Korea Institute for National Unification



Analysis on the 9th Session of the 14th DPRK Supreme People Assembly (SPA)

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From September 26 through 27, North Korea held the 9th session of the 14th Supreme People Assembly (SPA). What is most notable in the conclusions of the meeting and Chairman Kim Jong-un's speech is that the nuclear armament policy was stipulated in the revised Constitution of North Korea. It is confirmed Premier Kim Tok Hun would remain in office. However, in the absence of a breakthrough in domestic policy, a tendency to strengthen centralized control is observed. There was little to suggest any substantive achievement or policy shift in economic, social and cultural sectors. The increased share of messages or achievements in military or external sectors and the reduced share of the rest show there are few achievements to publicize in economic construction programs due to prolonged sanctions. This paper provides an analysis on the 14th SPA meeting by sector: military and external affairs, politics and organization, and the economy.



CO 23-32

Military and External Sector: Advancing Nuclear Weapons by Taking Advantage of the New Cold War and Emphasizing Its Status as a Nuclear Weapon State

Chairman Kim Jong-un spent much of his speech explaining the meaning of enshrining the nuclear force policy into the country's Constitution and declared the direction of external policies, including the advancement of nuclear force and strengthening the anti-American alliance. The features and strategic meanings of the speech are as follows.

First, Chairman Kim presented North Korea's nuclear armament as a fait accompli, an irreversible reality, and declared its push for advancing nuclear force and its firm refusal to international efforts to denuclearize the country, all of which are "permanently stipulated in the national basic law." In 2012, North Korea began its efforts to make its nuclear force as a fait accompli by briefly specifying "a nuclear weapon state" in the preamble to its revised Constitution, a move followed by the adoption of the nuclear force policy law at the 7th session of the 14th SPA in 2022. North Korea finally declared the possession and advancement of nuclear force as its ultimate goal by amending its constitution. In his speech, Chairman Kim claimed North Korea's possession and the subsequent enactment were "authorized by the world," and the status of a self-styled "nuclear weapon state," which had not been approved by the international community, as a fait accompli. He also stressed North Korea would never compromise on any attempt to change that status or make a concession. Dismissing international efforts to denuclearize North Korea as "worthless goodwill and splendid temptations," North Korea prides itself in "the decision as a nuclear weapon state." All these remarks foreshadow a hard road to pursue the denuclearization of North Korea through diplomacy and negotiations.

Second, Chairman Kim is emphasizing North Korea's plan to advance offensive nuclear armament and operation of nuclear capabilities. "We are not just studying and analyzing the expected worsening of the international situation on the horizon and pushing ahead with the constitutionalization of nuclear force enhancement policy," Chairman Kim said. He declared North Korea will continue to strengthen its nuclear force "as long as





CO 23-32

North Korea exists as a socialist state" and "as long as the tyrannical nuclear weapons of imperialists exist on the planet." In line with "qualitative improvement," "exponential increase" in its nuclear weapons, and "diversification" of the means of nuclear strikes, which are the policies promoted by North Korea since the declaration made during 8th Party Congress in 2021, it is now calling for the acceleration and permanence of advancing nuclear force. It appears that North Korea has been encouraged by Russia's recent commitment to providing military technology support. This may explain why North Korea decided to promote the National Aerospace Development Administration to the General Bureau of National Aerospace Technology despite a series of failed satellite launches.

It is very worrying that North Korea has declared "strategic superiority" as it even stated "national nuclear force policy law," which contains an aggressive nuclear doctrine, in "the Constitution of North Korea" in 2022. The fact that territorial integrity is now expressly stated in the preamble of the Constitution as one of the goals of the possession and use of nuclear force can be assessed North Korea clearly stated its intention to adopt offensive nuclear posture and strategy with an aim of changing the status quo on the Korean Peninsula. Chairman Kim harshly criticized the U.S., saying, "The U.S. launched the Nuclear Consultation Group and then resumed a large-scale joint military exercise for a nuclear war with invasive features, escalating a threat of a nuclear war to an unprecedented level." These remarks can be used to justify North Korea's possession of nuclear weapons and its nuclear force enhancement policy while suggesting that North Korea is likely to ramp up nuclear threats in a more dangerous manner and use coercive tactical brinkmanship tactics. In a speech to the United Nations General Assembly on September 26 (local time), Kim Song, North Korea's Ambassador to the United Nations mentioned "the ravages of nuclear war and said "The year 2023 will be recorded as an extremely dangerous year where the military security situation on the Korean Peninsula and in the region was getting closer to the brink of a nuclear war." AS such, his remarks are in line with North Korea's current move.



