

## Making Training More Effective for North Koreans by Separating Ideation from Capacity-Building\*

Geoffrey K. See and Andray Abrahamian

'Capacity-building' programs focused on economics, business and legal training have had more than one and a half decades of history in the DPRK. Often, the impact of such programs is hard to observe. One reason for this is that programs often conflate *ideation* with *capacity-building* objectives. *Ideation* focuses on the exposure to different ideas on organizing economic activity, in order to encourage participants to see possibilities for their future and motivate them to prioritize economic development as an urgent objective. *Capacity-building* aims to support government policies by transferring necessary skillsets and knowledge, and its effectiveness is often predicated on pre-existing political will for changes to policy to support economic development. Training programs can be improved through conscious deliberation of these two objectives, and by calibrating the emphasis on the objectives through program design. We examine the role ideation played in the Chinese reform process, when Chinese leader Deng Xiaoping visited Singapore, and extrapolate the role Singapore can play for similar programs for North Koreans.

**Keywords:** DPRK, North Korea, Capacity Building, Business Training, Economics

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\* For more information on Choson Exchange and its work in the DPRK, please refer to its website at [www.chosonexchange.org](http://www.chosonexchange.org). In 2013, Choson Exchange had 267 participants take part in its economics, business and legal training programs. A majority of participants were females through Choson Exchange's Women in Business program. From January to March 2014, 200 Korean participants took part in Choson Exchange's training programs.

## Introduction

*“Rason should be an even better port city than Singapore.”*  
- Quote from President Kim Il Sung,  
cited in a promotional video for Rason City (2011)

*“President Kim Il Sung told us to work with and learn from Singapore.  
It is a good country, even though it is an ally of the USA!”*  
- North Korean speaking to Choson Exchange1 team (2013)

*“Singapore is a socialist country. The government provides housing,  
healthcare and education ... just like my country!”*  
- North Korean participant in Choson Exchange program (2011)

In the early 2000s, programs by NGOs and international organizations in the Democratic People’s Republic of Korea (DPRK) shifted away from purely humanitarian initiatives to initiatives that contained a mix of humanitarian work and capacity-building.<sup>1</sup> Within the capacity-building field, a subset involved training in economics, business or law. These programs aimed to introduce new ideas that would enable the DPRK to integrate into the region’s economy and develop its economy in a sustainable manner. Different programs have existed over the last fifteen years or so in the DPRK. Many of these are organized on an ad hoc basis, by NGOs or international organizations that are often involved in training in other areas, at the request of DPRK counterparts or foreign donors.<sup>2</sup> Efforts often fizzle out when funding dries up, and as such, there has been limited systematic knowledge-building on how to make programs in this area effective.

But over the last one and a half decades, there has been an accumulation of examples of such programs in the DPRK.<sup>3</sup> Do programs

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1. Gordon L. Flake and Scott Snyder, *Paved with Good Intentions: The NGO Experience in North Korea* (Westport, CT: Greenwood Publishing Group, 2003), p. 65.
  2. See for example, the Freidrich Naumann Stiftung ([www.fnfkorea.org](http://www.fnfkorea.org)), whose project topics are chosen for each specific workshop at the request of their DPRK partners.
  3. See for examples Lim (2013), Seliger (2009), Spezza (2012).

have any impact on advancing the DPRK on a path towards sustainable economic growth and regional integration? While taking note that such programs have often been small in scale and sustained over short periods of time, we argue that the reason impact has been hard to observe is that “capacity-building” lumps together a diverse range of goals that have to be disaggregated into component objectives, each of which should be measured differently. Instead, we introduce “Ideation” as a separate program objective, why the concept is important, and how programs should be designed differently to achieve this objective.

Traditional “*capacity-building*” presupposes sufficient political will for reform. The outcomes of such efforts should be changes to economic policy. Proponents of such efforts are often disappointed when DPRK’s economic policy remains unchanged. Such programs cannot produce results without a correspondingly broad political consensus around the need for changes. However, “*ideation*” programs are not predicated on political consensus to produce results. Instead, such programs are meant to provide the pathway to consensus. Participants are exposed to different policy ideas and their outcomes, helping to develop urgency, consensus, and interest in alternative economic approaches.

We also argue that delivering programs in Singapore allows some of these disaggregated objectives to be met more effectively from a pedagogical perspective, because of the unique political, economic and historical context of a country that is appealing to DPRK policy planners.

