

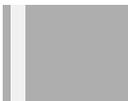
# The Evaluation of Regime Stability in North Korea: Scenario Workshop

Jinwook Choi, Kook-Shin Kim,  
Hyeong-Jung Park, Hyun-Joon Chon,  
Jeong-Ah Cho, Moon-Seok Cha, Sung-Il Hyun





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Scenario Workshop**



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Printed: July 2009  
Published: July 2009

Place of Publication: Korea Institute for National Unification  
Publisher: President of Korea Institute for National Unification

Registration No.: 2-02361 (April 23, 1997)  
Address: Insu-dong, Gangbuk-gu, Seoul 142-728, Korea  
Telephone: 82-2-900-4300; 82-2-901-2529  
Fax: 82-2-901-2547  
(c) Korea Institute for National Unification 2009

Publications of Korea Institute for National Unification are available at major bookstores. Also, contact the Government Publication Sales Center: Tel: 82-2-734-6818 or 82-2-394-0337.

ISBN 978-89-8479-499-3 93340

The Evaluation of Regime Stability in North Korea: Scenario Workshop  
/ Jinwook Choi... [et al.]. -- Seoul: Korea Institute for National Unification,  
2009

p. ; cm. -- (Studies Series ; 09-01)

ISBN 978-89-8479-499-3 93340 : Not for sale.

North Korea

340.911-KDC4  
320.95193-DDC21

CIP2009002263

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\* \* \*

The analyses, comments, and other opinions contained in this monograph are those of the authors and do not necessarily represent the views of the Korea Institute for National Unification.

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# I . Introduction

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## 1. Research Purpose

The stability of the North Korean regime has been the subject of increasing research interest since the early 1990s when socialism in Eastern Europe collapsed. Regime stability is also one of the most continually debated of all North Korea research topics. The early and mid 1990s were marked by the collapse of socialism in Eastern Europe, the death of North Korean leader Kim Il-sung, and a massive famine in North Korea caused by food scarcity and a ceaseless flow of North Korean defectors. For these reasons there was widespread claim that the North Korean regime was about to fall.<sup>1</sup>

Yet, this fall failed to materialize. Instead, the regime managed to survive in the face of difficult circumstances, maintaining relative political stability. North Korea even proclaimed at home and abroad

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<sup>1</sup> Kim, Sung-chul, *Evaluation on a crisis level of North Korea's Socialist regime and prospect for its durability* (Seoul: KINU, 1996).

to be building a powerful country while test-firing Taepodong missiles. As a result, since the latter 1990s, the world started paying attention to the regime's durability rather than engrossing themselves in a theory of regime collapse. Accordingly, policy toward North Korea regarding regime collapse has undergone dramatic change. Over the last decade, North Korean policies have been set and implemented under the premises that North Korea had changed and that the North Korean regime was stable.

Nonetheless, controversy over the stability of the North Korean regime continues and efforts to find more objective and in-depth ways to evaluate and predict the regime's stability have been made. Journals, entitled *Evaluation of the Regime Durability in North Korea and North Korea's Economic Hardships and Regime Durability* published by the Korea Institute for National Unification (KINU), are a part of such efforts.<sup>2</sup> The first journal set and defined five important areas for analysis: ideology, the elite, the economy, regulation and international relations. Then, it created indices and measuring rods, which reflect characteristics of each area, and surveyed 314 North Korean defectors at the Hanawon resettlement center. This research methodology has optimistic aspects because it allows for objective indices. Yet, in contrast, the authors of this research acknowledged that there were limits in terms of the reliability of the responses and the representation of the samples used in the study. Additionally, controversy was inevitable over the validity of this research methodology, including selection standards for both the five areas and their indices and the objectivity of weight given for each area. The journal, entitled *North Korea's Economic Hardships and Regime Durability* introduced three factors that contributed to regime durability: regime resilience, regime

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<sup>2</sup> Chon, Hyun-Joon, *Evaluation on durability of the North Korean regime*, (Seoul: KINU, 2006); Suh, Jae Jin, *North Korea's economic crisis and regime durability* (Seoul: KINU, 2007).

adaptation and the possibility of sudden changes. Then, it viewed various phenomena occurring in North Korea as new concepts which made in-depth and comprehensive analysis possible. However, as predicted in the introduction to the concept of regime adaptation, this research methodology can only explain the maintenance of the North Korean regime as long as there are no sudden changes in the current situation.

