lies in near ruin. With political control and regime protection being its overriding concerns, the leadership has been unwilling to undertake the bold structural reforms and transparency measures necessary to resuscitate the economy, or to give up its nuclear-weapons programme in exchange for the foreign assistance and trade that could rescue the nation from its poverty. Yet the collapse of the public food distribution system in the mid-1990s, the growth of private markets and increased knowledge of the outside world have led North Korean society to start fracturing.

When Kim Jong-il suffered a stroke in summer 2008, it gave rise to considerable speculation that he might not be healthy enough to continue to govern or safeguard his family's authority. Although he recovered enough to resume public activities in a matter of months, Kim accelerated the process of power transfer to his youngest son, Kim Jong-un. The succession so far appears to be going smoothly. However, in almost all respects, the external and internal conditions are less favourable for this second-generation succession than for the first dynastic transfer. This could make North Korea an even more dangerous nation, more inclined to engage in further military provo-

cations, to cling to its weapons of mass destruction and to offer them for sale to any would-be buyer.

Birth of a dynasty

In September 1945, following the Japanese surrender at the end of World War Two and the subsequent Soviet occupation of the northern half of the Korean Peninsula, ex-guerrilla Kim Il-sung was installed by the USSR as head of the Provisional People's Committee in Pyongyang. He was just 33 years old and had spent almost two decades outside Korea. Nonetheless, upon the proclamation of the Democratic People's Republic of Korea (DPRK) on 9 September 1948, Kim emerged as its premier. The next year he became the first chairman of the Workers' Party of Korea (WPK), when it was established through the merger of communist parties in the North and South.

From the 1960s Kim Il-sung began to construct a dynasty. At first his brother Kim Yong-ju was seen as his successor, but he was outmanoeuvred by the leader's eldest son. That son, Kim Jong-il, was groomed for the succession over almost three decades. He began his formal involvement in party activities after his graduation from college in 1964, working in the WPK departments of Propaganda and Agitation and of Organization and Guidance. Designated as a probable successor in 1974, he was not officially announced as his father's political heir until the sixth WPK congress in 1980, when he took senior posts in the Party Central Committee, the Politburo and the Party Central Military Commission. Around this time he also assumed the title 'Dear Leader'.

But North Korea had become so militarised that power in the party did not suffice. Despite having no known military experience, Kim Jong-il was appointed as Supreme Commander of the Korean People's Army (KPA) in December 1991. After three years as vice-chairman, he was promoted in 1993 to chairman of the National Defence Commission (NDC): a body itself elevated to become the DPRK's highest executive organ, outranking the civilian cabinet. Even with all this preparation, there was an odd three-year hiatus in normal political routines



Father and son, Kim Il-sung (centre) and Kim Jong-il (left) oversee preparations for the 6th Rally of the Workers' Party of Korea in October 1980. Kim Il-sung was grooming Kim Jong-il as his heir over three decades

after Kim Il-sung died in 1994 – officially called a period of mourning – which suggests that Kim Jong-il may have faced resistance en route to the leadership. Not until 1998 did he officially complete the power transfer by re-appointing himself as NDC chairman and amending the Constitution to declare this position to be the highest post of the state.¹

Kim Jong-il was fortunate to enjoy a long political apprenticeship under his father's tutelage, gaining both experience and increasingly exposure over three decades, expanding his power incrementally. His rise, however, was not due solely to his father's support. Kim Jong-il also proved that he had leadership ability by building a power base, establishing a personality cult for his father and creating his own ideological imprint.

Ideology

North Korea was born as a communist state, with a command economy under a Stalinist dictatorship. Yet Kim Il-sung quickly sought to cast his nation as something different. Beginning in the 1950s, but especially from the 1970s and 1980s, *juche* was promulgated as the national ideology. Literally meaning 'main body' and connoting autonomy and independence, the word is usually translated as 'self-reliance'; it is supposedly the guiding principle for thought, politics, the economy and the military. Such an elusive concept has served several functions. Already by the 1960s, North Korea had begun to leave the ideological embrace of the Soviet Union and China, and *juche* initially was a way to differentiate Kim's communist state from other forms of Marxism–Leninism and to protect against outside influence. Later, as the first heredi-

tary political succession proceeded, Kim Jong-il started to monopolise the authority for interpreting the concept. In the 1970s and 1980s he used it as an instrument to burnish the personality cult of his father and thereby consolidate his power as designated successor. Entering the 1990s, the regime began to rely on the *juche* ideology to defend its brand of socialism in light of the collapse of communist countries in Eastern Europe and the domestic food shortage that entailed. Fearing their own downfall, North Korean leaders stressed the importance of revolutionary spirit rather than material interests and living conditions.²

Against the backdrop of internal and external challenges following the death of Kim Il-sung in 1994, a new ideological construct emerged: *songun*, meaning 'military first'. It cedes priority to the military, under the slogan of 'guns give birth to power'. North Korea claims the term 'songun politics' originated in a visit by Kim Jong-il to a military post in 1995, but the phrase did not appear in print until 1998.³ 'Songun politics' is used interchangeably with 'songun ideology'. Yet the *songun* ideology has not been articulated in any systematic way. An extraordinary heresy in Marxist terms, it maintains that the armed forces, rather than the proletariat, assume the leading role in socialist economic development and the supposedly ongoing socialist revolution.⁴ In the famine conditions that emerged in the mid-1990s, economic reforms were desperately needed, but keeping political control was more important to the regime. *Songun* ideology provided the justification for giving the military priority over limited resources and emphasising the development of military industries rather than consumer goods.

Juche and *songun* remain intertwined in the ruling ideology. A revision of the Constitution in 2009 specifies both ideologies as guiding principles (Article 3). Communism is no longer mentioned, although the DPRK is still characterised at the outset as a 'socialist' and 'revolutionary' state (Articles 1 and 2, respectively).⁵ The social importance of ideology has been receding, as the North Korean people focus more on material concerns.⁶ Yet Kim Jong-il has clung to the concepts of *juche* and *songun* to preserve social cohesion during the power transition. For the leadership, these concepts also provide an ideological path to the vision of a 'strong and prosperous great nation' (*kangsong taeguk*) that Kim Jong-il began to espouse in 1999. In 2008, North Korea proclaimed its goal was to achieve such status by 2012, the centenary of Kim Il-sung's birth; all national projects have been timed, on paper at least, to meet this objective.

Since effectively inventing *songun*, Kim Jong-il has used it as an instrument to achieve several overarching political objectives. Firstly, *songun* politics is a political symbol aimed at enhancing the North Korean people's

loyalty to their leader and their social cohesion. Secondly, it has been used to maintain tight control over the military, by employing incentives and punishments. Thirdly, it is associated with crisis management: broadening the role of the military to encompass politics, ideology, the economy, society and even diplomacy. Fourthly, it is deemed essential to the goal of constructing a strong, prosperous and great nation. Above all, *songun* politics has been Kim's means of perpetuating the survival of his regime.

Songun politics: military and economic aspects

Songun politics is also responsible for military build-up, force restructuring and sporadic military provocations. North Korea has continued to strengthen the role of the NDC, which since 1992 has exercised direct control over the Ministry of People's Armed Forces (MPAF). Senior officer promotions overseen by Kim Jong-il play an incentivising role in the military. Kim has also consolidated a dual command structure that includes both political and military channels.⁷ The political channel is directed by the party, the military channel by the NDC. It is apparent that Kim has carefully used the military for political survival, both by giving incentives to key actors and tightening control over it.

North Korea has continued to make efforts to build up both conventional and strategic military capabilities with special focus on asymmetric capabilities, particularly nuclear and missile programmes and Special Operations Forces. By intensifying military tensions on the peninsula, provocations by North Korean forces serve as a self-justification for the nuclear-weapons programme and for *songun* politics. The 26 March 2010 torpedo attack on the *Cheonan* corvette and the 23 November 2010 bombardment of Yeonpyeong Island can be seen in this context.⁸ Without the military emphasis of *songun* politics, such attacks are less likely to have been authorised.

Songun politics has also affected the economic performance of North Korea and its social unity. The basic guidelines of economic policy were skewed by the emphasis placed on the defence industry in the *songun* era. But to what extent this occurred is not entirely clear. The

principle of putting the national defence industry first has an element of rhetoric. It is more accurate to say that the *songun* ideology is but one of the factors that contributed to continued prioritisation of the heavy defence industry in the face of a faltering economy. Even prior to declaring *songun* politics, North Korea was putting the defence industry first in terms of economic priorities, although not without internal debate over the need for economic reform.⁹

Reflecting the preferential treatment accorded to defence in terms of resources allocation, the military sector excluding the nuclear programme has accounted for 22–24% of GNP (based on purchasing power parity) the past few years. See Table 1.¹⁰ The KPA has also been mobilised in a myriad of economic activities, including the construction of infrastructure, manufacturing, coal mining, farming, tree planting and quarrying.