## The Mis-matched Trinity

Traditionally, “capacity-building” covers a broad area of content, program types, and purposes. This paper looks specifically at training in the areas of economics, business, and law - areas believed to be fundamental in tackling the systemic challenges in the DPRK’s economy. Even within this narrow range of topics, there exists a wide diversity

of programs. The following framework seeks to categorize such programs along three dimensions:

|                       |                     |                    |
|-----------------------|---------------------|--------------------|
| A. Program Objectives | B. Delivery Systems | C. Target Audience |
|-----------------------|---------------------|--------------------|

“Program objectives” are the defined purpose of the program. While all programs in the field claim to impart knowledge in economics, business, or law, this in itself is not the ultimate objective. Instead, programs are broadly justified with two different but overlapping goals in mind. The first type of program is traditional “*capacity-building*,” where a successful program provides the knowledge and skillsets necessary for a government to pursue some of its objectives. In the case of the DPRK and programs sponsored in this area, this involves the adoption or adaptation of knowledge on economic management into the formal system to promote sustainable development and regional integration. The second type of program is “*ideation*” or the generation of new ideas. An *ideation* program addresses the motivational aspects of learning — it aims to provide participants with exposure to different ideas on economic development and organization, in order to encourage participants to see possibilities in their future and motivate them to see economic development as achievable, desirable and urgent. These kinds of programs do not pre-suppose participants’ level of awareness of ideas and possibilities, or their pre-existing level of motivation towards implementing such ideas.

“Delivery systems” are the means with which the programs are implemented. In the DPRK’s context, we distinguish between “knowledge-based” delivery and “context-based” delivery. The former focuses more on delivering explicit knowledge. This is the formalized content that is delivered, such as in the curriculum of a training course, theories in the pages of a textbook, or instructions written down in a manual. The latter is defined by the delivery of tacit knowledge, which while describable, is difficult to convey through formal modes of instructions. This can be the experience living in a foreign country and adapting to its rules and institutions, the skills

involved with interacting with people of other cultures, or the experience seeing a developed country for the first time. These forms of knowledge are defined in the field of knowledge management.<sup>4</sup>

In practice, many programs in the DPRK involve both delivery systems simultaneously. Foreigners running programs teaching counter-inflationary policies also transmit norms through their interaction. However, consciousness of these different systems can lead to very different program designs. While knowledge-based delivery can occur inside or outside the DPRK with minimal trade-offs, context-based delivery is most effective when Koreans travel overseas, and interact with the very different socio-economic norms (the “context”) in other countries. The importance of context-based delivery was reinforced to the Choson Exchange team when we brought North Koreans to visit a Member of Parliament’s house in Singapore. One of them, on visiting the luxurious bungalow remarked, “When does she have to give the house back to the government?” His gut reaction coming from DPRK’s state-owned system was that such houses were provided to Members of Parliament, rather than assuming that the politician had bought it.

“Target Audience” refers to the intended recipients of programs. While there are many ways to segment DPRK society, we chose audience segmentation relevant to the different kinds of audience that passes through our programs at Choson Exchange.

Figure 1 attempts to draw out distinct audience segments we interact with in the DPRK and re-categorizes them into “public” and “private” spheres, which are relevant categories for our analysis. Under the public sphere, we have influentials: people who influence policies through their networks, without necessarily being in a government or party position tasked with the specific policy area. Policymakers or implementers are the people in the government or party who are directly linked to policy decisions and their rollout. We choose to categorize “state-owned enterprises” (SOE) as being in the public

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4. Dorothy Leonard and Sylvia Sensiper, “The Role of Tacit Knowledge in Group Innovation,” *California Management Review*, Spring 98, Vol. 40, pp. 112-132.

Figure 1. Audience Segmentation in DPRK

|                   |                                     |                       |
|-------------------|-------------------------------------|-----------------------|
| <b>Government</b> | <i>Influentials</i>                 | <b>Public sphere</b>  |
|                   | <i>Policymakers or implementers</i> |                       |
| <b>Business</b>   | <i>State-owned enterprises</i>      | <b>Private sphere</b> |
|                   | <i>"Private" firms</i>              |                       |

sphere. This is because many of the top SOE managers have a role to play in the reform of state-run enterprises, or often rotate into senior government positions.<sup>5</sup> “Private” sphere entities include those companies where significant managerial rights and profit sharing lie with the manager of the entity, even though DPRK’s system still considers these entities as SOEs or their subsidiaries.<sup>6</sup> We categorize individuals from this sector separately, as training for them supports private sector development regardless of government policy, and has a very different beneficial effect.

Traditionally, many programs have been implemented with a mismatch of program objectives, delivery systems, or target audiences. Some organizations do not fully understand the local landscape, or have broad enough reach, to be able to segment and target specific audiences. But more importantly, the wrong program objectives are often matched to the wrong pedagogy (e.g. implicit versus explicit delivery) or to the wrong audience, resulting in misplaced expectations of programs.