CO 23-32

Third, Chairman Kim expressed his will to take advantage of the deepening confrontational structures between the U.S. and Russia, and the U.S. and China. He said, "The U.S. has finally revealed its evil intention to create an Asian version of the North Atlantic Treaty Organization (NATO), which is the origin and foundation of war and invasion, by commencing its move to establish trilateral military alliance in its earnest with South Korea and Japan." Kim's remarks reflect his perception of the current international situation described as a worsening of the so-called "New Cold War" structure and show his intention to strategically take advantage of it. He also announced that "North Korea would further strengthen its alliance with countries which oppose the hegemonic strategy of the US and the West," encouraged by the rapidly developed cooperation between Russia and North Korea that has taken place in recent weeks. This means Kim publicly declared his intention to escape from international sanctions and strengthen the country's nuclear force at the same time by solidifying the trilateral cooperation between China, Russia, and North Korea. We can see Pyongyang's calculation that there could be more strategic options and geopolitical position would be strengthened if the confrontational structure between South Korea-U.S.-Japan partnership and China-Russia-North Korea partnership intensifies and lead to more competition between the blocs in the New Cold War. The South Korean government and the international community need to repeatedly emphasize North Korea will never be able to acquire a nuclear weapon state and dismantling its nuclear weapons system in a complete, verifiable, and irreversible manner is not only an international resolution but the duty North Korea must discharge. We need to put pressure on the security dilemma facing North Korea by strengthening measures to deter North Korea's nuclear program while pressuring China and Russia, which are not cooperating with the international community's efforts to denuclearize North Korea, through strengthened security cooperation between South Korea, the U.S., and Japan.





CO 23-32

Political and Organizational Sector: Functional Insufficiency of Government Organizations and Restoring Order

In relation to the direction and status of domestic politics, Chairman Kim's speech at this meeting and decisions made on organizational matters include the following characteristics.

First, they suggest the "re-emergence of communism," which goes beyond the sweeping construction of socialism. At the end of his speech, Chairman Kim presented an ideological task that says "A government of republic must tighten national discipline and establish national, communist customs throughout the entire society." Given this, communism is likely to be re-merge though it was removed from the existing various discourses in the process of an ideology sophistication of the Kim Jong-un era. In general, North Korean supreme leader's key message for the people comes at the end of speech. Considering the internal and external environments of North Korea, communism is likely to establish itself as an internal linking ideology that supplements New Cold War ideologies.

Second, in terms of competency and functionality, government organizations and officials are not working well. Chairman Kim criticized in his speech, "Recently, national disaster management projects were found to have serious shortcomings. This demonstrates indiscipline, irresponsibility, negligence, and other evil customs deeply rooted in government organizations and national projects carried out by government employees." In a situation where the supreme leader and the central party invest all resources in the advancement of nuclear force, government organizations and cabinet officials, who should practice self-reliance, appear to have less energy and power to deal with tasks directed by the central party.

Third, No breakthrough is expected to be made in domestic policy. Chairman Kim stated that "A government of republic needs to continue to enforce control and put up a struggle in a unified and intensive manner so that all government organizations, enterprises, and people abide by the state's centralized rules and observe national laws with a strong sense of political consciousness and responsibility while curbing anti- or non-socialist phenomena of all kinds." He stressed once again traditional





CO 23-32

discipline and control policy, saying "we need to revitalize the noble tradition of nationwide revolutionary movements and peoples' patriotism campaigns, which used to flare up at the height of revolution. This vitality should continue to exist and be built on by next generations. With that said, no matter how hard Chairman Kim calls for "forward-looking creative solutions" and "innovative ways of doing business," the reality of North Korea shows it has no choice but to choose public control and mobilization.