In the face of economic hardships, societal fissures and potential difficulties over the dynastic succession, Kim Jong-il has not given up on *songun* politics. Rather, it would appear that he is determined to cope with these various difficulties by taking advantage of the elevated political status and expanded role of the KPA. Hoping for a smooth transfer of power, Kim Jong-il does not want to allow any changes which may disrupt the existing balance of interests among power elites. Even as it distorts domestic politics, the economy, and society in general, the military continues to play a crucial role in ensuring the survival of the Kim dynasty.

Institutional power balance

The country's political structure is often opaque and confusing to outsiders. The influence of the reigning Workers' Party of Korea (WPK) has waxed and waned vis-à-vis that of the powerful armed forces. The party flourished under Kim Il-sung. But Kim's unique brand of politics elevated the status of the military, reinforcing its political and ideological roles. And as the military gained in relative political power, the role of the party diminished. This does not mean that the WPK became irrelevant. The party Secretariat continued to exert power and influ-

Table 1: **Estimate of North Korea's real military expenditures (2004–2008)**

Unit: billion USD, ppp (purchasing power parity) exchange rate (2008)

Year	2004	2005	2006	2007	2008
Gross national income*	27.2	31.5	32.9	34.9	36.9
Military spending**	6.65	7.35	7.66	8.013	8.213
%	24.4	23.3	23.3	23.0	22.3

*Estimated net material product.

** exclusive of spending on nuclear-weapons development.

Table 2: **Key events in the North Korean state and leadership**

15 April 1912	Kim Il-sung born
14 February 1942	Kim Jong-il born (Soviet records give the birth year as 1941)
15 August 1945	Japanese rule of Korea ends; the peninsula is subsequently divided roughly along the 38th parallel
September 1945	Kim Il-sung installed as leader of North Korea with the backing of USSR
9 September 1948	Proclamation of the founding of the DPRK
25 June 1950	The Korean War begins with the North invading the South
27 July 1953	Armistice agreement signed, ending the fighting
1980	At the Sixth party congress, Kim Jong-il officially designated as the heir
8 January 1982 or 1983	Kim Jong-un born (some accounts give his birth year as 1984)
December 1991	Kim Jong-il appointed as Supreme Commander of the Korean People's Army
April 1993	Kim Jong-il elevated to Chairman of the National Defence Commission (NDC)
8 July 1994	Kim Il-sung dies, resulting in a three-year hiatus in political routines
September 1998	Kim Jong-il reappoints himself to the position of NDC Chairman and alters the constitution to make this the highest post in the state, completing the power transfer
August 2008	Kim Jong-il suffers a stroke, and is not seen in public until the following January
28 September 2010	WPK congress (the first since 1980) and Delegates' meeting (the first since 1966) held. Kim Jong-un makes an official appearance.

ence. Under the constitution, nominally all activities of the nation are conducted under the leadership of the party. This includes the military: the WPK is supposed to exert command and control over the KPA mainly through the Department of Organization and Guidance and through its Central Military Commission (CMC). And yet much of the party's formal structure seemed to go into a long hibernation until recently. There still has been no full WPK Congress since the sixth in 1980, and a delegates' conference convened on 28 September 2010 was the first since 1966. The Central Committee is also not thought to have met between 1994 and September 2010. While promotions in the military were announced regularly, this was not the case with the Politburo.

There are several possible explanations for all of this. Kim Jong-il may have felt it more important to cultivate the military, if needs be, at the expense of the party. He also faced an immediate emergency when the famine coincided with the aftermath of the Supreme Leader's death in 1994. Such exceptional times might have demanded unusual methods. However, the persistence of such political irregularity long after the famine suggests that Kim Jong-il, by all accounts a keen micro-manager, simply took absolutism to its logical conclusion and found it tiresome to go through the motions, or the party. He seems to have preferred to be at the central hub of a web of institutions all of which ultimately reported directly to him.

Not until the September 2010 delegates' conference was the party hierarchy normalised somewhat, as it had to be to formally launch Kim Jong-un's succession (see later section for more detail). At last the party once again has a full Central Committee, with 124 members and 105

alternates, as well as a new Politburo (17 members, 15 alternates) topped by a five-person Politburo Presidium.¹¹

Kim Jong-il may have wanted to reanimate the party so that it could effectively keep the military in check during the ongoing process of dynastic power transition. However, there is no clear sign that he has tried to weaken the military in this process. The five members of the Politburo Presidium included two KPA vice-marshals: Cho Myong-rok and Ri Yong-ho, now the most powerful figure in the top brass. KPA generals also became members of the Politburo and the CMC. In another indication of the continuing central role of the military, it was deemed necessary (however implausible) to appoint the 20-something Kim Jong-un as a four-star general before giving him a party position. Moreover, the 'young general', as he was briefly called, made his first public appearance a fortnight later on 10 October 2010, when the 65th anniversary of the WPK was celebrated by North Korea's largest ever military parade. This event illustrates the symbiosis of party and military in North Korea, although significant overlap of both personnel and function does not preclude mutual rivalry.

But the power equation among North Korea's institutions is not clear-cut. At the September 2010 delegates' conference, the party appears to have regained the upper hand. A revision of the WPK charter adopted, but not released until early January 2011, states the party will play a more important role than the military in the political leadership transition.¹² The WPK charter is considered to be more powerful than the Constitution. One article of the new rules stipulates that: 'All military activities of the Korean People's Army are to be executed under the lead-

AP Photo/Kyodo News



Kim Jong-il pictured with his third son and heir Kim Jong-un viewing a military parade in Pyongyang, October 2010. Kim Jong-un's name was not officially mentioned prior to 27 September 2010 when he was named a four-star general

ership of the Workers' Party.' Another says, 'All political members placed in each military unit lead and command the unit's general operations as representatives of the Party with full responsibility.' More power was also given to the party's CMC, with Kim Jong-un named as one of two vice-chairmen, a newly created post. The commission is entitled to guide overall defence operations rather than to command military power. The WPK charter revision is intended to ensure Kim Jong-un's ascent to power without challenge from the military. To propagate these changes, the 2011 version of the New Year joint editorial of three major daily papers exalted the party and said the KPA has a 'tradition of absolutely trusting and following the party and the leader', calling for expanding party leadership over the military.¹³ The regime customarily uses the New Year joint editorial to announce its annual goals, akin to the US presidential 'State of the Union' address.

Succession plan

For years, North Korea watchers played a guessing game about whom Kim would appoint as his successor and when. Whatever succession process may have been under way unknown to the outside world, Kim's stroke in August 2008 necessitated an accelerated approach to the task. He was not seen in public for five months, and pictures after his reappearance in January 2009 showed him to be thin and wan. Video clips of the leader from the 10 October 2010 parade celebrating the 65th anniversary of the founding of the WPK showed the lingering after-effects of the stroke. Kim had a new, large dark mark on the right side of his face, and he struggled to rise from his seat. His left hand was stiff as he clapped, and he limped, often holding onto the railing for support.

From January 2009 it was speculated that Kim had designated his third son, Kim Jong-un, as his successor.

Throughout 2010 there were various allusions in internal media about the coming new generation. Yet Kim Jong-un's name was never mentioned officially until 27 September 2010, when he was named as a senior general. The next day the young man, born on 8 January 1982 or 1983 (or possibly 1984), made his public debut at the first WPK delegates' conference for decades and vice-given several party positions. Changes at the conference to the party's charter not only strengthened the WPK's role, but facilitated Kim Jong-un's future accession to power, including by making the General Secretary automatically chairman of the CMC and by giving that body supervision over all military affairs.¹⁴ A five-year interval rule for the party convention was eliminated, thereby allowing Kim Jong-un to be named General Secretary quickly in the event of Kim Jong-il's death.¹⁵

These were only first steps, however. Although the succession is now firmly in place, Kim Jong-un was not officially named as successor; that is a measure that remains to be taken. There was speculation that a meeting in early April 2011 of the pliable Supreme People's Assembly (SPA) would elect Kim Jong-un as first vice-chairman of the NDC and thereby make de jure his de facto status as the second most powerful figure in the country.¹⁶ The position of first vice-chairman of the NDC has been vacant since Marshall Cho Myong-rok died in November 2010. Appointment to this position would have repeated a key step in Kim Jong-il's own rise to power. However, for whatever reason, the election did not take place in April. It is only a matter of time before Kim Jong-un is crowned as the country's number two. But this event, when it happens, will not in itself signify a transfer of power. Until Kim Jong-il dies, he will probably retain all of his own positions.

The process of hereditary succession to Kim Jong-il differs from the previous succession in several ways. In

contrast to his own long grooming period, Kim Jong-il is undertaking the transfer of power in a much shortened timeframe: after less than two years of preparation behind the scenes Kim Jong-un was catapulted into senior military and party positions in just two days. On grounds of prudence alone, it is puzzling why Kim Jong-il did not emulate his father and commence this process much sooner. Perhaps doing so would have stirred tensions – among his three sons or their supporters within the nomenclatura – which he preferred to avoid unleashing for as long as possible.

Kim Jong-il's precise health remains unclear. By late 2010 he appeared to have largely recovered from his stroke. A punishing programme of reported guidance visits in 2010, if true, suggests – as it is no doubt intended to – that the 'Dear Leader' remained active. But although his medical data are a closely guarded secret, Kim's health cannot be good. He reportedly still smokes and enjoys alcohol. According to numerous, long-standing rumours, he has diabetes and cardiac problems. More recent rumours have him suffering from pancreatic cancer¹⁷ – although of course this cannot be judged from photos and videos.