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5. Prominent examples include Premier Pak Pong Ju who was a manager at Yongchon Food Factory, and Ri Kwang Gun, who was the President of a foreign trading company before becoming Minister of Foreign Trade, then Chairman of the Joint-Venture & Investment Commission, see respective biographies at <http://nkleadershipwatch.wordpress.com/leadership-biographies/> (accessed 16 March, 2014).

6. Andrei Lankov, “Could ‘kimchi capitalism’ bring change to North Korea?,” *East Asia Forum*, July 2, 2013, <http://www.eastasiaforum.org/2013/07/02/could-kimchi-capitalism-bring-change-to-north-korea/>.

## Designing Effective Programs by Matching Results to Program Configuration

While tracking results in the DPRK will always be a challenge, program design can benefit from clearly enunciating where the program stands on all three axes. Knowing the particular program configuration leads to a clearer picture of the ideal outcome for the program. This will aid in the evaluation of the actual program outcomes against its theoretical potential.

Figure 2. Ideal Outcomes Based on Program Configuration

|                          |                       |                                    |
|--------------------------|-----------------------|------------------------------------|
|                          | <i>Public Sphere</i>  | <i>Private Sphere</i>              |
| <i>Ideation</i>          | <b>Awareness</b>      | <b>Entrepreneurship</b>            |
| <i>Capacity-Building</i> | <b>Policy Changes</b> | <b>Expansion &amp; Integration</b> |

Figure 2 matches the key strategic objectives that different program configurations can achieve. “Delivery systems” is absent from this matrix, as the mix of implicit versus explicit knowledge can be used to drive outcomes across all configurations. The biggest challenge to measuring results is that “*Ideation*” and “*Capacity-Building*” objectives are often conflated.

In the private sphere, “*ideation*” programs’ outcomes should be tied most closely to the incubation of new businesses. These programs are meant to help participants learn about new business models, ideas, or how market needs are fulfilled in different ways in different economic contexts. Through such exposure, participants are meant to leave programs with ideas that can lead to the development of a startup, or a fundamental reshaping of an existing business model. In contrast, a “*capacity-building*” program for the private sphere is focused more on transferring skillsets and knowledge that can help North Koreans improve and grow an existing business, or instill norms and practices that are in line with international businesses. While both efforts serve to expand the business sector and develop the economy, success needs to be measured differently for programs with different

objectives.

In the public sphere, this distinction is particularly important in the DPRK's context. Many neighboring countries would like to see some type of "reform" take place in the country, which most observers define as the adoption of market systems bounded by state interventions and institutions capable of generating robust and sustainable economic growth in DPRK. However, all transitions from command economies to mixed economies are fraught with political risks and resistance from entrenched interests, and as such, it is unsurprising that the DPRK has yet to embark on a more robust reorientation of its economy. Even in the latest period of 2012-2013, the DPRK is believed to have experimented with economic policy changes.<sup>7</sup>

The problem has two overlapping domestic obstacles, in addition to the broader geopolitical context. There might not be a large enough coalition of policymakers or implementers who are interested in "reform" or convinced of the benefits of reforms. Even if there is a will for "reform," policymakers might lack the knowledge necessary to craft an effective reform path suitable to the DPRK's context. While the China or Vietnam models provide useful templates, ultimately, the DPRK has to develop a "reform" program and sequence tailored to its domestic and geopolitical context.

Traditional "*capacity-building*" presupposes sufficient political will for reform. The outcomes of such efforts should be changes to economic policy. Proponents of such efforts are often disappointed when the DPRK's economic policy remains unchanged. Such programs cannot produce results without a correspondingly broad political consensus around the need for changes. However, "*ideation*" programs are not predicated on political consensus to produce results. Instead, such programs are meant to provide the pathway to consensus. Participants are exposed to different policy ideas and their outcomes, helping to develop urgency, consensus and interest in alternative economic

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7. Park Hyeong Jung, "North Korea's 'New Economic Management System': Main Features and Problems," *Korea Focus*, January 2014, [http://www.korea-focus.or.kr/design3/essays/view.asp?volume\\_id=146&content\\_id=105092&category=G](http://www.korea-focus.or.kr/design3/essays/view.asp?volume_id=146&content_id=105092&category=G).

approaches.