The purpose of the following research is to evaluate regime stability in North Korea. Worth noting is how to reduce the subjectivity of the researcher in the evaluation process. In order to decrease subjectivity, the research presented herein adopted a scenario methodology as well as an evaluation of situations in North Korea.

Through a scenario workshop, we identified uncertainties which might affect regime stability in North Korea for the next five years and described expected situations for each scenario. The main purpose of this research is to generate results which will improve the effectiveness of policy toward North Korea. Or to put it another way, the research is designed to review whether current policies are timely and effective, and to seek implications on how to prevent unwanted scenarios while inducing desirable ones through the prediction of possible situations for each scenario.

An accurate analysis of situations and regime stability is considered of prime importance in establishing and implementing policies toward North Korea. Moreover, since the rumor of Kim Jong-il's ill health has spread, a more objective and in-depth evaluation of the regime's stability is now required.

## **2. Research Methodology and its Organization**

This research analyzes the North Korean regime in three different sectors: economy, society and politics. Under these categories, it

comes up with positive and negative factors affecting regime stability for a comprehensive evaluation. This research methodology is different from the aforementioned which selected simply stable and unstable factors. Analyzing stability in three different sectors helps prevent excessive analysis of one specific sector, thus enabling a balanced analysis. For instance, instability in the North Korean regime originated from the economic sector and is now moving into the political sector through the social sector. Although the ultimate interest of this research is to predict regime stability in North Korea in terms of politics, an excessive focus on political factors might cause an underestimation of the possibilities for gradual change in North Korea.

To understand the real situation in North Korea, Economy-related statistics and literature and with video clips regarding the daily lives of North Koreans were analyzed. Then, further information was supplemented through in-depth interview with North Korean defectors and a field study at the border between North Korea and China. In order to evaluate regime stability, we analyzed the general characteristics of North Korea by applying a theory of regime change as well as its unique characteristics, and tried to induce a comprehensive evaluation through panel discussions with experts. With 14 experts, a workshop was held to evaluate the regime stability of North Korea on June 3, 2008.

Both an analysis of North Korea's situation and a scenario workshop are compatible. The first enables an in-depth analysis of internal factors affecting stability while the latter covers both internal and external ones, enabling the review of various factors

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## II. Scenario Workshop

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### 1. Introduction and Purpose

A scenario is a story which synthetically describes how issues, organizations, nations or the world's future environment could develop. A scenario is designed to forecast various situations and find out how to deal with them rather than to predict the importance of a scenario itself or to predict a specific future event. Predictions are possible only when obvious trends exist with low levels of uncertainties. On the contrary, scenarios are defined as "provocative and plausible descriptions of the likely future when the future is complex and uncertain due to various uncertainties".

The purpose of this scenario workshop was to provide experts in various fields with opportunities for in-depth discussions to predict North Korea's future stability. A scenario methodology enables creative thinking and provides ways to ask questions for other participants' presumption. Throughout the workshop, the participants had chances to review uncertainties about the future

(whether positive or negative) and to practice various future scenarios by analyzing the driving forces affecting the future. A good scenario is not one which accurately predicts the future but one which enables corresponding organizations to study and adapt to possible future events. Scenarios provide avenues to identify both potential risks and opportunities, to prepare for unpredicted situations and to judge whether or not relevant organizations are making the right decisions. For this reason the workshop included experts not only from similar fields but also from various fields and organizations.

