

Designing Economic Reforms: The Cases of North Korea and Vietnam

Geetha Govindasamy, Chang Kyoo Park, and Er-Win Tan

Since the death of Kim Jong-il in December 2011, it is apparent that his successor, Kim Jong-un, has embarked on a strategy of '*Byongjin*,' or parallel development of nuclear weapons whilst simultaneously undertaking economic reform. It is apparent that the new leadership in Pyongyang is seeking an approach to increase agricultural output to ease food shortages and improve the peoples' standards of living, amidst continuing diplomatic isolation. Such circumstances appear set to continue, given the continuing poor relations that Seoul and Washington have with Pyongyang, and the deterioration of Sino-North Korean relations. Set against this backdrop, we argue that there is potential for North Korea to look south, to the Association of Southeast Asian Nations (ASEAN), in attempting to develop a new model for economic reform. In particular, we note the success of Vietnam's *Doi Moi*, in enabling that country to overcome food shortages, raise living standards, stimulate rapid economic growth, and emerge from diplomatic isolation

Keywords: *Byongjin*, *Doi Moi*, Vietnam, North Korea, Economic Reform

Introduction

Following the death of Kim Jong-il and the succession by his son, Kim Jong-un, in December 2011, there was widespread speculation as to the policy directions that would be undertaken by the new leadership in Pyongyang. There were initial hopes that, with his education in Switzerland, the younger Kim would initiate Western-style reforms. Such early optimism appeared warranted with the signing of the 'Leap Year' Agreement with the U.S. Special Envoy Glyn Davies in February 2012, under which the North Koreans agreed to suspend their nuclear and missile programs as a *quid pro quo* for humanitarian aid. However, North Korea has since adopted an increasingly provoca-

tive pattern of behaviour, with two tests of the *Kwangmyŏngsŏng* rocket in 2012, a nuclear test in February 2013, and an unprecedented level of rhetorical vitriol against the U.S. and ROK leaders. Such behavior has isolated North Korea more than ever, with the imposition of additional sanctions on the DPRK. In so accepting international sanctions as the price of its nuclear program, it appears that the North Korean leadership has decided to turn its back on economic reform, given the impossibility of trade with the outside world under such circumstances. Instead, Kim Jong-un has decided to implement his own brand of economic reforms, referred to in the media as “our style economic management.”¹

Such trend is reflected in the political purges that have been undertaken since the succession of Kim Jong-un. Affirming the necessity of undertaking economic reform in line with Pyongyang’s ‘June 28 Decision’ of 2012,² on 15 July, the conservative, anti-reformist Chief of the General Staff of the Korean People’s Army, General Ri Yongho, was suddenly dismissed from his post.² More recent was the dismissal and execution of Kim Jong-un’s powerful uncle, Jang Song-taek, who held the title of Vice Chairman of the National Defence Commission of North Korea. Given that the late Jang had been a supporter of Chinese-style economic modernisation for the DPRK, it is apparent that his execution marked a signal from Kim Jong-un that Pyongyang was intent on adopting a new style of economic reform that affirmed the centrality of *Juche*, the North Korean conception of sovereignty based on ideologically-driven self-reliance.³

Particularly notable in this regard is the extent of the economic modernization that Kim Jong-un appears to have in mind. His prede-

1. Park Hyeong Jung, “One Year into the ‘6.28 Policy Directives’ — Contents and Progress,” Korean Institute for National Unification, Online Series CO 13-18, June 14, 2013, <https://www.kinu.or.kr/upload/neoboard/DATA01/co13-18%28E%29.pdf>.

2. Ibid.

3. *Economist*, “Crying uncle,” 14 December, 2013, <http://www.economist.com/news/asia/21591581-kim-jong-un-has-managed-improbable-feat-making-north-korea-even-scarier-crying-uncle>, accessed 15 December 2013.

cessor, Kim Jong-il, adopted a policy known as *Songun* (Military First Politics) that had granted increased priority for military development, as well as luxury goods to senior members of the North Korean military establishment.⁴ Clearly, the older Kim's priority was on maintaining military strength and ideological purity as the safeguard of regime security. In contrast, one can reasonably argue that the younger Kim is attempting to improve the living standards of the North Korean people, with an economic shift towards alleviating food shortages and increasing the circulation of consumer goods. In this regard, Kim Jong-un's concurrent development of a nuclear program appears aimed at providing the DPRK with a security guarantee against the prospect of the U.S. coercion as well as dependence on South Korea, whilst maintaining the sovereignty of North Korea.

Set against the backdrop of increasingly strained relations between Pyongyang and Beijing as well as continuing coercion by Washington and Seoul, it appears that the North Korean leadership has chosen to look south, towards the Association of Southeast Asian Nations (ASEAN), as a model for economic reform that can be adapted to suit the North Korean context. It is notable that the period since 2012 — in other words, following the succession of Kim Jong-un — has seen an increasing number of official visits by North Korean envoys to Indonesia, Singapore, Laos, Myanmar, and Vietnam. A key tenet of the ASEAN grouping is the 'ASEAN Way,' emphasising non-interference in the internal affairs of its members. Such characteristics of ASEAN members are doubtlessly attractive to Kim Jong-un, given the need to maintain firm authoritarian control of the country even whilst increasing North Korea's economic and commercial relations with the rest of the international community. Due to constraints of space, it will not be possible to discuss North Korea's relations with all ten ASEAN members. However, we argue that there is sufficient evidence to suggest that Vietnam's *Doi Moi* model of economic modernisation has some potential for adaptation to suit the social and economic char-

4. Ralph Hassig and Kongdan Oh, *The Hidden People of North Korea: Everyday Life in the Hermit Kingdom* (Plymouth: Rowman and Littlefield, 2009), p. 26, 70.

acteristics of North Korea.

We propose to begin our analysis with an examination of the economic challenges that beset North Korea, and how these have led to Kim Jong-un's adoption of new economic reforms that are significantly different from Kim Jong-il's. We examine North Korea's rationale in looking to ASEAN as a model for economic reform that can be incorporated by Pyongyang in its own redevelopment. In particular, there is evidence to indicate that the success of Vietnam's *Doi Moi* in stimulating economic growth reflects elements that can be adapted to suit the North Korean context.

Current North Korean Economic Developments

As early as the 1990s, Kim Jong-il had recognised the need for economic reform to cope with famine and Pyongyang's isolation. Under such circumstances, during the "legacy period"⁵ inherited by Kim Jong-il from 1994 to 1996, North Korean economic policy had emphasized light industry as a means of overcoming the country's food shortages. From 1997 onwards, having consolidated his position of power, Kim Jong-il adopted an emphasis on heavy industries with military applications such as coal, steel production, electricity, and railways.⁶

The period between 2000 and 2001 saw yet further evolution in North Korea's external economic policy, with Kim Jong-il making his first official trip to China, during which the North Korean leader made positive references to China's economic modernization.⁷ Coming at the same time-frame as the Inter-Korean Summit with ROK President Kim Dae Jung and the Clinton Administration's rapprochement with Pyongyang, it was widely speculated that the DPRK would undertake

5. This marked the official period of national mourning following the death of DPRK Founding Father Kim Il Sung in 1994 and the leadership transition to his son, Kim Jong-il.