Lastly, program design should consider the mix of delivery systems. Programs that bring Koreans overseas and put them in academic lectures all day, purchases all meals for participants, and books private transport to and from a hotel are primarily *knowledge-based* delivery systems. They limit interaction with foreign systems, and assume that all knowledge is explicit and should be transferred via academic lectures. Programs that strive to integrate participants into the daily life of the cities they visit (e.g. public transport, people to people interactions, walking around the city or site visits) increase the emphasis on context-based knowledge delivery. Both are needed to be effective, but the latter justifies the resources needed to support overseas programs. It focuses on the lived experience of being in an alien society, and not just on classroom content. As one North Korean commented, “it’s great that we move around [different workshop spaces] everyday, as we get to see more of the city and learn more from our surroundings.”<sup>8</sup>

## A Platform for Ideation & Capacity-Building

We choose to focus specifically on the public sphere, where the bulk of South Korean governmental support has previously gone to when they financed training programs for North Koreans. In this context, we analyze the role Singapore has played in supporting both *Ideation* and *Capacity-Building* efforts particularly for China and extrapolate Singapore’s usefulness as a platform for both program objectives for North Koreans.

The national platforms from which actors seeking to encourage positive economic policy change in the Democratic People’s Republic of Korea are varied and all face certain constraints. The DPRK’s position as enemy and competitor vis-à-vis Japan and South Korea limits

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8. Comment from participant in Choson Exchange program, Singapore, February 21, 2014.

possibilities — even though the cultural proximity and South Korea's economic development would provide valuable knowledge for the DPRK. Moreover, those two states have domestic political concerns that are constraints, as well. China engages in capacity-building and takes a neutral-to-positive *laissez-faire* approach to investment in its neighbor. Yet historical and cultural issues cause underlying tensions that occasionally prove problematic. North Koreans often remind foreigners that they do not want to be seen emulating China. Indeed, the political and cultural baggage in the DPRK's relations with all three of its neighbors is weighty indeed.

At the same time, the Republic of Korea (ROK) needs to consider a platform for such programs. While cultural similarities with DPRK and ROK's economic success make the country an appealing place for North Koreans to study, the competition for legitimacy between both countries place significant obstacles towards training programs taking place in the ROK in the near and medium term. Park Geun-Hye's *trustpolitik* can perhaps be best realized in this domain by placing training programs in a neutral country, so that both the DPRK and ROK can approach the programs as a pedagogical tool rather than as political (and highly politicized) interaction.

We argue that the similar length of time as an independent nation, political stability, and successful economic development using markets but with extensive government interventions make Singapore a particularly effective platform. While North Koreans have taken part in programs in Europe, they sometimes fail to see the applicability of what they learn given the cultural distance, differences in values and systems, and Europe's extended history of development. As one organizer of such programs in Europe told us, Koreans have returned from the programs saying, "Europe is developed because it is Europe." The delegations used Europe's long history of development to explain away DPRK's economic performance.

Finally, the United States is the DPRK's avowed enemy and cooperative programs are difficult to build and heavily politicized.<sup>9</sup>

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9. These platforms have significant value in building relationships and under-

Yet the need for other platforms to engage on economic issues has never been greater and might be provided by Asian countries such as Mongolia, Vietnam and Singapore. Singapore in particular has some advantages that make the city-state particularly suited to an *Ideation* program, and also for *Capacity-Building* programs. Some of these strengths also apply to other Southeast Asian countries as platforms for the DPRK, although this paper will confine itself to studying the Singapore context and impact. In particular, we will see how Singapore served China's "reform and opening up" by providing platforms for *Ideation* and *Capacity-Building*.

## The Singapore Model

Singapore does not maintain an embassy in Pyongyang, but the DPRK does in Singapore. Hyon Hak Bong, the DPRK's ambassador to London, in an interview with *Financial Times*, mentioned that "[DPRK] visited Vietnam, China, Singapore, Malaysia, and Switzerland to share their experience of developing the national economy." North Koreans have visa-free entry to Singapore.

There is a fairly recognizable 'Singapore Model,' which is embedded in the broader "East Asian Development Model" narrative. Singapore, like South Korea, Taiwan and Hong Kong, began its rapid economic growth through the export of initially labor-intensive manufactures, followed by shifting to higher value-added products as its comparative advantage shifts.

The state has played a heavy role developing economic sectors that it considers important. It has also vigorously defended free trade principles and rule of law in order to encourage investment. Unlike the other Asian Tigers, however, Singapore's economic development

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standing between the U.S. and DPRK. However, U.S.-based NGOs indicate significant difficulties with such programs, with visas frequently denied or cancelled by both sides, whether it is Koreans visiting the U.S. for programs, or Americans visiting DPRK for programs, depending on the state of U.S.-DPRK relations.

has depended heavily on openness to trade and foreign investments. For at least some theorists, the success of Singapore's development is attributed to the resolution of the polarity of "state plan vs. the market": extensive planning in the absence of a rigid central plan allowed market activity to thrive in a controlled fashion.<sup>10</sup>

The political stability that so attracted foreign firms is in no small part due to the fact that the state has been ruled by a single party — the People's Action Party (PAP) — since 1959, before it was independent. It carries several of the hallmarks of democracy, including free elections, freedom of association and the ability to form opposition parties. By 2000, there were over 20 political parties in Singapore, but all have been consistently overwhelmed by the organizational and ideological power of the PAP. Singapore is frequently characterized as the archetypical of an "illiberal democracy."<sup>11</sup>

However, Singapore's leaders have by any measure done an exceptional job at tackling the forms of corruption that blight many developing countries. It placed fifth overall in Transparency International's 2012 ranking of least corrupt countries, a full 15 places above the U.S. and 40 above South Korea.