The most convincing evidence that Kim's health remains an issue is his acceleration of the transition of power. Despite his father's all-out support, plus implicit recognition of the succession by Beijing (as discussed below), Kim Jong-un has had no time, nor any apparent opportunity, to acquire political skills, nor to demonstrate leadership ability.

It is not known whether the youngest son's hasty elevation has created resentment among older members of the elite or disrespect among the public at large, as well it might. But certainly Kim Jong-un's power foundation is fragile, in comparison with that of his grandfather and father. Coupled with this disadvantage, he confronts a multitude of challenges in the domestic and the international domains that present hurdles on the path to power succession. Given his dearth of experience and preparation, his political autonomy is likely to be even more constrained by the political influence of the military.

Add to this North Korea's dire economic circumstances, social divisions and global isolation (see later sections), and the conditions are less favourable in almost every way to the transition from Kim Jong-il to his third son than they were for his own ascent to power after his father's death.

Despite these stumbling blocks, the process of succession has been moving forward. Kim Jong-un has capitalised on his father's full support. A personality cult has been created for him, with various fabricated stories already forecasting him as a man of genius.¹⁸ Since September 2010 he has accompanied his father on a series of 'field

guidance' visits around the country, demonstrating to the people his status as heir apparent.

Significantly, in the month after the September party meeting the two Kims twice visited the State Security Department, an autonomous agency in charge of surveillance and control over the North Korean people. It comprises the political police, in contrast to the regular police role of the People's Security Ministry. It is clear the state security apparatus will have a central role in the power transition, as evidenced by the various measures taken to bolster the two main security entities.

For example, U Tong-chuk, first deputy head of the State Security Department, and Minister of People's Security Ju Sang-song were appointed to two new seats on the expanded NDC in April 2009. These two heads of security institutions were also named to important party posts at the WPK delegates' meeting in September 2010.¹⁹ (For reasons unknown, however, Ju Sang-song was dismissed in March 2011 and replaced a month later by a new Minister of People's Security, Ri Myong-su, who formerly was Director of the NDC Administration Department and is known to be a Kim Jong-il loyalist.²⁰) Most striking was U's promotion from two-star general in 2009 to three-star general in 2010. An institutional rearrangement also took place. The Ministry of People's Security was created in April 2010 from the smaller People's Security Agency.

The younger Kim's prime focus on the security apparatus differs from the path taken by his father in the past. This implies that he – and his accession to power – will rely more on physical power, political surveillance, punishment and enforcement than on the voluntary support of the North Korean people.

The accession process is also reliant on Chinese support. Soon after the September 2010 party meeting, China issued a statement in the name of President Hu Jintao welcoming the new leadership line-up in Pyongyang and promising China's continued cooperation. China's implicit endorsement of the power transfer to Kim Jong-un fortifies his position as successor. North Korea's growing economic dependence on Beijing makes Pyongyang politically more dependent on Beijing as well. This dual dependency was apparent in Kim Jong-il's two visits to China in 2010. The first visit in May was to gain economic assistance, while the second – surprisingly soon afterwards, in August – appeared to be political, i.e. to confirm PRC support of the power succession. In addition, China and North Korea are strengthening their military relationship by exchanging visits of high-level military officers

Family politics

Since his stroke, Kim Jong-il seems to have reached the conclusion that the only people around him that he can



A young Kim Kyong-hui (right) sits with her brother, Kim Jong-il (left) and their father Kim Il-sung in a photograph believed to have been taken in 1966. Kim Kyong-hui and her husband Jang Song-thaek have emerged as key figures in North Korean politics in recent years

trust are his family. Kim Kyong-hui, his younger sister, and Jang Song-thaek, her husband, have emerged as key figures in North Korean politics.²¹ It is widely believed that Jang Song-thaek will play the role of regent to Kim Jong-un. Jang, who as recently as 2003–05 was mysteriously purged and disappeared from public view for more than two years, was appointed to the NDC in 2009. A year later he became one of its vice-chairmen in June 2010 at an abruptly convened second session that year of the SPA. Jang is also director of the Party Central Committee's Administration Department (CCAD) and a member of its CMC. He thus has power in both the party and the military. To the surprise of outside observers, however, he failed to assume any further influential positions during the September 2010 party conference, being named only as an alternate member of the party Politburo.

Kim Kyong-hui, on the other hand, was named a regular member of the Politburo. She was also made a four-star military general just before the September party convention. This was despite her lack of military experience: her career has been in light industry – like Kim Jong-un, for whom she is also likely to serve as a patron. Kim Jong-il has shown that he is determined to rely on his sister and brother-in-law to protect Kim Jong-un. However, he has tried to prevent his brother-in-law Jang from taking a predominant political status, applying a balance-of-power principle even to his own family members. On the surface, Kim Kyong-hui has become stronger than her husband.

North Korea watchers have also continued to keep an eye on Kim Ok, Kim Jong-il's former secretary who is widely believed to be his *de facto* wife. It is expected that she will also play a role in the power succession. She

appears to maintain good relations with the heir, Kim Jong-un. Another interesting figure is Kim Jong-nam, Kim Jong-il's eldest son, who has resided in Macao since his fall from favour in 2001.²² While he will most likely keep some distance if the power transition moves forward smoothly and without problems, Kim Jong-nam could potentially play a significant role if the process encounters problems. He is believed to have established his own personal networks among the power elite in Pyongyang in the past, and it is thought he could, if necessary, make advantage of them. He also appears to enjoy China's protection, and conceivably could be of use in a future scenario in which China sought to influence power dynamics in Pyongyang more directly.

A reshuffle by degrees

North Korea's wider ongoing reshuffle has occurred in three basic stages to date, with more likely to follow, perhaps at the centenary of Kim Il-sung's birth in 2012. The first rearrangement took place in early 2009, after Kim Jong-il's stroke, and began with two military reshuffles. On 11 February 2009, Vice-Marshal Kim Yong-chun was named as Minister of the People's Armed Forces, and General Ri Yong-ho²³, formerly chief of the Pyongyang Defence Command, became the new Chief of the KPA General Staff. Having a low public profile, Ri's promotion received little attention at the time, but he has continued to rise and is now the army's most powerful figure, as reflected in his placement between the two Kims at the party events in autumn 2010.

Separately, on 20 February 2009, General O Kuk-ryol was made a vice-chairman of the NDC. O was once a key figure behind Kim Jong-il's own succession, but had been out of the limelight for more than a decade.

Soon afterwards, the regular annual session of the SPA in April 2009 saw the role and size of the NDC expanded from nine to 14 members. The five new recruits included Jang Song-thaek, in his first state (as distinct from party) post. The other four were Ju Sang-song, the minister of people's security; Ju Kyu-chang, director of the missile programme; Kim Jong-gak, the first Vice-vice-director of the army's General Political Bureau; and U Tong-chuk, senior Vice-vice-president of the Department of National Security Safeguard. As noted above, Ju Sang-song has since been dismissed. The remaining four are among the core members of an emerging power elite.

The second stage of the power shift came a year later in June 2010. An unusual second session of parliament, just two months after the SPA's regular meeting, brought an abrupt reshuffle of key posts. Jang Song-thaek was promoted to be a Vice-vice-chairman of the NDC, while Choe Yong-rim, a veteran loyalist (aged 81) who was once