6. Hassig and Oh, *The Hidden People of North Korea*, p. 70.

7. Scott Snyder, *China's Rise and the Two Koreas: Politics, Economics and Security* (Boulder, Colorado: Lynne Rienner, 2009), pp. 122-23.

some form of economic reform. As early as the 1990s, North Korea had already started opening up economically, with the establishment of the Rajin-Sonbong Special Economic Zone (SEZ). Given the crucial role that the establishment of SEZs had played in the economic modernisation of China during the 1990s, it is clear that North Korea intended such an approach to spur economic growth modelled after China's Open Door Policy.⁸ With the ROK's support for the Mount Kumgang Tourism Project and, later the Kaesong Industrial Complex under the Sunshine Policy, it was widely hoped that the DPRK would continue Pyongyang's apparent adaptation of Chinese-style economic opening based on institutionalised SEZs.

From late 2001 onwards, however, it appears that Kim Jong-il began to move away from emulating the Chinese economic model, and instead concentrated on internal reforms.⁹ Due to past decades of rigid adherence to the system of collective farms, periodic flooding, a short planting season, and the scarcity of arable land, North Korea faced food shortages far more severe than China's during the 1970s. Moreover, the sheer size of China's population and export market enabled Beijing to mobilize and concentrate capital in the coastal urban centres of industry whilst yielding vast economies of scale; North Korea, with a population of some 22 million and extreme diplomatic isolation, was in no way able to successfully adopt the Chinese model of economic reform. Pragmatic considerations in Pyongyang underlined the need to address the poor standards of living in North Korea, in particular the severe food shortages as a threat to regime security.

It is thus notable that, in 2002, Kim Jong-il unveiled the 'July First' phase of economic reforms, which included an incentive system for improving agricultural output to overcome food shortages.¹⁰ This

8. Eric Yong-Joong Lee, "The Special Economic Zones and North Korean Economic Reformation with a Viewpoint of International Law," *Fordham International Law Journal*, Vol. 27, No. 4 (2003), pp. 1346-47.

9. Hassig and Oh, *The Hidden People of North Korea*, p. 71.

10. Robert L Carlin and Joel S Wit, *North Korean Reform: Politics, Economics and Security* (London: IISS, 2006), p. 31; Hassig and Oh, *The Hidden People of North Korea*, pp. 72-73.

same period was accompanied by good relations between Seoul and Pyongyang, with ROK Presidents Kim Dae Jung and Roh Moo Hyun providing economic aid as part of their Sunshine Policy of diplomatic engagement with North Korea, enabling the establishment of the Mount Kumgang resort and the Kaesong Industrial Complex. Seoul's engagement with North Korea thus bestowed significant inter-Korean economic cooperation for the period 1998 to 2008.

With the succession of Lee Myung Bak as President of the ROK, however, inter-Korean relations drastically changed for the worse. North Korea's attempts at economic reform during this period reflected the policy dilemmas faced by Pyongyang. Although Pyongyang benefited from the Sunshine Policy, it was apparent that such an avenue for foreign investment was too dependent on factors that were beyond the control of the North Korean leadership. President Lee adopted a hard-line posture of repudiating the Sunshine Policy in favour of a more coercive approach towards Pyongyang. This involved demanding significant North Korean concessions on human rights, and abolition of Pyongyang's missile and nuclear programs as preconditions for further aid from the ROK and improved relations with Seoul. Under such circumstances, the North Korean leadership saw the prospect of economic cooperation with Seoul as being subject to changes of administration in the ROK.

Furthermore, given the growing economic success of the ROK, the DPRK increasingly came to realize that linking the antiquated North Korean economy to its prosperous rival would leave Pyongyang vulnerable to the forces of globalization. Given that an early form of the latter had arguably brought about the collapse of the Communist regimes in Eastern Europe in 1989-91, it was clear to the North Korean leadership that a new approach to economic reform — and one over which Pyongyang had greater control — was necessary. This was reflected in the economic chaos faced by North Korea in 2009, including a drastic devaluation of the DPRK Won and the execution of Pak Nam-gi, Director of the Planning and Finance Department. The abruptness of these measures suggested a certain amount of panic within the ranks of the North Korean leadership about the direction

that was being taken by the process of economic reform.

Further accentuating the extent of North Korean isolation was its growing reluctance to borrow elements from the Chinese economic model, as well as end Pyongyang's dependence on the ROK. Further compounding this situation was that, because of its rising position in the world, Beijing has come to view the DPRK's unpredictable behaviour as a strategic liability to Chinese strategic interests. Although formerly allies, Beijing had acquiesced to, or supported United Nations Security Council sanctions over North Korea's missile and nuclear tests in 2006, 2009, 2012 and 2013, and has voiced increasingly public criticism of North Korea.¹¹ More seriously, among the U.S. diplomatic cables released by Wikileaks in 2010 was a statement by Chinese officials referring to their erstwhile client in Pyongyang as a 'spoiled child' that Beijing was "ready to abandon."¹² Such circumstances reflect the deteriorating relationship between Pyongyang and Beijing, and hence North Korea's reluctance to avoid dependence on its erstwhile superpower patron.

These developments thus formed the backdrop of the economic and security challenges that Kim Jong-un faced upon his inauguration as leader of North Korea in April 2012, hence the adoption of a new strategy, called *Byongjin* ('Parallel Track'). The latter envisaged the parallel undertaking of economic reform of the DPRK at the same time as development of a nuclear weapons program. The economic component of *Byongjin* was reflected in Kim Jong-un's unveiling of the 'June 28' Policy in 2012. In outlining North Korea's 'June 28' (referred to elsewhere as '6.28') strategy for economic modernization, Kim Jong-un outlined what he referred to as 'our-style of economic

11. *Voice of America*, "China Tightens Nuclear Sanctions Against North Korea," September 24, 2013, <http://www.voanews.com/content/china-tightens-nuclear-sanctions-against-north-korea/1756023.html>; Zachary Keck, "China Lashes Out at North Korea," *The Diplomat*, 5 April, 2014, <http://thediplomat.com/2014/04/china-lashes-out-at-north-korea/>.

12. Simon Tisdall, "Wikileaks cables reveal China 'ready to abandon North Korea'," *Guardian*, 29 November 2010, <http://www.theguardian.com/world/2010/nov/29/wikileaks-cables-china-reunified-korea>.

management method;' such terminology clearly reflected the North Korean leadership's intentions to avoid over-reliance on external influences in designing a model for economic reform.

In so doing, it is apparent that Kim Jong-un is intent on adopting a unique approach to reform that is significantly different from his predecessors at both the internal and external levels of economic and security policy. The period since 2012 has seen a clear hardening of Pyongyang's stance on its missile and nuclear programs. In spite of agreeing to suspend missile and nuclear tests under the 'Leap Year Agreement' of February 2012, North Korea went ahead with two tests of the controversial *Kwangmyŏngsŏng* rocket in April and December that year, along with its third nuclear test in February 2013. Such developments suggest that Kim Jong-un has no intention of abandoning the country's nuclear and missile ambitions. Given that his predecessors had agreed (albeit under difficult conditions) to negotiate with the U.S. and ROK on North Korea's missile and nuclear programs, it appears that Kim Jong-un has taken a significantly more hardline position on the latter.