Singapore's development has appealed to multiple generations of Chinese leadership. There has been debate in China lately, with some voices calling for the new generation in Chinese leadership under Xi Jinping to study Singapore's anti-corruption system.<sup>12</sup>

## **Ideation, China's Development, and the Singapore Connection**

As China began to experiment with economic reforms in the late 1970's and early 1980's, Singapore became involved in counsel and

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10. W. G. Huff, "What is the Singapore model of economic development?," *Cambridge Journal of Economics*, Vol. 19, Issue 6 (1995), pp. 735-759.

11. H. Mutalib, "Illiberal Democracy and the future of opposition in Singapore," *Third World Quarterly*, Vol. 21, No. 2 (April, 2000), p. 313.

12. Anthony Fensom, "Is Singapore Worth Emulating," *The Diplomat*, November 12, 2012, <http://thediplomat.com/2012/11/is-singapore-worth-emulating/>.

support as the result of decisions and relationship building at the highest levels. As Ezra Vogel writes, Deng Xiaoping was surprised by the experience of his 1978 visit to Singapore. He states that:

Before Deng's visit to Singapore, the Chinese press had referred to Singaporeans as the 'running dogs of American imperialism.' A few weeks after Deng visited Singapore, however, this description of Singapore disappeared from the Chinese press. Instead, Singapore was described as place worth studying for initiatives and environmental preservation, public housing and tourism....

Singapore made a deep impression on Deng. When he visited New York, Paris and Tokyo, he had not been surprised that they were all more modern than China. But Deng, who had spent two days in Singapore on this way to France in 1920, marveled at the progress that had been made there in the intervening fifty-eight years.... Deng had not yet decided what policies to pursue in China, but Singapore helped strengthen Deng's conviction of the need for fundamental reforms.

Lee Kuan Yew, Singapore's authoritarian Prime Minister, and Deng met again in 1980, 1985 and 1988. In many ways, from this period on the Chinese model of development began to draw heavily on the Singapore model.<sup>13</sup>

The high praise from China's maximal leader opened up Singapore as a platform for *ideation* for generations of Chinese bureaucrats and businesspeople: Singapore has been steadily welcoming and training Chinese officials since Deng came away impressed by his 1978 visit. A second wave of "Singapore fever" followed Deng's 1992 tour of southern China when he praised Singapore as a country that China must learn from. A third wave dates from around 2007, when provincial governments began sending cadres down to study in Singapore.<sup>14</sup>

While Singapore's interactions with China eventually evolved

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13. Perhaps an irony here is that from 1978, Singapore was promoting its "Learn from Japan" campaign in which Japanese models for management, employer-employee relations and higher skilled labor industries were held aloft.

14. Huang Shuo, *Cracks appear in the Singapore model*, May 22, 2011, [www.china.org.cn](http://www.china.org.cn).

into capacity-building in the policy field, what we would like to note was the mental journey Chinese leaders took on visiting Singapore. On Deng's initial trip, he was surprised at Singapore's development. Most importantly, he was surprised that a country that achieved independence only in 1965 had developed so rapidly. This spurred China's motivation to learn more about Singapore and other Asian countries' development experiences. While it was not part of conscious design, the initial visits were *Ideational* in nature, and thus achieved the objective of *awareness* of possibilities. Previously unknown to the Chinese were the rapid development of other Asian countries, the vast gap in living standards, and how the differences in systems resulted in vastly different economic outcomes between China and the other Asian countries.