AP Photo/CNA, via Korea News Service

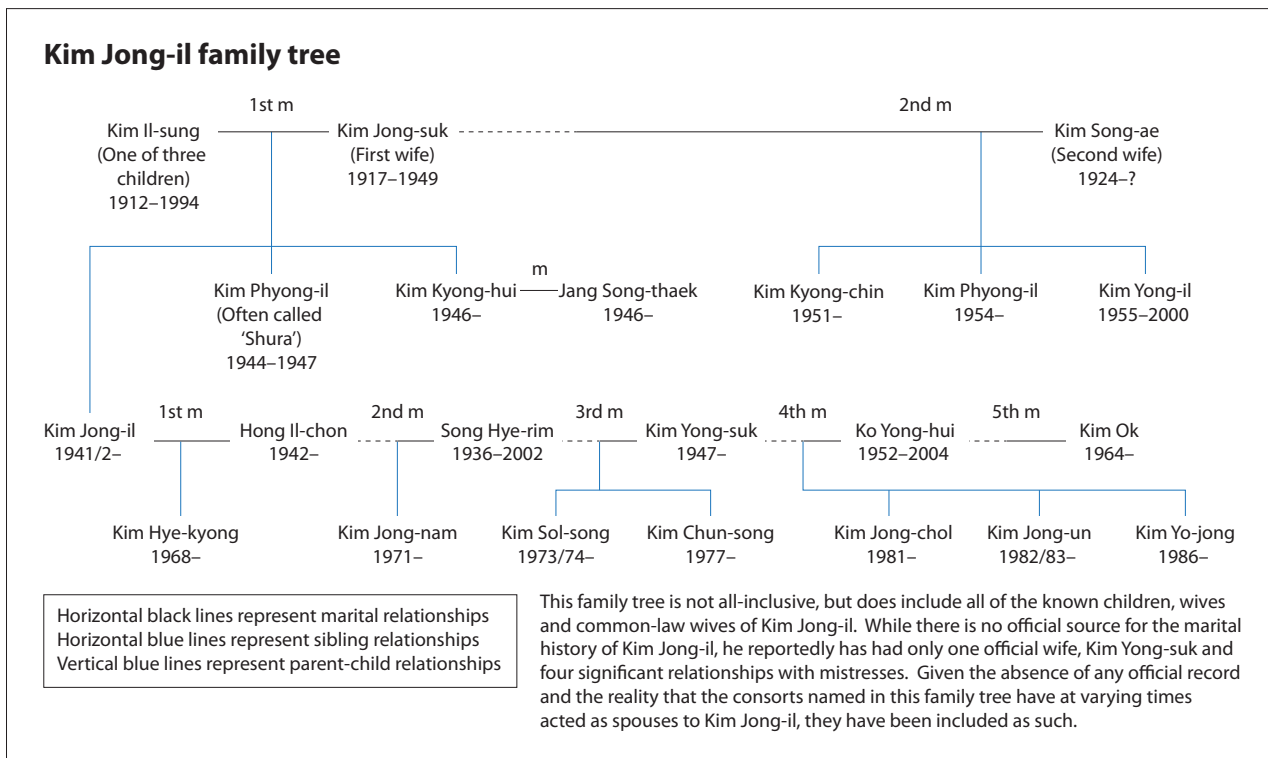


Kim Kyong-hui (pictured centre of the front row) and other party delegates clap during a WPK delegates meeting in Pyongyang, September 2010. This delegates conference was the first since 1966

party secretary for Pyongyang, was made premier of the Cabinet. Six vice-premiers and some ministers were also replaced by new figures. While this replacement of those in high-level Cabinet posts drew little attention, Jang's new post as NDC vice-chairman was seen as intimately connected with the succession.

The most recent reshuffle was made at September's party meeting. Besides regularising the WPK CC and Politburo and revealing the emergence of some new faces, this third stage of the power shift saw Kim Kyong-hui, Choe Ryong-hae and Ri Yong-ho assuming new key posts in the party and the military. Choe, who has known Kim

Jong-il for half a century, was made a general (again, despite no known military experience), an alternate Politburo member and a member of the CMC. Ri, who is rumoured to be related to the Kim family, was promoted to vice-marshal and took one of the five positions on the party Presidium; he also shares with Kim Jong-un the new post of vice-chairman of the CMC. Kim Jong-il, as WPK secretary-general, is head of the Presidium and the other three members are all over 80, so the 68-year-old Ri's status as the youngest and most healthy member is noteworthy. Even after September's reshuffle, North Korea remains a striking gerontocracy. In the new 17-strong Politburo, only



Kim Jong-il, his sister and Ri are under 70, while nine are older than 80 (or were: Cho Myong-rok has since died.)

The curious nature of the last two shifts – including the abrupt June 2010 SPA meeting and Kim Kyong-hui's being accorded greater status than Jang Song-thaek – raises questions about whether this reshuffle has been guided by a coherent plan. There are losers as well as winners. O Kuk-ryol, despite his high-profile return in early 2009, has not been visible since; he is rumoured to have lost out in a power struggle with Jang Song-thaek. More generally, it appears that Kim Jong-il has been adapting to shifting political dynamics and employing checks and balances to ensure that no single figure takes a predominant position. This demonstrates the cunning of an able politician, and suggests that more changes are likely to follow. It is likely that the September reshuffle was designed to forge a vanguard group to bolster Kim Jong-un's succession. When his father dies, Kim Jong-un will need the support of the state security apparatus and the military, as well as of China. But this support will probably impose constraints on his strategic and policy choices. The power transition thus has wider strategic implications. Despite the party's efforts to control the military, the generals will remain influential in domestic politics, foreign relations and national defence. In the short run, policy changes on any front are unlikely, as maintaining the status quo remains the leadership priority during and for some period after the power succession.

A faltering economy

North Korea's hyper-militarism and refusal of reform have impoverished it. Without foreign assistance and a structural overhaul, it has no realistic prospect of sustainable development in the foreseeable future. The North has not published any regular economic data since the 1960s, but according to estimates by the ROK Bank of Korea (BOK), the nation's GDP shrank by half during the 1990s, following the collapse of its Soviet-bloc trading partners. Positive growth returned at the change of the millennium, but the economy slumped again in 2006, 2007 and 2009.²⁴ It grew by 3.1% in 2008, only to contract again by 0.9% in 2009. BOK judged that the 2009 downturn resulted from a combination of reduced agricultural production from particularly severe cold weather and sluggish manufacturing production from a lack of raw materials and electricity.

BOK estimates that North Korea's national income in 2009 was \$22.4 billion, less than 3% of the ROK figure of \$837bn. The North has only half the South's population – 24 million vs. 49m – but even on a per capita basis the income gap of \$960 versus \$17,000 is staggering. The North's trade is less than 1% of the South's and runs at

a 50% deficit: it made just under \$2bn in exports in 2009 while requiring \$3.1bn in imports.²⁵

Chronic food shortages are North Korea's most pressing economic problem. In 1996–98, famine killed at least 600,000 North Korean citizens, and possibly up to 3m.²⁶ The situation has improved since then, but prolonged malnutrition and poor living conditions have produced a hungry and physically stunted population.²⁷ North Korea continues to suffer food shortages due to insufficient arable land (only 22.4%), inefficient collective farming practices, and persistent shortages of tractors, fertiliser and fuel.²⁸ North Korea's population requires about 5.4m tonnes of cereal annually, but its agricultural section produces no more than 4.5m tonnes, and in many years less than this. According to a November 2010 joint report by the United Nations' Food and Agriculture Organization and World Food Programme, the gap between domestic production and requirements for the 2010/11 fiscal year is 867,000 tonnes. The government plans to import commercially only about 325,000 tonnes, leaving a 542,000 tonne food deficit.²⁹

The partial collapse of the public food rationing distribution system challenged the very existence of the country's socialist economic system. During the famine years of the mid-1990s, private markets emerged as the only means of survival for much of the population. Small private plots, on which families were initially allowed to grow food for their personal consumption, became the basis for a black market. Not until the economic reforms of 2002 were these market activities officially permitted, albeit with various restrictions, often ignored and gradually relaxed, on what would be sold and who could sell it. Even after the public distribution system was revived it could provide only half of the population's caloric requirements.³⁰ Private markets have become an integral aspect of daily life.

North Korea's foreign economic relations

In recent years most of North Korea's foreign trade has been with South Korea and China. After Lee Myung-bak became ROK president in 2008, Seoul dramatically reduced its economic aid, citing the North's failure to reciprocate by following through on promised denuclearisation. South Korean assistance to North Korea fell from \$310m in 2007, the last full year before Lee's tenure, to \$52m in 2009. Meanwhile food aid from the US was cut in 2008 because of North Korea's refusal to allow proper monitoring. International assistance from most countries was further reduced after Pyongyang's nuclear and missile tests in 2009. Japan had already switched a few years ago from being an important economic partner to engaging in zero trade with North Korea, because of

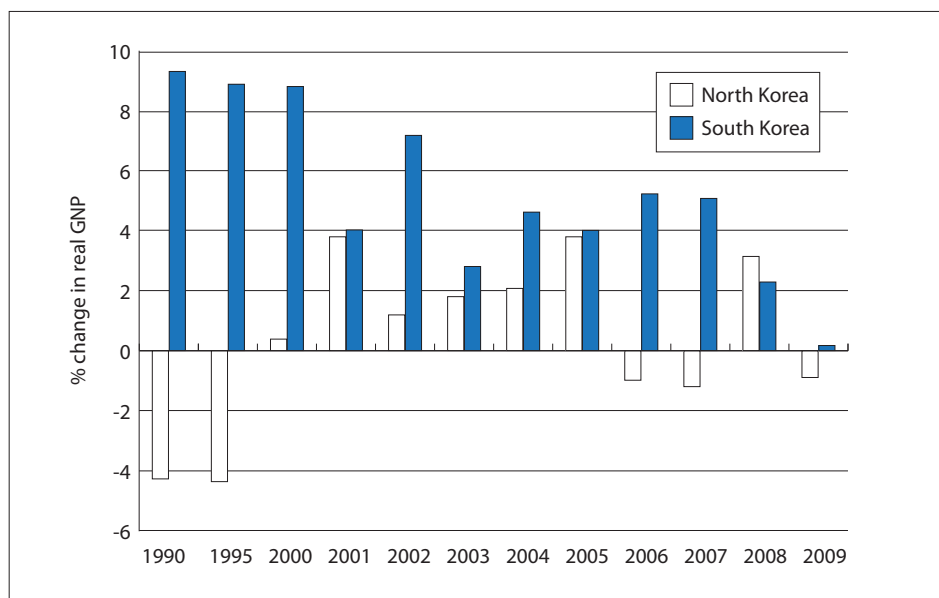


Figure 1: North and South Korea GDP growth comparison, 1990–2009

Source: Bank of Korea, 'GDP of North Korea in 2009', available at <http://eng.bok.or.kr/contents/total/eng/boardView.action?menuNavild=634&boardBean.brdid=7093&boardBean.menuid=634&boardBean.rnum=3>

Pyongyang's failure to follow through on promises to denuclearise and to fully account for Japanese citizens it abducted in the late 1970s. Finally, North Korea's two attacks on the South in 2010 prompted the ROK to suspend all aid to Pyongyang.