Fourth, Premier Kim Tok Hun would remain in office, and there was a minor cabinet reshuffle. Premier Kim, who was severely criticized by Kim Jong-un while he was inspecting the flood-damaged area of Ansok tideland in South Pyongan Province in August, was seated on the leaders' podium during the SPA meeting. Regarding organizational reform in the cabinet, Chairman Kim appointed An Gyeong-geun as the Minister of Machine Industry, Ri Sun-cheol as the Minister of State Construction Control, Jeon Cheol-su as the Minister of Land and Environmental Protection, Gim Gwang-jin as the Minister of Food Procurement and Administration, and Baek Min-gwang as Governor of the Central Bank of North Korea. Officials in their 50s and 60s were appointed as high-ranking officials responsible for addressing food shortage, construction, climate and land management, and price stabilization, which Chairman Kim believes are important areas in domestic politics. In general, when a dictatorship enters a stable stage, appointment on high-ranking officials and executives tend to be institutionalized and are less likely to happen. The fact Premier Kim would remain in office and the moderate cabinet reshuffle took place indicates that the Kim Jong-un dictatorship has stabilized and appointment on top level officials has also been institutionalized.

Economic Sector: Heightened Control over Economy and Sustained Policy of Agriculture First

There were no signs of indicating substantive achievements or policy shifts in economic sector. In a situation where deteriorating fiscal conditions discourages North Korea to make a massive investment, its tendency is to focus on agriculture, light





CO 23-32

industry, and construction, which are directly related to people's livelihood and can bring short-term achievement with small investment, while continuing to strengthen its centralized control over the national economy. The features of such intention are as follows.

First, when it comes to food shortage, which is a critical issue to the survival of the regime, North Korea declared its will to "constantly increase intensive support" for the agricultural sector. Since the adoption of "the new era agricultural doctrine" at the plenary meeting of the SPA at the end of 2021, the agricultural budget has shown a noticeable growth. Although the 2022 budget report did not come out with specific figures, it did say the budget was allocated with a "significantly increase." Such tendency was maintained in the subsequent 2023 budget report: the budget allocated to agricultural development and promotion grew by 14.7 percent. Given around 1 percent change in the amount of budget expenditure, the significant increase in the agricultural sector shows how desperate the North Korean authorities are in their efforts to address the food shortage. The SPA meeting this time also adopted the Irrigation Law. Until now, the use of irrigation water and maintenance and repair of irrigation facilities have been included in the Agricultural Law and the Farm Law. Such content is now separately included in the Irrigation Law. Although it is still early to conclude due to the absence of the full text of the new law, North Korea may have enacted it to define the authorities and responsibilities concerning the construction, maintenance, and repair of irrigation facilities, which constitute the essential infrastructure for agricultural productivity growth.

Second, the SPA put "general assessment on law enforcement in financial sector" on its agenda and mentioned the national "unified financial system." This move can be assessed to check the impacts of the enactments and revisions of fiscal and financial laws since 2020. At the 8th Party Congress in 2021, the North Korean authorities mentioned the use of "economic instrument of fiscal and financial sector," followed by revision to the Public Finance Law and the enactment of the Lending Law. The Public Finance Law was revised in a way that intensifies centralized fiscal control to acquire budget revenue. The Lending Law was focused on borrowers' obligation to repay their loans and financial institutions' responsibilities for outstanding loans, although the full text has not been checked. The revised Public Finance Law contain



CO 23-32

a paragraph stipulating that enterprises receive loans from banks or individuals and result in financial loss, they have to compensate it "by themselves." Amid deterioration in economic conditions and the number of production units unable to repay loans increasing, it can be assessed that the revised law stresses compensation for loss and obligation to repay.

Other laws have also added content in relation to lending. For instance, the Farm Law added a paragraph allowing banks to "extend loans to farms at low interest rates" as farming funds and "defer the due date as much as necessary at the request of the borrower." (Article 49) In addition, Unit Specialization and Anti-fundamentalism Law, which was enacted in 2021, stipulates if a financial project proceeds without the central bank's approval and agreement will be "charged with illegal lending" and punished accordingly. (Article 32) These revisions aim to ease lending conditions or defer due dates in priority areas such as agriculture while emphasizing general enterprises' obligation to repay their loans. It appears that fund mobilization and repayment under state control is emphasized through the approval and agreement of the central bank. The emphasis on the "unified financial framework" can be assessed as a way to absorb funds from individuals and enterprises as much as possible and to block funds from outflowing in official sectors by integrating financial intermediation into the official financial institutions. ©KINU 2023

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