One cause for pessimism with an *Ideational* approach to economic training in North Korea though, is that in China's case, signals and desire for change came from the most senior leaders. If programs do not reach senior leaders and influence their worldview, will this limit the impact of programs? The decisions of the senior leadership do not exist in a vacuum. Decisions face constraints and pressures from the broader population, as the 2009 currency reform demonstrated.<sup>15</sup> Traditionally, these pressures have been weak, but could strengthen over time if institutionalized through the development of community groups, business groupings or civil society. As such, assuming that the DPRK remains politically stable, a few ways to ensure good ideas for economic development reaches the leadership could include:

- a. Focus on the middle and lower 'elite' accessible through such training programs, whose feedback filters and matters to the top, and whose voice could increase over time with institutionalization,
- b. Focus on younger Koreans, who could someday assume leadership positions, with a longer timeframe for change,
- c. Develop a longer-term plan for including more senior North Korean

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15. In 2009, DPRK reformed its currency and limited the amounts that could be changed into the new currency, resulting in a public outcry leading to a government apology and attempts to assuage the public.

politicians or government officials in study visits (e.g. Ministers or Vice-Ministers), or identify people with proximity or access to senior leaders to include in programs.

## Similarities in Cultural and Historical Narratives with the DPRK

Some similarities with DPRK in the historical narrative and cultural narrative put forth by the state of Singapore makes *Ideation* programs in Singapore particularly impactful. These similarities do not justify the systems of either DPRK or Singapore. Rather, they ensure that context-based learning occurs through having a relevant framework as a setting, while encouraging awareness and understanding of the factors driving the different economic outcomes achieved in Singapore vis-à-vis DPRK.

One area of similarity is Singapore leader Lee Kuan Yew's claim that Asian societies prioritize collective rights over individual rights. This paper cannot explore this debate. One might argue that the "Lee hypothesis" is, in fact, based on very selective information, or that there is "little general evidence that authoritarian governance and the suppression of political and civil rights are really beneficial in encouraging economic development," as Amartya Sen writes.<sup>16</sup>

Even into this decade, he has been reiterating this main point that the hegemony of Western, particularly American norms can be resisted:

America's sense of cultural supremacy is again evident when the American media praises Taiwan, Korea, the Philippines, or Thailand for becoming democratic and having a free press. It is praise with condescension, compliments from a superior culture patting an inferior one on the head. And it is this same sense of cultural supremacy which leads the American media to pick on Singapore and beat us up as

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16. Amartya Sen, *Human Rights and Asian Values* (New York, NY: Morgenthau Lectures, 1997). See <https://www.sph.emory.edu/media/IPHR/Readings/sen%20-%20asianvalues.pdf>.

authoritarian, dictatorial; an overruled, over-restricted, stifling, sterile society. Why? Because we have not complied with their ideas of how we should govern ourselves.<sup>17</sup>

For some, even as the Asian values debate has cooled, Lee's voice continues to be an important Asia-located resistance to Western cultural norms. Indeed, as our North Korean discussant put it, "even though" it is a U.S. ally, it is a respectable one to a variety of Asian nationalists, in that Lee and his successors have vigorously defended the nature of their social system as a historical, economic and social necessity. It is difficult to overstate the value of this to a North Korean audience, who is used to justifying the parlous state of their economy as a consequence of anti-American resistance.

Singapore presents an official ideology which also resonates with North Koreans, that of "rugged independence ... under the enlightened leadership of the PAP" (People's Action Party), with Lee as "the ideological capstone of the system."<sup>18</sup> Peter Wallace Preston sees this as the lynchpin of the creation of a "National Past," which for Singapore rests on the idea of "underdevelopment" and that a polity can move from that condition to one of "development" through visionary and determined leadership. This ideology was then writ onto a macro scale and exported abroad.<sup>19</sup> These claims, while contestable, have a certain linkage to DPRK's ideological framework. Though there are vast differences, not least of which are communism and race-centrism, there exists the common threads that development and independence are a struggle to be won. In particular, those are things to be won by exceptional leadership.

Both countries also have in common the fact that their existence as independent states truly does seem unlikely. Singapore was born

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17. Graham Allison and Robert D. Blackwell, *Lee Kuan Yew: The Grand Master's Insights on China, the United States and the World* (Cambridge, Mass: MIT Press, 2013), pp. 30-31.

18. Peter Wallace Preston, *Singapore in the Global System: Relationship, Structure and Change* (New York, NY: Routledge, 2007), p. 190.

19. *Ibid.* p. 120.

as an independent country in 1965 when it was kicked out of Malaysia. With the “Konfrontasi” [confrontation] between Indonesia and Malaysia in full swing, it was unlikely that such a small island could maintain itself apart as an independent nation — absent a national history and with a polyracial citizenry - from its two large neighbors. Certainly in the period after independence, its prospects for remaining a sovereign state did not look strong.

If one wants to be somewhat pithy, one can even point to the fact that Singapore has seen a father-son transition of leadership. Lee Hsien Loong succeeded his father, though there was a fourteen-year gap while Goh Chok Tong held the reigns from 1990 to 2004. Likening the Lee power transition with the Kim family transitions may appear to be a flippant comparison at first, but when combined with the Asian values debate and Singapore’s state ideology, it can be highly appealing to a North Korean audience. Certainly, they are extremely well acquainted with the concept of having all the values of the nation being perfectly embodied by a single leader.