China, however, is North Korea's lifeline. Even before South Korea scaled back its involvement, China was North Korea's main source of foreign investment and trade. Most importantly, China supplies nearly all of North Korea's oil and most of its food imports. Chinese investment in and trade with North Korea has increased not only relative to the ROK and other countries, but also in absolute terms (see Table 3). North Korea's trade with China increased markedly from \$2bn in 2007 to \$2.7bn in 2009 and \$3.5bn in 2010.³¹ The North's economic dependence on China has steadily increased in every way.

Much of the increased Chinese investment in North Korea is in mineral extraction, particularly coal and iron ore. (The numbers in Table 3 include investment in the processing of the minerals, which takes place in China.) Chronic economic hardship and North Korea's further international isolation has increased the country's economic dependence on China. Beijing has focused on infrastructure investment, reportedly pledging \$10bn in the form of an infrastructure package in early 2010,³² for example. In December 2010, a Chinese state-run company agreed to invest up to \$2bn in North Korea's Rason free-trade zone.³³ Much of what is pledged however, never materialises.³⁴

Economic problems: causes and cures

North Korea's economic problems stem primarily from the inefficiencies of its socialist command economy, exacerbated by the fall of the Soviet empire. North Korea is

by far the most controlled among the remaining socialist countries, with most means of production under state ownership. The economy is structured to bolster the political leadership, with economic principles overruled by political considerations. These structural hurdles severely limit the potential for economic development.

Sporadic attempts at economic reform have failed to accomplish much. Notwithstanding advice from China and his own tours to several of its enterprise zones, Kim Jong-il fears that fully fledged market liberalisation similar to China's would create political instability threatening to the regime. Regime survival has priority over economic prosperity. Attempts at reform have occurred only within the parameters of the principles of a socialist command economy. One notable long-term success has been the Kaesong industrial complex in North Korea, a joint North–South Korean development zone begun in 2003, where 44,000 North Korean workers produce household goods for export under the supervision of 800 South Korean managers. Otherwise Pyongyang's limited and selective reform measures have mostly failed.

One of the most ambitious economic reform initiatives was the 'July 1 Economic Management Improvement Measures' of 2002. This sharply raised wages and prices, legalised private farmers' markets and permitted some private farming. It can be argued that this reform-oriented policy option was merely a reflection of an economic reality in which government control had loosened during the famine years. Following the legalisation of general markets in 2003, individuals could apply for government permission to engage in service businesses. The July 1 measures triggered an expansion of private markets. But this rapid enlargement of the market sector sparked government concerns that economic freedom, constrained

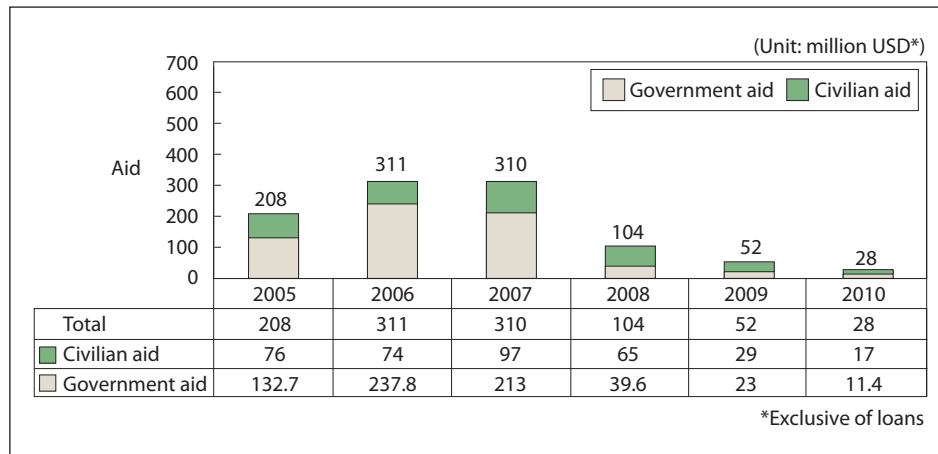


Figure 2: South Korean aid* to North Korea (2005–2010)

Source: 'Humanitarian Assistance', ROK Ministry of Unification (with won figures converted to USD at the annual exchange rate), http://eng.unikorea.go.kr/eng/default.jsp?pgname=AFFhumanitarian_assistance

Table 3: China's investment in North Korea
(Unit: million USD)

Year	2003	2004	2005	2006	2007	2008
FDI	1.12	14.23	6.50	11.06	18.40	41.23

Source: Ministry of Commerce of the People's Republic of China, '2008 Statistical Bulletin of China's Outward Foreign Direct Investment', <http://hzs2.mofcom.gov.cn/accessory/200909/1253869308655.pdf>

as it still remained, would lead to demands for political and social freedom. In late 2005, steps were put in place to constrain market activities and reinstate the centralised food-rationing system. To rebuild the ration system, the government prohibited enclosed food markets and the private sale of grain. However, with limited resources, the public distribution system was unable to meet basic food requirements, and food markets were again allowed to open to meet the demand.

The most recent case of official attempts to roll back markets was a currency redenomination and ban on the use of foreign money in November 2009. This measure was ostensibly designed to reduce the inflation rate. But because the amount of old currency that could be exchanged was severely limited – averaging about 10% of personal savings – the redenomination also served as a way to confiscate private savings. The reform proved to be disastrous. It encouraged hoarding, produced rampant inflation and food shortages, and sparked widespread anger that led the government to apologise. The WPK head of financing and planning, Pak Nam-gi, has not reappeared in public since, and unconfirmed reports say he was executed as a scapegoat. By May 2010 the government had removed restrictions on the operation of private markets, a tacit acknowledgment that it was unable to manage food distribution via a planned economy.

Songun politics and ideology contribute to the chronic economic crisis by distorting resource allocation in favour of the military. To facilitate the political transition, the

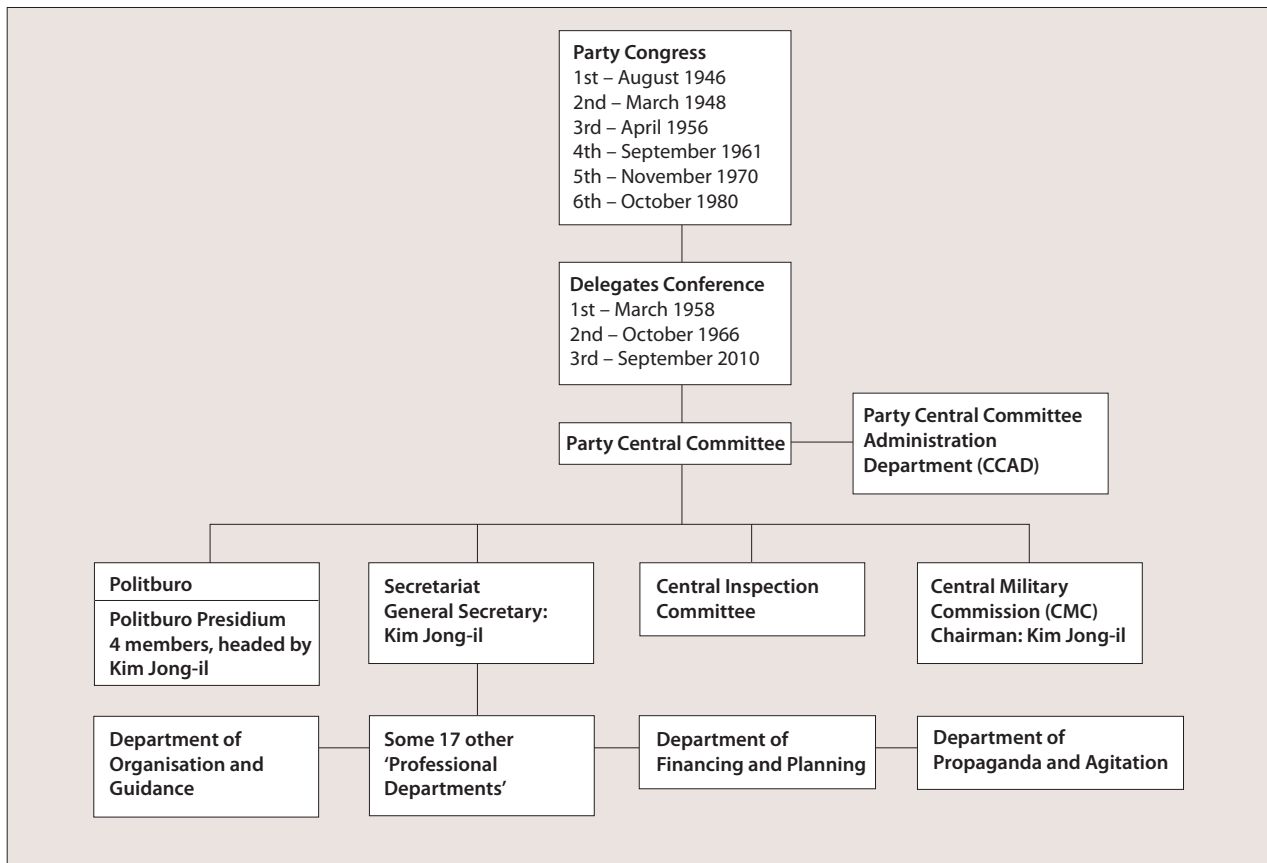
last two New Year's joint editorials have emphasised an improvement of people's living conditions and development of light industry.³⁵ In state propaganda, light industry and agriculture have been stressed since the 1950s. In practice, however, heavy industry has always received priority. The reality is that North Korea cannot afford to invest in heavy and light industry simultaneously.