Ultimately, the scenario workshop was designed to develop measures which organizations can utilize to create a favorable future. By predicting various situations for each scenario during the workshop, participants were able to review the effectiveness of current North Korea policies and to suggest plans.

## **[Regime stability in North Korea for the next five years]**

### **Schedule**

- Date and Time: Tuesday, June 3rd, 2008, 09:00-18:00
- Venue: International Conference Room, KINU

**【09:00-09:30】** Introduction to Workshop

**【09:30-12:00】** Session 1

*Uncertainties affecting the future stability of the North Korean regime*

**【12:00-13:30】** luncheon

**【13:30-15:30】** Session 2

*Identifying variables affecting the future stability of the North Korean regime*

**【15:30-16:00】** Break

**【16:00-18:00】** Session 3

## 2. Presentations by Participants

A total of 14 experts attended the workshop. They included five North Korea experts from KINU and two more from other organizations. Another seven participants are experts on the United States, China, and Japan respectively, and an NGO expert in the field of inter-Korean exchange and cooperation. These latter participants were expected to make up for the limitations that a group of only North Korea experts might have had.

Based on their expertise, each participant expressed their opinion on factors that might affect regime stability in North Korea for the next five years. The purpose of the discussion was to allow the participants to come up with as many factors as possible that might affect regime stability, and then to allow the participants to put their thoughts together.

Five years is neither too short nor too long a period in order to meaningfully predict the future and prepare policy accordingly.

### **Workshop Participants** (in alphabetical order)

Kim Kook-sin, Korea Institute for National Unification

Cheon Hyun-joon, Korea Institute for National Unification

Kim Heung-kyu, Institute of Foreign Affairs and National Security

Cho Yang-hyun, Institute of Foreign Affairs and National Security

Ryu Kil-jae, University of North Korean Studies

Cho Jeong-ah, Korea Institute for National Unification

Park Hyung-joong, Korea Institute for National Unification

Cha Moon-seok, Dongguk University

Ahn Chan-il, Institute for National Security Strategy  
Choi Jin-wook, Korea Institute for National Unification  
Lee Sang-hyun, The Sejong Institute  
Hyun Seong-il, Institute for National Security Strategy  
Lee Jong-mu, Peace and Sharing Center, Korean Sharing  
Movement  
Hwang Jae-ho, Korea Institute for Defense Analyses

### **3. Reviewing Learning Points**

After sharing opinions on the uncertainties affecting regime stability in North Korea, each participant summarized what they had found, observed, thought and learned. There were discussions on whether internal and external factors should be included in the group of selected factors, or if factors should be selected according to their importance. It was also discussed whether organizing a 2\*2 matrix, after selecting two future-affecting factors, could fully reflect various scenarios. At the same time, limitations such as the diversity of variables and the complexity of predictions were acknowledged. The participants also agreed that the scenarios are not intended to predict accurate future events. However, the workshop was still meaningful as it allowed participants to expand their thoughts and to prepare for situations they possibly would have missed had they not attended the workshop.

In order to elaborate factors affecting the North's regime stability, the workshop focused on the following. First, on how the stability of North Korea should be defined, recognizing that this normally refers to three kinds: the stability of the Kim Jong-il regime, the stability of the regime itself and the stability of the nation. Clearly, this research focuses on regime stability.

Second, when the participants explained factors affecting regime

stability in North Korea, some referred to a single factor, while others referred to a combination of factors. For instance, in the case of the Kim Jong-il regime, various factors such as the powerful elites' faithfulness toward Kim, cohesion, threat of coup, and Kim's physical and mental health affect his regime's stability. The level of stability differed according to the state of the Kim Jong-il regime, for example from the weakened power of his regime or due to his death. In contrast, there was a case which referred to a single factor such as the development of oil fields in the West Sea or fiscal expansion.

Third, there is a case of important factors with low levels of uncertainty. China's North Korea policy is important in terms of its impact on North Korea's regime stability, but its uncertainty is low. For this reason, China's North Korea policy is considered nearly invariable.