Further reflecting the differences between Kim Jong-un and his predecessors is the unique nature of the 'June 28' Policy. This is reflected in Park Hyeong Jung's characterization of Kim Jong-un's strategy as an equation that consisted of "Communist Party rule, plus coexistence of plan and market, plus state-ownership of means of production."¹³ At the internal level of reform, the 'June 28 Policy' has taken the form of providing some level of autonomy for factories and cooperative farms in production decisions, whilst remaining under the supervision of the central government. Crucially, it is notable that economic modernization under Kim Jong-un has taken the form of continued strict government control over the means of production, whilst encouraging small and medium enterprises to carry out their activities independently, yet under state supervision.¹⁴ The external side of the 'June 28' Policy is markedly different in North Korea's

13. Park, "One Year into the '6.28 Policy Directives'."

14. Ibid.

adoption of more flexible rules in allowing the usage of foreign currency, and 'different economic rules' in the SEZs to protect foreign investors. Given that Pyongyang has a poor track record in imposing unpredictable contractual rates for rent at its SEZs, it is apparent that the North Koreans are increasingly aware of the need to 'play by the rules' in creating an environment attractive for foreign investors.¹⁵ Such measures suggest a higher level of economic reform compared to the period under Kim Jong-il. The latter oversaw the opening of two SEZs; in contrast, Kim Jong-un has announced plans to open 14 SEZs.¹⁶ This has been accompanied by a series of initiatives to redevelop the North Korean tourism sector, with a high-profile effort to complete the long-delayed Ryugyong Hotel and the construction of a new ski resort.¹⁷

North Korea and Vietnam's *Doi Moi*

Set against the challenges of implementing *Byongjin* whilst under the shadow of sanctions over the DPRK's nuclear and missile programs and the simultaneous desire to reduce the DPRK's dependence on China or the ROK, it appears that North Korea is now beginning to look south, in the direction of ASEAN. At his inauguration speech in April 2012, Kim Jong-un had announced plans for his subordinates to undertake visits to Southeast Asian countries to explore new economic relations.¹⁸ It is reasonable to argue that Pyongyang views ASEAN

15. Alistair Gale, "North Korea Signals New Economic Push," *Wall Street Journal*, 27 December 2013, <http://online.wsj.com/news/articles/SB20001424052702304753504579281770272632030>.

16. *Yonhap News Agency*, "N. Korea adds 14 special economic zones: report," 23 October 2013, <http://english.yonhapnews.co.kr/news/2013/10/23/44/02000000AEN20131023008800315F.html>.

17. *Huffington Post*, "North Korea's Ryugyong Hotel: A First Look Inside The World's Most Mysterious Lodging," 27 December 2012, http://www.huffingtonpost.com/2012/09/27/north-koreas-ryugyong-hot_0_n_1918701.html; BBC, "What is it like to ski in North Korea?," 13 February 2014, <http://www.bbc.com/news/world-asia-26148891>.

members as a source of capital, information and technology transfer, as well as an empirical model for economic modernisation that can be adapted to suit the North Korean context. Good relations have generally been enjoyed between Hanoi and Pyongyang. During the Vietnam War, Pyongyang despatched some 200 fighter pilots to assist in the air defence of Hanoi. Furthermore, the ROK, which established relations with Vietnam in 1992, expected Hanoi to play a role in the opening up of North Korea. Given Vietnam's own history as another divided country, former ROK diplomat Park Joon-Woo noted that Hanoi is in a strong position to offer its own experience as a model for economic reform that can be adapted by Pyongyang.¹⁹ It is apparent that Vietnam's '*Doi Moi*' model has the most potential for adaptation to assist in the economic reform of North Korea, hence our particular focus on the DPRK's relations with Hanoi.

Whilst it would be necessary to avoid extrapolation between the economic situations of Vietnam and North Korea, it is possible to identify certain parallels between the two countries that appear to have some application to the DPRK's circumstances. Following the collapse of South Vietnam and the unification of the country in 1975, Hanoi had imposed Stalinist-style centralized economic planning based on collective farms in order to integrate the country; the result, however, was food shortages and severe economic deterioration that compounded post-war recovery. This was not helped by the fact that post-1975 Vietnam faced severe isolation. Washington remained deeply antagonistic towards Hanoi, not only for ideological reasons, but also over suspicions that many American POWs remained in Vietnamese hands. It should be noted that the U.S. sanctions against Vietnam remained in place until 1995. Although China had supplied

18. Cited by Scott Snyder, at "North Korea in the Kim Jong-un Era: Implications for Japan, the US, and Northeast Asia," Seminar hosted by the US-Japan Institute, Washington DC, 6 September 2012, http://www.us-jpri.org/en/reports/seminar/summary_20120906.pdf.

19. Pham Thi Thu Thuy, "The colorful history of North Korea-Vietnam relations," *NK News*, 1 August 2013, <http://www.nknews.org/2013/08/the-colorful-history-of-north-korea-vietnam-relations/>.

weapons and medical supplies to support the Vietnamese war effort, Hanoi was aware that it was being used by Beijing as a 'Cold War pawn;' it should be noted that the historical legacy of antagonism and rivalry between Vietnam and China stretches back more than a thousand years.²⁰ Moreover, China's support for the Pol Pot regime in Cambodia would lead to the outbreak of war between Vietnam and the PRC in 1979. Finally, although the USSR had been a major supporter of Hanoi's war effort during the war, Moscow had begun to lose interest in Vietnam after the fall of Saigon. Furthermore, increasing Soviet preoccupation in Afghanistan during the 1980s, the strains of the global nuclear arms race and domestic economic crisis, meant that Moscow had little interest in subsidizing trade with Vietnam. Such trends in the aftermath of 1975 meant that Vietnam faced the virtual absence of foreign support as well as investments and aid, even as Hanoi's deteriorating relations with Beijing led to the ascendancy of the military in the Vietnamese Government's budget, even at the expense of economic development.²¹ The convergence of such trends led to grim prospects for the Vietnamese economy, with an annual inflation rate of 400 percent, poor economic growth, and famine that threatened the nation with a vicious circle of poverty.²²

Faced with these challenges, in late 1986, the VI Party Congress identified the policy mistakes that had been made in the aftermath of 1975. Attempts to abolish non-socialistic economic sectors had led to a breakdown in the management and distribution of food and consumer goods. This was not helped by an over-centralised, top-heavy bureaucracy that failed to provide an accurate assessment of the country's

20. Vuong Quan Hoang and Tran Tri Dung, "The Cultural Dimensions of the Vietnamese Private Entrepreneurship," CEB Working Paper No.09/027 July 2009, Centre Emile Bernheim, Research Institute in Management Sciences, 6.

21. Hoang Anh Tuan, "Doi Moi and the Remaking of Vietnam," *Global Asia*, September 2009, http://www.globalasia.org/V4N3_Fall_2009/Hoang_An_Tuan.html.