As noted above, DPRK military spending accounts for 22–24% of national income. While its people suffer from malnutrition, North Korea continues to invest in nuclear weapons and missiles, and continues to sustain the world's fourth-largest army. The resource misallocation is exacerbated by the requirements of the Kim Il-sung personality cult, with its ubiquitous, well-lit statuary and monuments. Kim Il-sung's mausoleum alone is said to have cost US\$870m.³⁶

Especially since 2006, economic sanctions and international isolation have further aggravated North Korea's economic situation. Although China's weak enforcement has cushioned the impact of UN Security Council sanctions imposed after North Korean nuclear and missile tests, North Korea is more isolated than ever.

Natural disasters and weak infrastructure also impede North Korea's economic development. Poor agricultural practices and inadequate planning and disaster management systems have magnified the effect of droughts, flooding and typhoons, all of which have seriously affected crop growth. Flooding was particularly devastating in the mid-1990s, intensifying food shortages and contributing to widespread starvation. North Korea's vulnerability to natural disasters has been exacerbated by man-made phenomena such as deforestation and soil degradation as well as counterproductive foreign policy decisions.³⁷

An underdeveloped and crumbling infrastructure further diminishes agricultural and industrial productivity. Most of the roads are not paved and the electric grid is obsolete, as evident by night-time satellite images



Selective organisational chart of the Workers' Party of Korea (WPK). Source: MOU 'Workers' Party of North Korea Organisational Chart', <http://eng.unikorea.go.kr/eng/default.jsp?pgname=NORleadership#workerspartyofkorea>. Many experts believe that the CMC is parallel to the Party Central Committee and not subordinate to it

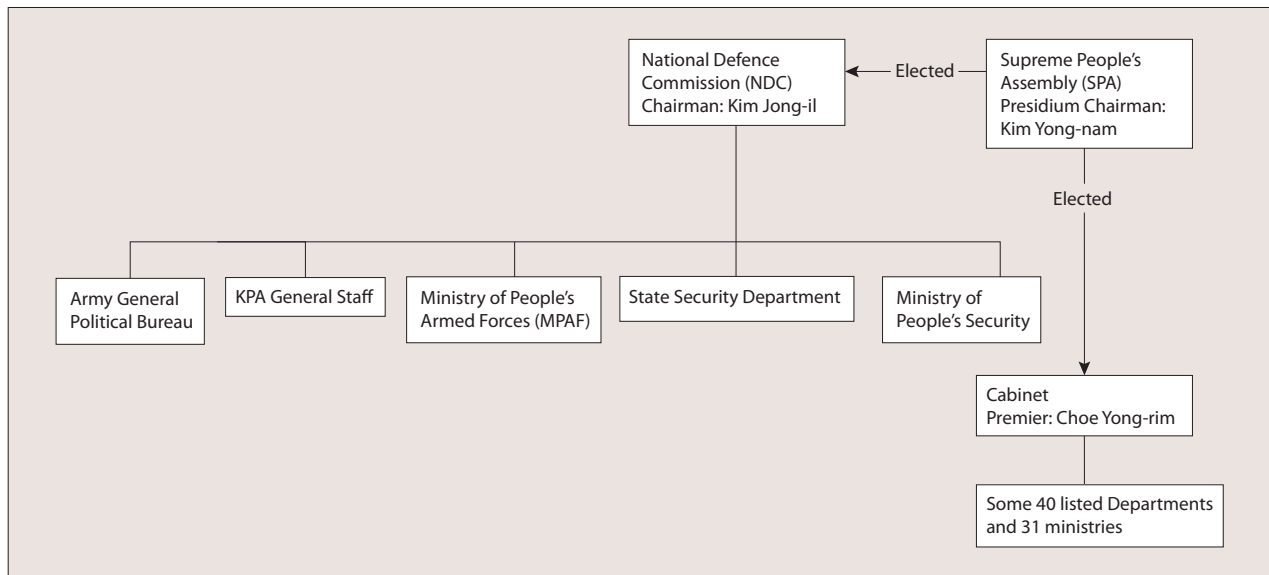
showing almost total darkness in the northern half of the peninsula.³⁸ The information and economic infrastructure is also outdated. China is assisting North Korea with infrastructure construction projects including bridges, ports and roads – and is presumably footing the bill, since this all costs more than North Korea can afford.

Taken together, all these factors – structural rigidity, *songun* politics, the primacy placed on Kim family survival, incomplete and stuttering reform efforts, international sanctions and isolation, ineffective responses to natural disasters and poor infrastructure – have produced a stagnant economy.

The impediments on the path to North Korea's economic development cannot be removed in the short term. The current domestic and international environments do not allow the country to take the bold reforms and opening actions necessary to sustainably develop. The ruling regime's current priorities lie with the successful power transfer to Kim Jong-un. It would be difficult for Kim Jong-un to take the initiative in terms of structural economic reforms and help to instigate any opening of the economy during the power-transition process, since to attempt an economic transformation at such a delicate period could risk political chaos. The November 2009 currency reform illustrates the potential problems

that wider reforms could cause. Yet mere tinkering or the implementation of only limited reforms will not solve the country's economic troubles.

How to secure regime survival as a primary objective is a matter of choice between structural economic reform and military build-up. Given economic difficulties, Kim Jong-il has attempted to guarantee his regime's survival, a smooth dynastic power transition and economic prosperity by receiving more Chinese assistance and aid and advancing missile and nuclear programmes. To cope with economic difficulties, North Korea's default option is to rely on military means. However much Kim Jong-il might have understood the need for economic reform – although that remains uncertain – he must see this option as presenting too many dangers. Structural economic reform could trigger social unrest and entail political chaos. Meanwhile, strategic and military capabilities constitute North Korea's core assets; indeed, these are its only resources for coercive diplomacy and brinkmanship. Finally, North Korea can earn foreign exchange by selling technology, parts and products of missiles and (potentially) nuclear weapons. For these reasons, North Korea can be expected to continue to rely on military means in a bid to overcome economic difficulties, even if this attempt seems doomed to failure.



Selective organisational chart of entities of the North Korean state. Source: MOU 'State Organs Organisational Chart', available from <http://eng.unikorea.go.kr/eng/default.jsp?pgname=NORleadership#workerspartyofkorea>

Social change

Totalitarian regimes typically seek to indoctrinate their populations through ideological education by nationwide party organisations. North Korea requires its people to read and discuss the works of Kim Il-sung and Kim Jong-il and to criticise capitalism in meetings organised and controlled by the party structure. This happens at various levels from the state down through the city, county, village and family. But as materialism and individualism have spread, the party is finding it more difficult to maintain tight control through indoctrination with *juche* ideology and the like. Anecdotal evidence suggests that attendance at meetings for political education has dropped since market activity became widespread.³⁹

Material control too has proven insufficient, because the government can no longer provide sufficient supplies to the population through the ration system. Under these circumstances, private markets spontaneously emerged to help people survive. In addition to its economic function in replacing the state as the provider of sustenance, the market has become the main source of social change, affecting income levels, social relationships, value systems and morality.⁴⁰ The magnitude and pace of social change in North Korea is often overestimated, but the direction of change is indisputable. Actors in the market include suppliers of raw materials, producers of handmade crafts, importers of Chinese goods, wholesalers, retailers and consumers. A traditional communist class structure based on political standards is changing to one determined by income, and the more North Korean people have become involved in market activities the greater the income disparities that have emerged.