#### **4. Identifying Driving Forces**

As session two began, the factors affecting regime stability in North Korea discussed in session one had been summarized as follows. After sorting out all of the factors mentioned in the first session, these factors were classified into two categories: internal and external. As a result, 40 factors remained.

##### **[North Korea's Internal Factors]**

- 1) Kim Jong-il's health and leadership
  - Sudden demise or serious illness of the leader in a socialist country is known to cause serious problems
  - Physical and mental health: Kim sleeps little, concentrates on hunting and fishing, is known as a speed maniac
  - Elite groups strive to keep each in check and purge
  - Weakened power of Kim Jong-il

- 2) Sudden changes in Kim Jong-il's circumstances
  - Worsening health conditions
  - Assassination
  - Power Vacuum
  
- 3) Succession Scenario
  - Power struggle with emergence of successor who will control an alternative power
  - Uncertainties caused by succession plans (one-man leadership, collective leadership)
  - Political strife or political chaos could bring crisis to the regime
  
- 4) Restoration of a collective leadership system and changes in power structure
  - Political unrest will emerge if political system is transformed into collective leadership system after Kim Jong-il's death (as in China)
  
- 5) Management of power of upper classes
  - Conflicts amongst elites due to check and balance political system holding individuals and organizations accountable
  - A situation that does not allow people to unite
  
- 6) Ruling ideology
  - Weakening of the Juche ideology
  - Consistent Sun-gun (military-first) policy
  - Whether to maintain the development of nuclear power and aggressive international diplomacy
  
- 7) Loyalty toward the power structure
  - Whether military or elites remain loyal to the regime without betrayal

- Whether to believe in the superiority of socialism
  - Continuance of one-man system of rule
  - Absence of concept of democracy.
- 8) Cohesion among power elites
- Cohesion among power elites and continuation of unity
- 9) Party, military and national organizations
- North Korean regime progress and evolution of control system of nation, society and elites
  - In context of regime tightening social monitoring system, corruption of the power structure and weakening loyalty likely to harm regime foundation
- 10) Corruption of officials
- Some believe corruption problems exist though they are not considered serious
- 11) Outbreak of a coup
- A scenario in which military topples Kim Jong-il through coup and establishes collective leadership system with military at center
  - Coup brings change to the powerful elites
- 12) Management of lower class dissatisfaction
- Whether regime is trying to cope with changing society in productive way
  - Due to political culture where North Korean people obey Kim Jong-il, economic hardship less likely to harm regime
  - As long as ideological, material and physical controls succeed, conflicts within ranks of power elites and/or public riots are unlikely to happen

- 13) Massive numbers of North Korean defectors
  - Food situation worsens due to natural catastrophe and serious consequences emerge
  - Strengthened system of control
- 14) Losing control over society
  - Despite organized control system, possibility of weakening social control exists
- 15) Regime collapse due to internal riots
  - Accumulating and deepening public dissatisfaction
- 16) Contradictions between policies beneficial to economy and regime respectively
  - Not a variable that can be classified by marketization or reform
- 17) Fundamental change that determines regime characteristics
  - To what extent reform and openness should be achieved?
  - When reform and openness progress to certain level, control system will be ineffective
  - Political reform prerequisite to achieving meaningful reform and openness
- 18) Accelerated loosening of North Korean people's ideological tension
  - Income disparity (social inequality deepens)
  - Collapse of social security (end of rationing system)
  - Increase in social deviance
  - Influx of information and communication
  - Changes in North Korean people's sense of values

- 19) Chronic economic and food crisis
  - Foreign aid and self-sustenance
  - Worsening energy crisis
  - If economy worsens so even core elites feel economic hardship, serious consequences likely to result
  - Coexistence of market and socialist economies
  
- 20) Large-scale natural catastrophe
  - Far-reaching catastrophe during the period of ‘marching with hardship’ in late 1990s
  - Large-scale flooding in 2007
  