22. Dalila Cervantes-Godoy and Joe Dewbre, *Economic Importance of Agriculture for Sustainable Development and Poverty Reduction: The Case Study of Vietnam*, OECD Food Agriculture, and Fisheries Papers, No.23, OECD Publishing 2010. 5-6, doi:10.1787/5kmmv9s20944-en.

social and economic challenges, and hindered economic growth. Furthermore, the VI Party Congress noted that economic development had been undertaken at the expense of education, healthcare, and other social dimensions of nation-building.²³

Faced with these challenges, the Vietnamese government saw the need for an approach to economic reform that was guided by pragmatism in addressing the welfare of the people whilst simultaneously ensuring government control of the country. Interviewed by the authors in late 2013, the Vietnamese Ambassador to Malaysia, Lap Hoang Trong, thus noted that ‘before 1986,’ we had a macro-economy that relied heavily on state-run economic subsidies and a high level of government control. *Doi Moi* essentially aimed to accomplish a “socialist-oriented free market economy’ in which the government would continue to keep the main role.”²⁴ Such process of reform is particularly noteworthy in signalling a fundamental shift in government policy; as early as 1981, Hanoi had implemented a contract system for agriculture that allotted small plots of land to households. Although these measures alleviated food shortages somewhat, the resulting backlash from ideological hardliners in Hanoi led a shift back to collective farming and a return to severe food shortages.

The implementation of *Doi Moi* in 1986, however, represented a fundamental shift in government, economic, and agricultural policy that went beyond mere tinkering with an existing economic model. Rather, *Doi Moi* also encompassed significant change in Vietnam’s macroeconomic and trade policy, along with social reform to improve the living standards of the ordinary Vietnamese. Although sharing some characteristics of China’s reforms under Deng Xiaoping — a phenomenon that Jonathan London referred to as a “Market-Leninist Welfare Regime”²⁵ — Vietnam’s *Doi Moi* approach was one that took

23. VI Congress of the Communist Party of Vietnam, 1986, 6-8.; cited in *Korea Institute for National Unification*, “Korea-Vietnam International Conference Report: Economic and Social Reform of Vietnam and its Lessons for North Korea,” MO 05-02, September 10, 2005.

24. Interview with Ambassador Nguyen Hong Thao of the Socialist Republic of Viet Nam, Kuala Lumpur, Malaysia, November 18, 2013.

into account Hanoi's social and industrial circumstances. Deng Xiaoping's emphasis on heavy industry was successful in the Chinese context due to Beijing's ability to mobilise and concentrate human capital in urban centers, as well as a reasonably sound infrastructure and secondary industries. Even so, as London noted, without denying the transformation of China's macro-economic sector, Chinese society has suffered adverse costs as a result of Beijing's priority on economic modernisation at the expense of social well-being.²⁶ 1980s Vietnam, in contrast, had to contend with a significantly smaller population, war-damaged infrastructure, and an economy that was dominated by the agricultural sector to a far higher extent than China's. Under such circumstances, and recognising the importance of avoiding social unrest and dissent, Hanoi recognised the necessity of a more pragmatic approach to economic reform that did not bring about concurrent disruptions in food supplies; hence, the adoption of a model of reform that paid more attention to the welfare needs of the people.

The influence of these considerations was thus reflected in *Doi Moi's* early emphasis on decentralisation of Vietnam's agricultural sector during the second half of the 1980s, granting farming families ownership of their land and agricultural assets, and making decisions on their agricultural output in response to free market signals.²⁷ Particularly notable was the extent of the 1988 Land Law that granted individual farming families the rights to cultivate between 80-85 percent of the country's agricultural land area. Further legislation in 1993 saw reduced restrictions on the rights of farming communities to buy and sell rights to invest and cultivate farmland.²⁸ Although these measures left the government in Hanoi as the legal owner of the land, the decentralization of the decision-making process and an incentives-based system for rewarding productivity enabled a massive

25. Jonathan London, 'Welfare Regimes in the Wake of State Socialism: Viet Nam, China, and the Market-Leninist Welfare Regime,' *Conference on "Asian Social Protection in Comparative Perspective,"* January 7-9, 2009, Singapore, 1-2.

26. *Ibid.*, pp. 17-18.

27. Cervantes-Godoy and Dewbre, *Economic Importance of Agriculture*, p. 5.

28. *Ibid.*, p. 11.

increase in agricultural productivity.

Further differentiating Hanoi's approach from Deng Xiaoping's program of economic reform was *Doi Moi's* emphasis on improving the lot of the people, whilst ensuring that the political authority of the central government was not affected. This was evident in Hanoi's hybrid state/private approach in the graduated introduction of market forces into key social welfare services. As adoption of a Gorbachev-like 'shock therapy' approach of rapid privatisation of state services ran the risk of social chaos (which, in the eyes of the people, would have been attributable to the government), Hanoi instead adopted a more prudent approach of gradual introduction of free market forces. Vietnam's education sector thus saw the emergence of a hybrid education combining state provision of primary education alongside private expenditure by the country's emerging middle class. Similarly, the healthcare sector in Vietnam has seen gradual increased incorporation of market forces alongside government funding for healthcare.²⁹

Such limited reforms began to yield results almost immediately. Bearing in mind *Doi Moi's* emphasis on alleviating food shortages in the country, Ambassador Lap noted that "before 1986, we were an impoverished country that had to import rice to feed our own people, but after the *Doi Moi*, we have become the second largest exporter of rice after India."³⁰ Between 1986 and 1991, economic growth increased from 3.4 percent to 6 percent, whilst the value of exports quadrupled during the same period.³¹ These early measures, whilst aimed at improving the standards of living amongst the people, had a ripple effect that enabled *Doi Moi* to be further expanded during the 1990s, including the removal of ideological constraints on economic development, the utilisation of free market forces in manufactured consumer goods, and the encouragement of foreign direct investment in the

29. *Ibid.*, pp. 12-15.

30. Interview with Ambassador Nguyen.

31. Raymond Mallon, "*Doi Moi* and Economic Development in Vietnam: A Rapid Overview of a Decade of Reform," in Adam Fforde (ed.), *Doi Moi: Ten Years After the 1986 Party Congress* (Canberra: Department of Political and Social Change, Australian National University, 1997), pp. 10-11.

country.

The impact of this process of economic reform has continued to accelerate; by 2000, Vietnam had emerged as the third-fastest growing economy in the world as well as the world's 40th-ranking exporter of goods and services.³² Such spectacular growth enabled Vietnam to accomplish the United Nations Millennium Development Goal of halving the national poverty rate in 2002 — an objective scheduled for 2015. Thus, for instance, in 1993, 58.1 percent of Vietnam's population was below the poverty line; this figure was cut to 15.9 percent by 2006.³³ Such a rate of economic growth in turn enabled Vietnam to extend the coverage of state welfare initiatives, with extension of free health care to all children under the age of 6, and state-sponsored coverage health care for 60 percent of the population in 2005.³⁴

Furthermore, in spite of the bitter legacy of the Vietnam War, Hanoi was able to normalise its diplomatic relations with the U.S. in 1995. Washington granted Vietnam 'Most-Favoured-Nation' trading status in 2006, thereby paving the way for Vietnam's joining the World Trade Organisation the following year. Such improvements in Hanoi's relations with Washington had significant implications — at the beginning of the thaw in the U.S. relations with Vietnam in 1991, Washington provided Hanoi with US\$ 1 million in development assistance; by 2009, this figure had surpassed US\$ 100 million.³⁵ In a similar vein, having signed a bilateral trade agreement, the U.S.-Vietnam trade increased from US\$ 1 billion in 2001 to US\$ 7.2 billion in 2006. Moreover, given the rising costs of labour in China, it is likely that the U.S. and other companies view Vietnam as an alternative source of inexpensive production of goods and services.³⁶ Foreign