Increased market activity has also helped to open up North Korean society by easing restrictions on travel and by breaking down information barriers. In particular, border trade with China poses serious challenges to the state's monopoly on information. Cross-border traders bring news and gossip as well as goods that enable North Korean households to learn about the outside world. South Korean videos and DVDs, mobile phones, and radios and small televisions capable of receiving Chinese broadcasts in the border regions have all penetrated the nation, despite government crackdowns.⁴¹

Values are also shifting as further market elements are introduced. While collectivism and patriotism remain the prevailing norm, individualism and materialism are beginning to penetrate society. Individual interests affect people's attitudes and behaviour. The population has started to become more sensitive to the power of money. More negatively, crime and deviant behaviour have been increasing. Corruption and bribery – which further disillusion people about the 'hypocritical' regime and its official ideology – are endemic, while illegal border crossing, smuggling, theft, drug dealing and the trafficking of women are all on the rise. Although the party and the state continue to control where people live, work and study, these market-induced changes in values and behaviours are probably irreversible.⁴²

The government has introduced harsher penalties to try to bring these market forces under control. North Korea's cruel gulag system has long been a central feature of state control, a network of political prisoner camps that hold 100,000–200,000 people.⁴³ Escapees and refugees tell harrowing tales of harsh conditions in the camps, where entire families are commonly imprisoned for suspected



A light show at the Juche Tower in Pyongyang in 2010. The *juche* ideology stands for self-reliance and is supposedly the guiding principle for all aspects of North Korean society

dissent by a single family member. Many inmates die of torture, while starvation and execution are daily threats.⁴⁴

In recent years, sentences have been increased for unauthorised cross-border trade. According to US experts Stephan Haggard and Marcus Noland, single border crossings with no political overtones that were previously overlooked now carry sentences of three years, while those found guilty of multiple crossings receive sentences of up to ten years. Changes to the North Korean criminal code approved in 2004 and 2007 define economic crimes and prohibit a wide range of standard commercial activities. They impose penalties including up to two years of 'labour training' for those convicted of engaging in 'illegal commercial activities ... gaining large profits'.⁴⁵

Refugee surveys by Haggard and Noland suggest that the internal security authorities disproportionately target individuals involved in market-oriented activities and that torture and execution is commonly meted out to economic criminals. Punishment of this nature encourages bribery. As they put it: 'The more arbitrary and painful the experience with the penal system, the easier it is for officials to extort money for avoiding it. These characteristics not only promote regime maintenance through intimidation but also facilitate predatory corruption.'⁴⁶

Given these ongoing social changes and Kim Jong-un's lack of political legitimacy through any demonstrated achievement to date, it might be asked whether North Koreans on the whole support a dynastic power transfer. Ideological controls through the party organisation have proved to be less effective than before and the leadership is unable to provide sufficient material incentives to satisfy the population. The options available to the regime are mainly more physical in nature, including control over society through the state security apparatus on the basis of physical power, surveillance and punishment. Kim Jong-

un's two visits to the State Security Department with his father soon after his public debut provide a hint of this direction.

Conclusions

Kim Jong-un will face severe disadvantages because of his lack of experience, his fragile power base and the political constraints that prevent the regime from adopting the economic reforms and policies of openness that are needed to bring some degree of prosperity to the nation. *Songun* politics has increased the military's role in politics, which could ultimately restrain his political autonomy. The North Korean economy has faltered because the leadership has shied away from bold structural economic reforms and opening policies. North Korean society has become increasingly fractured as the public distribution system has collapsed and the market has expanded to meet people's survival needs. Societal divisions are further exacerbated by the population's growing access to foreign information. Meanwhile, North Korea has become increasingly isolated from the international community because of its violation of international laws and norms. On almost all counts, external and internal conditions are less favourable for a third-generation political succession than they were at the time of the second-generation succession in the 1990s.

Given his country's problems, Kim Jong-il has to rely heavily on physical power exercised by the military and state-security apparatus in order to ensure a successful succession. It is in this context that Kim has continued to develop North Korea's nuclear and missile programmes as well as the KPA's asymmetric conventional military capabilities. In pursuit of the goal of becoming a 'strong and prosperous great nation', such military capabilities are all that it can summon. At the same time, the regime

is no longer able to provide sufficient material incentives to induce the population to support it unquestioningly, as it could in the past. With ideological control through party organisations now less effective, Kim Jong-il has increasingly had to rely on the military to preserve social

stability. On all fronts, therefore, North Korea's armed forces remain the primary guarantee of the regime's political and economic survival – a situation with potentially ominous implications for peace and security on the Korean Peninsula.

Notes

- 1 The new Constitution included a reference to human rights (Article 8). If the latter change was window dressing for the outside world, most of the other changes were aimed at strengthening the institutional foundation for a political succession.
- 2 Kongdan Oh and Ralph C. Hassig, *North Korea through the Looking Glass* (Washington DC: Brookings Institution Press, 2000), pp. 25–32.
- 3 The first confirmed use of the phrase was in the 22 August 1998 edition of the *Rodong Simmun*, the daily newspaper of the WPK.
- 4 'Socialist revolution and construction' are always linked in North Korea phraseology. Socialist construction refers to socialist economic development in a narrow sense but socialist revolution and construction has its own theoretical meaning involving three stages of development en route to a complete socialist victory with a classless society.
- 5 An abbreviated official English translation of the Constitution of the DPRK is available at <http://www.naenara.com.kp/en/great/constitution.php?2>. An unofficial English version of the full text is available at <http://asiamatters.blogspot.com/2009/10/north-korean-constitution-april-2009.html>.
- 6 Stephan Haggard and Marcus Noland, *Witness to Transformation: Refugee Insights into North Korea*, (Washington: Peterson Institute for International Economics, 2011).
- 7 Jei Guk Jeon, 'Kim Jong-il's Ride on the Tiger "KPA": A Two-pronged Strategy towards the Military', *The Korean Journal of Defense Analysis*, vol. 11, no. 1, Summer 1999, pp. 138–139.
- 8 Kim Jong-nam, Kim Jong-il's eldest son, whose recent comments from quasi-exile in China are distinctly 'off-message' despite his protestations of loyalty, said as much when asked in a January 2011 interview about the shelling of Yeonpyeong island. 'There are people who justify the possession of nuclear weapons and military-first politics by stressing the image of a war zone,' he said. 'デノミ失敗、改革開放を金正男氏インタビュー' [Redenomination failure, for reform and opening – Kim Jong-nam Interview], *Tokyo Shimbun*, 28 January 2011.
- 9 Robert L. Carlin and Joel S. Wit, *North Korea Reform: Politics, economics and security*, Adelphi Paper 382 (London: Routledge for the IISS, 2006).
- 10 Sung Chae-Gi, '북한의 군수경제와 인민경제 실태: 북한군사경제의 현황과 실태' [The Current Status of North Korean Military Economy and People's Economy], presented at a seminar on 'Kim Jong-il's Military First Politics and Prospects of North Korean Economy', at the Institute for National Security Strategy, Seoul, 26 October, 2009, p. 27. See also Sung Chae-Gi, '북한의 군비증강 능력: 강점과 약점, 국방저널, 2011년 1월호' [North Korea's Capabilities for Military Build-up], *Gukbang Journal*, no. 445, January 2011, p. 22. The ROK Ministry of National Defense in its annual White Papers has estimated that 30% of DPRK Gross National Income is assigned to military spending, but this estimate is under review.
- 11 Rüdiger Frank, 'A Puzzle in Pyongyang', *Foreign Policy*, 8 October 2010.
- 12 Lee Young-jong and Christine Kim, 'Rules tweaked to block challenges to Jong-un', *Korea JoongAng Daily*, 8 January 2011, <http://joongangdaily.joins.com/article/view.asp?aid=2930691>; and Sam Kim, 'N. Korea rewrites party regulations to boost hereditary power succession: source', Yonhap News Agency, 6 January 2011, <http://english.yonhapnews.co.kr/northkorea/2011/01/06/75/040100000AEN20110106007500315F.HTML>.
- 13 'Joint New Year Editorial', Korean Central News Agency, 1 January 2011, <http://www.kcna.co.jp/item/2011/201101/news01/20110101-08ee.html>.
- 14 Kim Jin Ha, 'The North Korean Workers' Party Charter Revisions and Their Political Dynamics', Korea Institute for National Unification, Online Series, 3 March 2011, [http://www.kinu.or.kr/upload/neoboard/DATA01/co11-08\(E\).pdf](http://www.kinu.or.kr/upload/neoboard/DATA01/co11-08(E).pdf).
- 15 Sam Kim, 'N. Korea rewrites party regulations to boost hereditary power succession: source'.
- 16 Kim Jong-un is officially listed third in the hierarchy, following Kim Jong-il and SPA Presidium head Kim Yong-nam. But there is no doubting his real status as number two.
- 17 Sun-ah Shim, 'Renewed Speculation over Kim Jong-il's Health', *Vantage Point*, vol.32, no.8, August 2009, pp. 18–21; Robert Booth and Simon Tisdall, 'Kim Jong-il an unhealthy US obsession, WikiLeaks cables show', *The Guardian*, 29 November 2010.
- 18 See, for example, 'N. Korean Propaganda Machine Hails Kim Jong-un as "Genius"', *Chosun Ilbo*, 20 October 2010. According to Radio Free Asia, a North Korea programme glorified Kim Jong-un as a 'genius with a thorough knowledge of politics, the economy, culture, history and military affairs and is able to speak many foreign languages'. It said he mastered English, German, French and Italian during his studies abroad and is learning Chinese, Japanese and Russian despite a busy schedule helping his father lead the country.
- 19 U was appointed both an alternate member of the party Politburo and a member of the Party Central Military Commission, while Ju was named a member of the party Politburo.
- 20 Hyung-jin Kim, 'North Korea parliament praises progress on economy', Associated Press, 7 April 2011.
- 21 As an indication of their closeness to the leader, Jang accompanied Kim Jong-il on 114 of his 161 public activities, while Kim Kyong-hui did so 111 times. Christine Kim, 'For Kim, a year of lots of photo ops', *Korea JoongAng Daily*, 5 January 2011, <http://joongangdaily.joins.com/article/view.asp?aid=2930541>.
- 22 In interviews with the Korean *JoongAng Ilbo* in June 2010 and the *Tokyo Shimbun* in January 2011, Kim Jong-nam made frank comments about his father, the power transfer, living conditions in North Korea and his brother's political leadership. Although he professed his loyalty, his comments must have embarrassed and angered the regime. In proclaiming no interest in the succes-