- 21) North Korea’s policy toward South Korea
  - Whether to implement a strategy of driving wedge between South Korea and United States
  - North Korea refused to communicate with South Korean government until 2008, but when relationship with United States was unsatisfactory and food crisis worsened, the North involved itself in inter-Korean dialogues in 2009
  
- 22) Development of oil fields in the North’s West Sea
  - Cuba resolved economic hardship by becoming an oil-producing country
  
- 23) Market’s demand and supply and systematic market economy
  - It is time to be ready for changes with consideration of the characteristics of political system
  
- 24) North Korea’s reform and openness
  - Reform and openness might be helpful to stabilize regime but may harm political stability

- 25) Whether to achieve goal of building a powerful country
  - Domestic and foreign policy variables will probably have biggest impact in determining direction for big changes economic as well as social and cultural variables will work in specific situations which might occur in certain phases
- 26) Variables regarding finances
  - Fiscal expansion and retraction
  - Legally obtaining sufficient financial resources
- 27) Variable market with respect to foreign trade
  - North Korean economy not manufacturing-based and needs to compensate through foreign trade
  - Illusion about Chinese syndrome
- 28) Changes in policies regarding plants and farms
- 29) Changes in exchange and logistics systems
- 30) Creating environment for direct or indirect foreign investment

### **[North Korea's External Factors]**

- 31) Resolving nuclear issues
  - Resolving nuclear issues by external pressure may harm regime stability.
  - Resolving nuclear issues voluntarily through strategic determination will give North Korea significant chance to protect regime
  - Requesting security guarantee for regime in negotiations with United States
- 32) Threats to global security and negotiations over North Korea's nuclear programs

- Multilateral talks, such as six-party talks, desirable to minimize conflicts which may occur in bilateral relationship with South Korea or with one of North Korea's four major neighboring countries
- 33) Unstable type of compromises
- A strategic alliance between United States and Japan may alienate China
- 34) Changes in Northeast Asia and changes in power relationships in region
- North Korea will discuss the issues of normalizing its relationship with the United States, Japan and China as long as regime is secure
  - Changes in China-North relationship: unclear whether China and North Korea will maintain special relationship or will transform it into general diplomatic relationship
- 35) Changes in the United States-North Korea relationship
- If North Korea fails to normalize relationship with United States, relations will work as threat to regime stability
  - However, there exists paradoxical aspect that external threat can strengthen North Korea.
  - If United States adopts hard-line North Korea policy, tensions between the two countries rise and ultimately China's role will be emphasized as lifeline to North Korean economy
- 36) Security of North Korean regime
- Unless regime security is guaranteed, North Korea will not give up nuclear ambitions
  - In contrast, United States will not guarantee regime's security until the North completely dismantles nuclear program

- 37) Economic aid to North Korea
  - Aid from China and South Korea
- 38) Military conflicts between the two Koreas
  - Absence of communication channel between two Koreas. Military conflicts possible when inter-Korean relationship comes to end
  - Military conflicts between two Koreas less likely but probable
- 39) Earning funds not through reform but through inter-Korean economic cooperation
  - Mt Kemkang tourist zone, Gaesong industrial complex
- 40) Environment for international trade deteriorates due to high oil and grain prices
  - Deteriorating environment will deepen North Korea's isolation and aggravate economic hardship
  - Cooperative farms and enterprises resolve food shortage on their own instead of relying solely on food rationing
  - Deteriorating environment will increase North Korea's dependency on foreign countries
  - Burden on neighboring countries: ability to provide aid to North Korea

The factors affecting the regime's stability identified in the scenario workshop and situation analysis complement each other. The workshop enables us to cover not only internal but also external factors. Though an in-depth analysis is rather difficult in a scenario methodology, the workshop provided an important opportunity to cover various possible factors. A situation analysis can complement somewhat superficial factors brought up in the scenario workshop.