32. Jean-Pierre Lehman, "Smaller Dragon Makes Global Strides," *International Herald Tribune*, July 12, 2010.

33. Cervantes-Godoy and Dewbre, *Economic Importance of Agriculture*, p. 19.

34. Hy V. Luong, "Economic Momentum and Stronger State-Society Dialogue," *Asian Survey*, Vol. 46, No. 1 (2006), p. 151.

35. Mark E Manyin, "U.S.-Vietnam Relations in 2011: Current Issues and Implications for U.S. Policy," *Congressional Research Service*, 18 May 2012, pp. 12-13, <http://www.fas.org/sgp/crs/row/R40208.pdf>.

direct investment in Vietnam increased from some US\$ 4 billion in 2005 to nearly US\$ 12 trillion in 2007. In a similar vein, GDP growth rose from 6.9 percent in 2001 to 8.2 percent in 2006; even after the impact of the global financial crisis, economic growth remained at a respectable 6.9 percent in 2010.³⁷ Thus, so spectacular has Vietnam's economic growth been that the *Economist* has listed it as one of the 'CIVETS' economies set to join the industrialised world by the mid-21st century.³⁸

North Korea Looks to Southeast Asia

Whilst it is necessary to avoid over-extrapolating the circumstances faced by North Korea and Vietnam, there are sufficient parallels between the two countries to suggest that the *Doi Moi* model of economic reform can be adapted to suit the North Korean context in attempting to break out of diplomatic isolation and integrate itself in the international community. Bearing in mind the North Korean leadership's obsession with regime survival, the DPRK is doubtlessly attracted to the idea of learning about economic development from Vietnam, given that the latter was able to achieve spectacular economic growth in spite of severe diplomatic isolation, whilst continuing to retain firm authoritarian control of the country.

Given that North Korea's previous attempts to borrow elements from the Chinese model of economic reform have not achieved the

36. William Armbruster, "New road in Vietnam," *Journal of Commerce*, Vol. 8, No. 2 (2007), pp. 18-20.

37. This data is based on analysis of the Economic Intelligence Unit's Vietnam Country Report during this period, cited in Yang Un Chul, "A Study on the Applicability of *Doi Moi* Policy to North Korea from the Perspective of Economic Transition," *Journal of International Trade and Industry Studies*, Vol. 16, No. 4 (2011), pp. 7-11 (kookje tongsang yongu, "vietnam doimoijungchackui bookhan juckyong ganungsung: chaeje jeonhwanui kwanjum").

38. *The Economist*, "The World in 2010: Predictions," 26 November 2009, http://www.economist.com/blogs/theworldin2010/2009/11/acronyms_4.

results that Pyongyang had sought, it is apparent that the North Korean leadership is looking for a new approach. Given that aforementioned challenges faced by the DPRK, however, such a model for reform had to be based on one that could enable a comparatively small, isolated country with few friends, to attract foreign investments within a short time period to spur economic growth. Moreover, given Kim Jong-un's identification of the need to raise living standards, such a model of economic reform would also have to involve an effective plan for alleviating food shortages and increasing the circulation of consumer goods. Such a model would have to incorporate these requirements within the context of a politically closed, authoritarian regime.

These requirements suggest that North Korea is working to re-establish good relations with ASEAN members. North Korea has traditionally strong ties with Cambodia, Indonesia, Singapore and Vietnam through the non-aligned movement.³⁹ The period since 2012 has seen increasing number of high-profile visits by North Korean officials to ASEAN countries; Chairman of the Presidium of the Supreme People's Assembly Kim Yong-Nam travelled to Indonesia and Singapore in May 2012, and this was followed by Workers Party Secretary Kim Yong-Il visiting Laos, Vietnam, and Myanmar In June 2012.⁴⁰ This was illustrated in 2012, when Ri Myong Gil, Chairman of the Union of Agricultural Workers of Korea, and Kim Yong-il, Secretary and Director of International Affairs, undertook a series of working visits to study Vietnamese agricultural policy and management. Particularly notable was Kim Yong-il's visit to a communal farm in Thai Binh Province in Vietnam, when he discussed agricultural production policies with Vietnamese officials, clearly suggesting North Korean interest in learning how Vietnam overcame the food shortages of the 1980s.⁴¹

39. Kim Young-jin, "North Korea looks to Southeast Asia for help," *Korea Times*, 4 June, 2012, http://www.koreatimes.co.kr/www/news/nation/2012/06/116_112343.html.

40. Steven Borowiec, "North Korea goes a-schmoozing," *Asia Times*, 29 June, 2012, <http://www.atimes.com/atimes/Korea/NF29Dg02.html>.

A key tenet of the ASEAN grouping is the ‘ASEAN Way,’ underpinning a strict interpretation of the Westphalian norm that envisages non-interference in the internal affairs of its members. Rather, ASEAN’s activities are based on the principle that internal issues such as human rights records should not be linked to the fostering of trade and foreign investment. Such characteristics are doubtlessly attractive to Kim Jong-un, given that the North Korean leadership is wary of the possibility of social dissent as a threat to regime security that may arise as a result of increased exposure of the populace to the media. North Korea will instead favour a model of economic reform without having to face scrutiny of its internal affairs.

Interviewed by *Deutsche Welle* (DW) in 2013, Werner Pfennig of the Institute for Korean Studies in Berlin noted that “if North Korea really does have any kind of example, then it is Vietnam.”⁴² The attractiveness of the *Doi Moi* approach to Pyongyang is apparent when we consider the background of Vietnam’s experiment with economic development from the 1980s onward. Given their shared communist ideology, North Korea and Vietnam have historically enjoyed strong bilateral ties; during the Vietnam War, North Korea dispatched fighter pilots to assist in the air defense of Hanoi against American bombers. Hanoi’s establishment of diplomatic relations with Seoul in 1992, however, marked a strain in relations between Vietnam and the DPRK. Given that Vietnam’s *Doi Moi* experiment introduced a gradual revitalisation of its economy, such an approach, adapted to suit the North Korean context, might enable reformers in Pyongyang to avoid a conservative backlash from regime hardliners. Pfennig argued the North Korean leadership believes that Hanoi has been able to implement an economic policy in which the government retains full control of its economy and society.⁴³

41. *North Korea Leadership Watch*, “DPRK Delegations Depart for Visits to Southeast Asia,” 20 October, 2012, <https://nkleadershipwatch.wordpress.com/category/dprk-southeast-asia-relations/>.

42. Cited in “North Korea looks to Vietnam for inspiration,” *Deutsche Welle*, 11 January 2013, <http://www.dw.de/north-korea-looks-to-vietnam-for-inspiration/a-16514014>.