There are also “socialist” policies, as perceived by North Koreans, which play favorably for a North Korean audience. Perhaps most notably, while there is an active private property market, about 80 percent of Singapore residents live in a Housing Development Board flat.<sup>20</sup> With a public housing scheme linked to the national pension program, home ownership is above 90 percent.<sup>21</sup> This is the highest rate in the world. Certainly, Choson Exchange participants on a study trip to Singapore in 2011 remarked at how surprising this number was. Pyongyang has so far failed to coherently channel a response to the slow realization that both domestic and international market forces

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20. Ministry of National Development, “Conversation in Public Housing,” Ministry of National Development Homepage, April 13, 2013, [http://www.mnd.gov.sg/homesweethome/conversation\\_public\\_housing\\_media\\_radical\\_idea\\_remove\\_income\\_ceiling.htm](http://www.mnd.gov.sg/homesweethome/conversation_public_housing_media_radical_idea_remove_income_ceiling.htm).

21. Søren Smidt-Jensen and Signe Cecilie Jochumsen, “Successful Long Term Public housing Strategies in Singapore,” *the International Federation for Housing and Planning website*, July 4 2012, <http://www.ifhp.org/ifhp-blog/singapore%E2%80%99s-successful-long-term-public-housing-strategies>.

are an inevitable part of 21st century social landscape. Yet Singapore demonstrates an Asian example of market forces being harnessed to socialist ends.

## Capacity-Building in Singapore

*Capacity-building* programs can only be successful when the DPRK government has made a serious decision to accept and pursue economic policy changes. This decision has to be accepted by a broad segment of DPRK elites, in order to ensure that there is follow-through from programs. Once the decision is made to pursue such changes, the context becomes less relevant. Also, at that future stage, it would hopefully be more possible and acceptable for North Koreans to study in the Republic of Korea. North Koreans should study policies and examples from a wide-range of countries, in order to develop policies appropriate to their context. However, Singapore can still play in role in capacity-building-type programs, as it has for many years for Chinese government officials.

Multiple institutions in Singapore have experience supporting skills development of Chinese officials, and knowledge of the China experience could be transferred over to the DPRK context. In 2009, Nanyang Technological University set up the Nanyang Center for Public Administration, specifically to train Chinese officials and Mayors with graduate courses conducted in Chinese. NTU has engaged in such trainings since the early 1990s, but this is a new and formalized program. Importantly, the two governments worked closely to establish the school. The Chinese side has borne much of the cost, including tuition.<sup>22</sup> The school has benefited from the experience of exchanges with China stretching back into the 1980s. The Lee Kuan Yew School of Public Policy is another institution involved with capacity-building.

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22. Kazuto Tsukamoto, "China's top officials study at Singapore's knee," *Asahi Shimbun*, June 28, 2010, <http://www.asahi.com/english/TKY201006270267.html>.

Established in 2004 at the National University of Singapore, it provided an institutional base from which to train officials from around the region and the world.

As noted, key aspects of Singapore's model have been gradually incorporated into Chinese reforms. These include media and information policy, in which censorship and pressure is employed in a limited fashion and agenda setting is used to guide public debate and opinion, rather than enforcing a total information blackout. An important shift was also ideological, in that economic growth became central to the concept of modern China, rather than an offshoot of another ideology. Maoism's "Better Red than Expert" was replaced by Deng's proverbial cats.

Related to this and most important, of course, was the use of market forces to drive development. While the Chinese state still targets key sectors and supports Chinese enterprises in order to boost competitiveness, it has become far less keen to dictate highly specific industrial plans, as it (and two other Tigers, South Korea and Taiwan) was once wont to do. In that sense, it followed Singapore's lead over the models of the other Tigers in allowing a largely unfettered if subsidized and protected free enterprise system to drive economic growth.<sup>23</sup>

Beyond China, Singapore has also acted as platform for capacity-building programs for its hinterland of Southeast Asia. Singapore was quick to establish diplomatic relations with Vietnam, in 1973. Since *Doi Moi*, more than 13,000 Vietnamese have received training in Singapore under the Singapore Cooperation Program. The two governments cooperated on the foundation of Vietnam-Singapore Training Centre in Hanoi in 2002 to focus on capacity-building for Vietnamese officials.<sup>24</sup> Similar training centers were established in Vientiane, Yangon and Phnom Penh. Singapore's government currently

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23. A. Boltho and M. Weber, "Did China Follow the East Asian Development Model?" *The European Journal of Comparative Economics*, Vol. 6, No. 2 (2009), p. 277.