- sion, he appeared to want to pre-empt any reason for fratricide by his youngest brother.
- 23 He should not be confused with another Ri Yong-ho, also on the rise: a former vice-foreign minister and former ambassador to the United Kingdom who is now the WPK international secretary.
 - 24 Economic Statistics Department, 'Gross Domestic Product of North Korea in 2009', Bank of Korea, 24 June 2010, <http://eng.bok.or.kr/contents/total/eng/boardView.action?menuNavId=634&boardBean.brdid=7093&boardBean.menuid=634&boardBean.rnum=3>.
 - 25 Aidan Foster-Carter, 'South Korea-North Korea Relations: On the Edge', *Comparative Connections*, vol 12, no. 2, July 2010, p. 9, http://csis.org/files/publication/1002qnk_sk.pdf.
 - 26 North Korea acknowledges 220,000 famine-related deaths, but outside estimates range as high as 3.5 million. The generally accepted range is between 600,000 and 2m deaths. See Stephan Haggard and Marcus Noland, *Famine in North Korea: Markets, Aid and Reform*, (New York: Columbia University Press, 2007), pp. 72–76.
 - 27 A study of 103 North Korean young adult defectors in 2007–08 found them to be 5–11cm shorter on average than South Koreans. See Seul Ki Choi, Sang Min Park and Hyojee Joung, 'Still life with less: North Korean young adult defectors in South Korea show continued poor nutrition and physique', *Nutrition Research and Practice*, vol. 4, no. 2, 28 April 2010, pp. 135–141. Other studies have found still greater height disparities. For more details on North Korea's nutritional status, see FAO/WFP Crop And Food Security Assessment Mission to the Democratic People's Republic of Korea, 'Special Report', Food and Agriculture Organization of the United Nations and World Food Programme, Rome, 16 November 2010, pp. 23–25, <http://www.fao.org/docrep/013/al968e/al968e00.pdf>.
 - 28 CIA World Factbook, 8 December 2010, <https://www.cia.gov/library/publications/the-world-factbook/geos/kn.html>.
 - 29 'North Korea Faces Serious Cereal Deficit, Food Shortages and Undernourishment to Continue', World Food Programme, 17 November 2010, <http://www.wfp.org/news/news-release/north-korea-faces-serious-cereal-deficit-food-shortages-and-undernourishment-conti>. The North Korean fiscal year runs from November through October.
 - 30 In 2009–10, cereal rations distributed to non-farming households on average represented 65% of the target ration, providing only about 50% of energy requirements. FAO/WFP Crop And Food Security Assessment Mission to the Democratic People's Republic of Korea, Special Report, p. 5
 - 31 DPRK exports to China increased from \$468m in 2006 to \$1.2bn in 2010, while its imports from China also expanded from \$1.2bn in 2006 to \$2.3b in 2010. See Lim Soo-ho, '북·중 경제밀착 배경과 시사점' [Growing Economic Transactions between North Korea and China: Backgrounds and Implications], Samsung Economic Research Institute, Issue Paper, 1 October 2010, p. 2; Peter Foster, 'China Shores up North Korea with Backdoor Trade Deals', *Telegraph*, 16 February 2011.
 - 32 James M. Zimmerman, 'China's North Korean Quandary', *New York Times*, 25 May 2010.
 - 33 Ko Soo-suk, 'China backs North's Rason project', *Korea JoongAng Daily*, 7 January 2011, <http://joongangdaily.joins.com/article/view.asp?aid=2930656>.
 - 34 For example, researchers from the Samsung Economic Research Institute estimate that 12 Chinese–North Korean contracts in mineral resource development totalled \$460m in committed funding but only \$40m has been provided due to various obstacles on the North Korean side. See Tong Yong-sung, '북·중 경제밀착 배경과 시사점', [North Korea–China Economic Relations and Implications], Samsung Economic Research Institute, 30 September 2010, pp. 6–8, referenced in International Crisis Group, 'China and Inter-Korean Clashes In The Yellow Sea', Asia Report no. 200, 27 January 2011, p. 16, <http://www.crisisgroup.org/-/media/Files/asia/north-east-asia/200%20China%20and%20Inter-Korean%20Clashes%20in%20the%20Yellow%20Sea.ashx>.
 - 35 Light industry was mentioned nine times in the 1 January 2010 joint editorial and 21 times in the 2011 editorial.
 - 36 This cost figure is given by the defector Kang Chol-hwan, 'The Men Who Die for Kim Jong-il's Criminal Stupidity', *Chosun Ilbo* 24 March 2010, http://english.chosun.com/site/data/html_dir/2010/03/24/2010032400889.html.
 - 37 Andrew S. Natsios, *The Great North Korean Famine: Famine, Politics, and Foreign Policy* (Washington DC: USIP Press Books, 2001); Lee Suk, *Food Shortages and Economic Institutions in the Democratic People's Republic of Korea*, PhD dissertation, University of Warwick, January 2003; and Stephan Haggard and Marcus Noland, 'Famine in North Korea Redux?', East–West Center, Working Papers: Economic Series, no. 97, October 2008, <http://www.eastwestcenter.org/fileadmin/stored/pdfs/econwp097.pdf>.
 - 38 See, for example, Laura Freschi, 'Cool maps: Measuring growth from outer space', Development Research Institute, Aidwatch blog, 25 January 2011, <http://aidwatchers.com/2011/01/cool-maps-measuring-growth-from-outer-space/>. The electricity visible in Pyongyang in 2008 is less than that seen in 1992.
 - 39 Cho Jeong-Ah, Suh Jae Jean, Lim Soon-Hee, Kim Bo-Geun and Park Young-Ja, *The Everyday Lives of North Koreans*, Studies Series 09-03 (Seoul: Korea Institute for National Unification, 2009), p. 46, <http://www.kinu.or.kr/upload/neoboard/DATA05/ss09-03.pdf>.
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 - 41 Stephan Haggard and Marcus Noland, 'The Winter of Their Discontent: Pyongyang Attacks the Market', Peterson Institute for International Economics, Policy Brief 10-1, January 2010, pp. 4, 9, <http://www.iie.com/publications/pb/pb10-01.pdf>; Andrei Lankov, 'Telling the Subversive Truth: Information Dissemination and North Korea's Future', *The Korean Journal of Defense Analysis*, vol. 23, no. 1, March 2011, pp. 24–26.
 - 42 Young Chul Chung, 'Society in Disarray: Crime, Corruption and Deepening Cognitive Dissonance in North Korea', *Global Asia*, vol. 4, no. 2, Summer 2009, p. 30, http://www.globalasia.org/Current_Issues/V4N2_2009/Chung_Young_Chul.html, p. 28.
 - 43 The Committee for Human Rights in North Korea and Amnesty International both estimate the number of political prisoners at 200,000. The US State Department estimates 150,000–200,000. An unpublished 2009 report by the ROK government said that ten camps held 200,000 political prisoners until the late 1990s, when four were shut down amid mounting international criticism, but that six camps continued to hold 154,000 prisoners. See 'N. Korea locks up 154,000 political prisoners: lawmaker', Yonhap News Agency, 17 October 2009, <http://english.yonhapnews.co.kr/national/2009/10/17/95/0301000000AEN20091017001500320F.HTML>.

- ⁴⁴ The best and most comprehensive source on North Korean human-rights violations is the series of annual white papers by the Korea Institute for National Unification, available at http://www.kinu.or.kr/eng/pub/pub_04_01.jsp?category=2672. See also Kang Chol-Hwan and Pierre Rigoulot, *The Aquariums of Pyongyang: Ten Years in the North Korean Gulag* (New York: Basic Books, 2001); Mark Tran, 'North Korean defectors tell of torture and beatings', *Guardian*, 4 November 2009; David Hawk, *The Hidden Gulag: Exposing North Korea's Prison Camps* (Washington DC: US Committee for Human Rights in North Korea, 2003), http://www.hrnk.org/download/The_Hidden_Gulag.pdf; Bureau of Democracy, Human Rights, and Labor, '2009 Human Rights Report on the Democratic People's Republic of Korea', US Department of State, 2009 Country Reports on Human Rights Practices, <http://www.state.gov/g/drl/rls/hrrpt/2009/eap/135995.htm>; and Amnesty International 'Human Rights in the Democratic People's Republic of Korea, Report 2009', <http://www.amnesty.org/en/region/north-korea/report-2009>.
- ⁴⁵ Haggard and Noland, 'The Winter of Their Discontent', p. 9.
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