Since October 2007, there have been increased efforts in fostering bilateral economic cooperation between Hanoi and Pyongyang. This was reflected by the visit of the Vietnamese Communist Party Chief Nong Duc Manh to Pyongyang in October 2007, and North Korean Prime Minister Kim Yong-il's reciprocal visit to Hanoi.⁴⁴ Even more interesting was the more recent visit by Kim Yong-il's successor, Kim Yong Nam to Vietnam in August 2012, during which he affirmed how "the achievements [Vietnam] had made in socioeconomic development and national construction were an encouragement to [North Korea] in its national construction and development process."⁴⁵

Such developments were particularly interesting given that, from 1996 until 2007, there had been virtually no trade between North Korea and Vietnam.⁴⁶ Given that both Pyongyang and Hanoi had fought conflicts against a common enemy, namely, the United States, it is apparent that the North Koreans have drawn inspiration from the fact that the Vietnamese defeated the U.S. in war. Furthermore, Hanoi's combination of economic reform and political authoritarianism has succeeded in enabling Vietnam to emerge from diplomatic isolation and even establish normal relations with the U.S. This is further evident in North Korea's interest in sending students from the Kim Il-sung University to Vietnam in August 2012, presumably to learn more from Hanoi's efforts at modernisation.⁴⁷

43. Ibid.

44. *DailyNK*, "Kim Jong-il Praises the *Doi Moi* Economic Reforms of Vietnam at a Delicate Time," 29 October, 2007, <http://www.dailynk.com/english/read.php?cataId=nk00400&num=2845>; Jung Sung-ki, "Kim Jong-il Interested in Vietnam-Style Reform Policy," *Korea Times*, 28 October 2007, via North Korean Economy Watch, <http://www.nkeconwatch.com/2007/10/28/kim-jong-il-interested-in-vietnam-style-reform-policy/>.

45. *Chosun Ilbo*, "N. Korea Praises Vietnamese, Chinese Reforms," 10 August 2012, http://english.chosun.com/site/data/html_dir/2012/08/10/2012081000929.html.

46. *Reuters*, "Vietnam Communist Party chief visits North Korea," 15 October 2007, <http://www.reuters.com/article/2007/10/16/us-korea-north-vietnam-idUSHAN14549720071016>; Nga Pham, "Vietnam 'key for N Korea reform,'" *BBC*, 30 October 2007 <http://news.bbc.co.uk/2/hi/asia-pacific/7068188.stm>.

Comparing Economic Reforms in North Korea and Vietnam

We thus summarise the aforementioned comparative study of the economic reforms adopted by North Korea and Vietnam in the following Table 1.

Table 1.

Type of Economic Policy	North Korea 2002 Reform: 'July 1st Policy'	North Korea 2012 Reform: 'June 28 Policy' / 'Our style economic of management method'	Vietnamese <i>Doi Moi</i> , 1986
Economic challenges	<ol style="list-style-type: none"> 1) Food shortages 2) Black markets 3) Diplomatically Isolated, but improving inter-Korean relations 4) High inflation 5) Limited economic investment from ROK under Sunshine Policy 	<ol style="list-style-type: none"> 1) Food shortages 2) Black markets 3) High diplomatic isolation 4) High inflation 5) Difficulty in attracting foreign investment 	<ol style="list-style-type: none"> 1) Food shortages 2) Fewer black markets 3) Diplomatic isolation 4) High Inflation 5) Difficulty in attracting foreign investment
Objective of policy	<p>Focused on market reforms</p> <ol style="list-style-type: none"> 1) Alleviate food shortages 2) Increase foreign investment 3) Improve standards of living 4) Legalizing black markets 5) Setting up of general market 	<p>Focused on management by factories and farms with increased autonomy</p> <ol style="list-style-type: none"> 1) Alleviate food shortages 2) Increase foreign investment 3) Improve standards of living 4) Limited decentralization of economic system 5) Increased autonomy of decision-making in the hands of factory managers and farmers 	<p>Two phases of reform:</p> <p>1st phase during 1980s</p> <ol style="list-style-type: none"> 1) Alleviate food shortages 2) Improve standards of living <p>2nd Phase from mid 1990s to present day</p> <ol style="list-style-type: none"> 3) Attract foreign investment 4) Increase foreign trade 5) Integration into world economy 6) Establishment of diplomatic relations with the U.S.

47. *Yonhap News Agency*, "North Korean students will study in Vietnam," 4 August 2012, <http://www.yonhapnews.co.kr/politics/2012/08/04/0511000000AKR20120804039600014.HTML>.

Type of Economic Policy	North Korea 2002 Reform: 'July 1st Policy'	North Korea 2012 Reform: 'June 28 Policy' / 'Our style economic of management method'	Vietnamese <i>Doi Moi</i> , 1986
Character	<p>Economic reform alongside <i>Songun</i></p> <ol style="list-style-type: none"> 1) Establishment of Special Economic Zones 2) Improving inter-Korean relations due to ROK's Sunshine Policy 3) Attempting to reduce reliance on China 4) Involvement of Small and Medium Enterprises from ROK in Kaesong 	<p>Economic reform alongside nuclear weapons/ <i>Byongjin</i> Policy</p> <ol style="list-style-type: none"> 1) Attempting to expand number of Special Economic Zones; establishment of 14 new SEZs in 2013 2) Poor relations with ROK and the U.S. 3) Increasingly seen as a 'liability' by China 4) Strong interest in promotion of Small and Medium Enterprises from various countries 5) Shift away from large collective farms (20 persons each) to smaller (6 persons each)-sized farms 6) Attempts to develop tourism sector 	<p>Economic reform without imminent security threat</p> <ol style="list-style-type: none"> 1) Limited opening of economy 2) Centralised but limited government role in coordinating reform 3) Introduction of limited market forces in agricultural sector 4) Promotion of manufacturing, plus Small and Medium Enterprises in Vietnam and from abroad

These findings highlight similarities and differences faced by the North Koreans in their attempts to undertake economic reform, and the circumstances of Vietnam during the 1980s. In light of these overlapping socio-economic characteristics, we argue that there is some prospect of potential adaptation of Vietnam's *Doi Moi* reform program within the North Korean context.

Diplomatic isolation and the shortcomings of ideologically-induced economic planning caused food shortages and economic hardship for their respective peoples, thus forcing internal reforms in both Vietnam and North Korea. North Korea has undertaken two

major attempts at economic reforms, the first in 2002, and again in 2012. In comparison, Vietnam's *Doi Moi* policy since 1986, having succeeded in addressing the country's food shortages and economic challenges, is widely seen by Vietnamese officials, as well as international observers, as a classic example in creating a 'socialistic-oriented free market.'

Both Vietnam and North Korea faced food shortages, the existence of black markets, and difficulty in attracting foreign investment, hence their undertaking of major economic reforms to overcome these challenges. In the case of North Korea, the 2002 reforms were designed to alleviate food shortages, increase foreign investments, improve the standards of living of the people, and legalise the mushrooming of black markets. Ten years later, the focus of North Korea's reforms changed to decentralisation of the economic management process, with increased autonomy on production decisions in the hands of factory managers and smaller collective farm managers. The intention behind this initiative was again to alleviate food shortages, increase foreign investments, and improve the standard of living of the people. In comparison, Vietnam's *Doi Moi* policy was marked by two distinct phases of reform. The immediate objective of the first phase of *Doi Moi* in 1986 was to address the pressing concern of food shortages and to improve standards of living. It was only after the initial success of *Doi Moi* that Vietnam undertook a second, and more comprehensive phase of reform from the 1990s, designed to attract foreign investment and integrate Vietnam into the global economy. Furthermore, the benign post-Cold War environment also enabled the establishment of diplomatic relations between Hanoi and Washington in 1995.