24. Ministry of Foreign Affairs, "Singapore Vietnam Relations," *Ministry of Foreign Affairs Homepage*, March 2 2014, [http://www.mfa.gov.sg/content/mfa/overseasmission/hanoi/foreign\\_policy.html](http://www.mfa.gov.sg/content/mfa/overseasmission/hanoi/foreign_policy.html).

runs a series of “Training Compendiums” for Vietnam, Myanmar, Cambodia and Laos covering both private and public sector management issues.

Singapore thus has had considerable experience training and influencing the officials of China, Vietnam and others as they experimented with economic reform measures. Perhaps more importantly from a North Korean perspective, it is perceived to have played a positive role in supporting development in China and Vietnam without pushing for regime change.

Finally, North Koreans already have experience with capacity-building in Singapore. Though there has been a gap of several years now, Nanyang Technological University helped organize several training programs for North Koreans during the late 1990’s, with financial support from international organizations.

## DPRK Today

If we can sometimes detect something approaching unease towards the rambunctious, chaotic Beijing that North Koreans encounter when they first leave their country, one certainly sees the aspirational impression that Singapore fosters during programs in the city state. Perhaps when North Koreans travel to Europe, the widely divergent history, cultural and development trajectory of that continent makes it difficult to see the adaptability of the European experience. In Singapore, the cultural and historical similarities have the opposite effect. The achievements there *seem* more adaptable. “This,” one feels the Koreans are thinking, “is doable.”

Of course, feeling inspired and having the capacity to act on knowledge gained or relationships built are not the same thing. For truly transformative developmental change in DPRK, a major set of decisions will be required from the very top of Pyongyang’s leadership. Before such changes are clearly in progress, and irreversible, programmatic focus should be on ideation. We need to temper expectations, and look more towards fostering an increased awareness and motivation

towards learning, instead of expecting major policy changes. Programs need to be designed to focus on context-based learning, and aim to involve a critical mass of participants to ensure that consensus on the need for economic growth (and its approach) develops over time.

Ideation programs are needed because as yet, there is ambivalence about changing economic policy in the DPRK. There have been over the last several years, sporadic indications that the new leadership recognizes the limited nature of *Songun* (military-first) as a long-term solution to maintaining domestic support and achieving development goals. There is conscious top-down experimentation with economic policy and organization over the past few years, but they remain as limited experiments, and are often aborted or delayed in the face of opposition from vested interests.<sup>25</sup> If the DPRK first saw a spasm of reform in 2002, the DPRK was also rife with rumors of economic reform measures in 2012.<sup>26</sup>

Certainly, Pyongyang has not shown anywhere near the commitment to reform that would see it investing its own resources in training officials overseas. Given the state of DPRK-U.S. relations, Singapore is generally cautious about engaging the DPRK. The DPRK's outlier status creates certain inhibitions in Singapore's risk-averse policymaking circles. As such, countries with an interest in the DPRK's economic development, such as South Korea, have to signal encouragement to countries outside the six-parties to develop some forms of engage-

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25. Park Hyeong Jung, "North Korea's 'New Economic Management System': Main Features and Problems," *Korea Focus*, January 2014, [http://www.korea-focus.or.kr/design3/essays/view.asp?volume\\_id=146&content\\_id=105092&category=G](http://www.korea-focus.or.kr/design3/essays/view.asp?volume_id=146&content_id=105092&category=G).

26. Under the 'June 28th Policy' of economic management measures in 2012, agricultural producers were to receive 30% of production, while workers in small and medium-sized enterprises were to no longer receive state distribution, instead being paid entirely in cash. It was to go into force nationwide on October 1st, but that date came and went with no sign of reforms. There is speculation that the measures will be attempted again. Despite Kaesong's problems in 2013, Pyongyang now clearly sees Special Economic Zones as a way to experiment with and yet control economic growth with the designation of 14 new zones in mid-2013.

ment. President Park's "internationalization" call is promising in this aspect.<sup>27</sup>

Given this continued state of uncertainty in DPRK, there is a need to carefully differentiate between *ideation* programs and *capacity-building*, to focus on ideation programs while waiting for the internal policy decision to swing more decisively towards a fundamental reset of economic policy, before embarking on large-scale capacity-building activities. Keeping these program categories in mind will also allow for better-placed expectations, better program design and more appropriate assignment of evaluation metrics to program-type.

■ Article Received: 4/22 ■ Reviewed: 5/22 ■ Revised: 5/29 ■ Accepted: 6/16

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27. See <http://english.donga.com/srv/service.php3?biid=2013091355818> (accessed March 26, 2014).

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