Doi Moi thus marked significant progress in changing the economic landscape of Vietnam. Thus far, the country has opened up its economy by introducing free market forces in the agricultural and manufacturing sectors, promoting Small and Medium Enterprises in Vietnam and from abroad. The success of Vietnam's *Doi Moi* reforms have thus resulted in lower inflation, growing external trade, increasing capital

flows into the country, and a stable exchange rate.⁴⁸ *The Economist* estimates that Vietnam's GDP growth will average 6.3 percent between 2014 and 2015.⁴⁹

Thus far, North Korean economic reforms have had limited success. In line with its *Juche* philosophy, North Korea has sought for itself a political structure to enable economic self-reliance through which the 'undesirable' and 'corrupting' influences of capitalism can be kept at bay. Kim Jong-un's adoption of a 'our style of economic management method' thus fits into the wider pattern of North Korea's economic management policy. Whilst North Korea has repeatedly shunned participation in regional and international institutions in the past, it appears that Pyongyang is now seeking to attract foreign investment into the country, but on strict terms acceptable to the DPRK leadership. Faced with multiple U.S. and UN-imposed sanctions as well as travel infrastructure and business environment inconducive to foreign investors, North Korea has found it virtually impossible to break out of its economic doldrums. The results are thus visible in the food shortages and malnutrition since the 1990s, economic growth at a standstill, and industries that have virtually no export marketability.

Pyongyang's perception of the U.S. and the ROK as threats to regime security, the increasing sanctions on the DPRK, and China's deteriorating relations with Pyongyang, have all complicated the DPRK's attempts at economic reform. However, the 2002 economic reforms did see an improvement in inter-Korean relations, and the establishment of the Mount Kumgang tourism project as well as the Kaesong Industrial Complex. More recently, the 2012 economic reforms have seen a North Korean shift away from the large collective farms of the past, towards smaller, more autonomous farms. Furthermore, Kim Jong-un has attempted to open more SEZs in a bid to attract foreign investment from Small and Medium Enterprises (SME) from

48. Asian Development Bank, Vietnam Fact Sheet, 2014, <http://www.adb.org/countries/viet-nam/economy> (accessed 1 May 2014).

49. Economist Intelligence Unit Report on Vietnam, 2015, <http://country.eiu.com/vietnam> (accessed 1 May 2014).

various countries.⁵⁰ This has been accompanied by attempts to develop the North Korean tourism sector, with the construction of a ski resort, and attempts to complete the long-delayed Ryugyong Hotel. It remains to be seen as to whether these new initiatives will be successful, given that Kim Jong-un's *Byongjin* policy envisages the process of economic reform alongside continued development of a nuclear weapons program in defiance of the international community. In comparison, Vietnam's *Doi Moi* policy had been undertaken with a focus on economic reform, without any major allocation of resources to its military sector.

Conclusion

Although we argue that Vietnam's *Doi Moi* can be adapted by the North Koreans as a possible framework for economic rejuvenation, it is also necessary to note the numerous hurdles that Pyongyang will likely face in undertaking a comparable program of reform that stem from the very different characteristics of the two countries. Hanoi's status as the government of a once-divided, but now unified country, is not in question; furthermore, the Vietnamese leadership is one that has generally been guided by pragmatism, rather than ideology. Moreover, without any ambitions to develop Weapons of Mass Destruction (WMD), there is little reason for the regional and international community to ostracise Vietnam. Such factors were crucial in accounting for the spectacular success of Vietnam's *Doi Moi* in spurring economic growth. Furthermore, the geography of Vietnam has proven more favourable for agricultural

50. Further supporting the perspective that *Doi Moi* can be adapted to suit North Korean requirements is Pyongyang's apparent interest in promoting Small and Medium Enterprises in its SEZs. During research for a different project in November 2013, the authors spoke to Geoffrey See of the Choson Exchange, a Singapore-based Non-Government Organisation involved in organising business management workshops for young North Korean professionals. During our discussions, See ventured his assessment that "the emerging small and medium size business sector, which has private characteristics, is key to improving people's living standards."

transformation, with its tropical setting providing a longer season for the planting and harvesting of crops amidst fertile lowlands fed by abundant rainfall and rivers.

In comparison, these variables do not posit North Korea in a conducive position for undertaking a *Doi Moi*-like program of its own. Stemming from the *de facto* division of the Korean Peninsula, North Korea remains a regime in which ideology generally trumps pragmatism. As a result of its track record of nuclear and missile testing, and belligerent behavior to its neighbours, North Korea is seen by most of the international community as a pariah state, whilst the ROK is accepted by most of the international community as the 'responsible half' of the country. Attempting to attract foreign investment into a country with such an unpredictable character as North Korea is likely to prove a Herculean task. Moreover, given its mountainous terrain and the difficulty of planting and harvesting crops in northern Korea's harsh climate, a *Doi Moi*-inspired agricultural reform program is likely to prove difficult. Like Vietnam during the 1980s, North Korea faces a high level of political isolation. Given their antagonistic relations, the U.S. and ROK are unlikely to extend diplomatic recognition of the Pyongyang regime for the foreseeable future. Furthermore, the end of the Cold War also led to the loss of Pyongyang's erstwhile superpower patrons in Beijing and Moscow, both of which established relations with Seoul between 1990 and 1992.

Nonetheless, in spite of these prospective challenges to North Korean efforts at economic revival, our analysis indicates some room for qualified optimism. We identify two main factors that should be addressed if North Korea is serious about attempting a long-term program of economic reform in the context of 'our style economic management method'. First, achieving progress in denuclearization of the Korean Peninsula — or at least, containment of North Korea's nuclear weapons program — is important as a foundation for tentative moves in building trust in inter-Korean relations, as well as ending the international sanctions that block the flow of foreign investment into North Korea. Second, any form of economic redevelopment will depend on the opening up of the North Korean economy. Such an

opening need not take the form of Gorbachev-like ‘shock therapy’ — the first phase of Vietnam’s *Doi Moi* involved only a partial opening of the economy, yet enabling the country to remain under the control of the Communist Party of Vietnam. Although Kim Jong-il had attempted economic reform as early as 2000, this was not helped by excessive micromanagement of the Mount Kumgang tourism project and the Kaesong Industrial Complex. In contrast, the extent of the reforms that Kim Jong-un apparently has in mind, as exemplified by the plans to open 14 new SEZs, it is evident that the new leader may be more willing to undertake a more long-term approach to economic opening in comparison to his predecessors.

■ Article Received: 5/19 ■ Reviewed: 5/20 ■ Revised: 6/9 ■ Accepted: 6/17

Bibliography

- Armbruster, William. “New road in Vietnam.” *Journal of Commerce* 8, no. 2 (2007).
- Asian Development Bank. “Vietnam Fact Sheet.” 2014, <http://www.adb.org/countries/viet-nam/economy>.
- BBC. “What is it like to ski in North Korea?” February 13, 2014, <http://www.bbc.com/news/world-asia-26148891>.
- Borowiec, Steven. “North Korea goes a-schmoozing.” *Asia Times*. June 29, 2012, <http://www.atimes.com/atimes/Korea/NF29Dg02.html>.
- Carlin, Robert L and Joel S. Wit. *North Korean Reform: Politics, Economics and Security*. London: IISS, 2006.
- Cervantes-Godoy, Dalila and Joe Dewbre. *Economic Importance of Agriculture for Sustainable Development and Poverty Reduction: The Case Study of Vietnam*. OECD Food Agriculture, and Fisheries Papers, No.23, OECD Publishing 2010. 5-6, doi:10.1787/5kmmv9s20944-en.
- Chosun Ilbo*. “N. Korea Praises Vietnamese, Chinese Reforms.” August 10, 2012, http://english.chosun.com/site/data/html_dir/2012/08/10/2012081000929.html.
- DailyNK*. “Kim Jong-il Praises the *Doi Moi* Economic Reforms of Vietnam at a

- Delicate Time." October 29, 2007, <http://www.dailyink.com/english/read.php?cataId=nk00400&num=2845>.
- Deutsche Welle*. "North Korea looks to Vietnam for inspiration." January 11, 2013, <http://www.dw.de/north-korea-looks-to-vietnam-for-inspiration/a-16514014>.
- Economist*. "Crying uncle." December 14, 2013, <http://www.economist.com/news/asia/21591581-kim-jong-un-has-managed-improbable-feat-making-north-korea-even-scarier-crying-uncle>.
- Economist Intelligence Unit Report on Vietnam, 2015, <http://country.eiu.com/vietnam> (accessed May 1, 2014).
- Gale, Alistair. "North Korea Signals New Economic Push." *Wall Street Journal*. December 27, 2013, <http://online.wsj.com/news/articles/SB20001424052702304753504579281770272632030>.
- Hassig, Ralph and Kongdan Oh. *The Hidden People of North Korea: Everyday Life in the Hermit Kingdom*. Plymouth: Rowman and Littlefield, 2009.
- Hoang, Anh Tuan. "Doi Moi and the Remaking of Vietnam." *Global Asia*. September 2009, http://www.globalasia.org/V4N3_Fall_2009/Hoang_Anh_Tuan.html.
- Huffington Post*. "North Korea's Ryugyong Hotel: A First Look Inside The World's Most Mysterious Lodging." December 27, 2012, http://www.huffingtonpost.com/2012/09/27/north-koreas-ryugyong-hot_0_n_1918701.html.
- Jung, Sung-ki. "Kim Jong-il Interested in Vietnam-Style Reform Policy." *Korea Times*, October 28, 2007, via *North Korean Economy Watch*, <http://www.nkeconwatch.com/2007/10/28/kim-jong-il-interested-in-vietnam-style-reform-policy/>.
- Kim, Young-jin. "North Korea looks to Southeast Asia for help." *Korea Times*, June 4, 2012, http://www.koreatimes.co.kr/www/news/nation/2012/06/116_112343.html.
- Lee, Eric Yong-Joong. "The Special Economic Zones and North Korean Economic Reformation with a Viewpoint of International Law." *Fordham International Law Journal* 27, no. 4 (2003).
- Lehman, Jean-Pierre. "Smaller Dragon Makes Global Strides." *International Herald Tribune*. July 12, 2010.
- London, Jonathan. "Welfare Regimes in the Wake of State Socialism: Viet Nam, China, and the Market-Leninist Welfare Regime." Conference on 'Asian Social Protection in Comparative Perspective,' January 7-9, 2009, Singapore.

- Luong, Hy V. "Economic Momentum and Stronger State-Society Dialogue." *Asian Survey* 46, no. 1 (2006).
- Mallon, Raymond, "Doi Moi and Economic Development in Vietnam: A Rapid Overview of a Decade of Reform." In Fforde, Adam (ed.), *Doi Moi: Ten Years After the 1986 Party Congress*. Canberra: Department of Political and Social Change, Australian National University, 1997.
- Manyin, Mark E. "US-Vietnam Relations in 2011: Current Issues and Implications for US Policy." *Congressional Research Service*, May 18, 2012, <http://www.fas.org/sgp/crs/row/R40208.pdf>.
- Nguyen, Hong Thao. "Ambassador of the Socialist Republic of Viet Nam." research interview conducted in Kuala Lumpur, November 18, 2013.
- "North Korea in the Kim Jong-un Era: Implications for Japan, the US, and North-east Asia." Seminar hosted by the US-Japan Institute, Washington DC, September 6, 2012, http://www.us-jpri.org/en/reports/seminar/summary_20120906.pdf.
- North Korea Leadership Watch*. "DPRK Delegations Depart for Visits to Southeast Asia." October 20, 2012, <https://nkleadershipwatch.wordpress.com/category/dprk-southeast-asia-relations/>.
- Park Hyeong Jung. "One Year into the '6.28 Policy Directives' — Contents and Progress." *Korean Institute for National Unification*, June 14, 2013, <https://www.kinu.or.kr/upload/neoboard/DATA01/co13-18%28E%29.pdf>.
- Pham, Nga. "Vietnam 'key for N Korea reform'." *BBC*, October 30, 2007, <http://news.bbc.co.uk/2/hi/asia-pacific/7068188.stm>.
- Pham, Thi Thu Thuy. "The colorful history of North Korea-Vietnam relations." *NK News*, August 1, 2013, <http://www.nknews.org/2013/08/the-colorful-history-of-north-korea-vietnam-relations/>.
- Reuters*. "Vietnam Communist Party chief visits North Korea." October 15, 2007, <http://www.reuters.com/article/2007/10/16/us-korea-north-vietnam-idUSHAN14549720071016>.
- See, Geoffrey (Choson Exchange). research interview conducted by email with the author between November 7 and 19, 2013.
- Snyder, Scott. *China's Rise and the Two Koreas: Politics, Economics and Security*. Boulder, Colorado: Lynne Rienner, 2009.
- The Economist*. "The World in 2010: Predictions." November 26, 2009, http://www.economist.com/blogs/theworldin2010/2009/11/acronyms_4.

- Tisdall, Simon. "Wikileaks cables reveal China 'ready to abandon North Korea'." *The Guardian*, November 29, 2010, <http://www.theguardian.com/world/2010/nov/29/wikileaks-cables-china-reunified-korea>.
- VI Congress of the Communist Party of Vietnam, 1986, pp. 6-8; cited in *Korean Institute for National Unification*, "Korea-Vietnam International Conference Report: Economic and Social Reform of Vietnam and its Lessons for North Korea," MO 05-02, September, 2005.
- Voice of America*. "China Tightens Nuclear Sanctions Against North Korea." September 24, 2013, <http://www.voanews.com/content/china-tightens-nuclear-sanctions-against-north-korea/1756023.html>.
- Vuong, Quan Hoang and Tran, Tri Dung. "The Cultural Dimensions of the Vietnamese Private Entrepreneurship." CEB Working Paper No. 09/027 July 2009, *Centre Emile Bernheim, Research Institute in Management Sciences*.
- Yang, Un Chul. "A Study on the Applicability of *Doi Moi* Policy to North Korea from the Perspective of Economic Transition." *Journal of International Trade and Industry Studies* 16, no. 4 (2011) (*kookje tongsang yongu*, "vietnam doimoi jungchackui bookhan juckyong ganungsung: chaeje jeonhwanui kwanjum").
- Yonhap News Agency*. "N. Korea adds 14 special economic zones: report." October 23, 2013, <http://english.yonhapnews.co.kr/news/2013/10/23/44/02000000AEN20131023008800315F.html>.
- Yonhap News Agency*. "North Korean students will study in Vietnam." August 4, 2012, <http://www.yonhapnews.co.kr/politics/2012/08/04/0511000000AKR20120804039600014.HTML>.
- Zachary Keck. "China Lashes Out at North Korea." *The Diplomat*. April 5, 2014, <http://thediplomat.com/2014/04/china-lashes-out-at-north-korea/>.