**<Table 1> Stable and Unstable Factors Affecting North Korean Regime**

	Unstable Factors	Stable Factors
Economy	<ul style="list-style-type: none"> <li>● Collapse of national economy</li> </ul>	<ul style="list-style-type: none"> <li>● Operation of command economy</li> <li>● Managing life through market economy</li> </ul>
Society	<ul style="list-style-type: none"> <li>● Marginalization of production labors</li> <li>● Expansion and differentiation of consumption</li> <li>● Collapse of formal network and spread of informal network</li> <li>● Gap between rich and poor</li> <li>● Economic and psychological independence from the regime</li> <li>● Widespread dissatisfaction in the leader and regime</li> <li>● Spread of social deviation behaviors</li> </ul>	<ul style="list-style-type: none"> <li>● Opposition is not allowed in society/ absence of a central role</li> <li>● Strengthened censorship for non-socialism</li> </ul>
Politics	<ul style="list-style-type: none"> <li>● Ideological vacuum</li> <li>● Excessively concentrated power on Kim Jong-il / Kim's ill health</li> <li>● Absence of succession plans</li> <li>● Non-systematic ruling system</li> </ul>	<ul style="list-style-type: none"> <li>● Kim Jong-il's power and charisma</li> <li>● Internal unity and politics by close associates</li> <li>● Absence of dissident factions</li> <li>● Horizontal distribution of power and direct control</li> <li>● Elites keep each other in check / loyalty toward Kim Jong-il</li> <li>● Reclusive ruler under the Sun-gun politics</li> </ul>

## 5. Critical Uncertainties

According to the similarities, 40 driving forces affecting the regime's security were categorized into 10 complex factors. These were then lined up according to their importance as follows: the stability of Kim Jong-il's regime, the United States-North Korea relationship, reform and openness, and the food situation. Out of these, the workshop participants considered Kim Jong-il's regime stability and the United States-North Korea relationship as the two most important variables for regime stability.

### [10 Complex Factors]

1. Stability of the Kim Jong-il regime
2. Food situation (inflation/food price)
3. National control system (physical control power)
4. Loyalty to the regime (ideology and political socialization)
5. Reform and openness (marketization)
6. Social class differentiation
7. United States-North Korea relationship
8. South Korea's North Korea policy
9. China's North Korea policy
10. Japan's North Korea policy



### [Two Major Uncertainties]

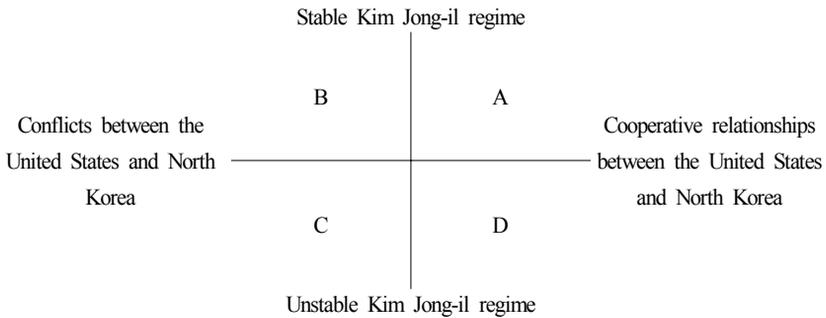
1. The Stability of the North Korean Regime
2. The Relationship between the United States and North Korea

## 6. Scenario Framework, the Matrix

Four different scenarios are predicted based on two major uncertainties such as the stability of Kim Jong-il's regime and the

United States-North Korea relations.

<Figure 1> Scenario of Regime Stability



## 7. Scenario Stories

### A. Scenario A (Cooperative relationship between the United States and North Korea / stable Kim Jong-il regime)

Scenario A is that Kim Jong-il's regime remains stable while forming a cooperative relationship with the United States. Thanks to its closed and controlled systems, Kim Jong-il maintains regime stability despite economic and social difficulties. North Korea's national economy collapses economically, but its people are managing their lives through an odd form of a market economy. At the same time, North Korea is securing the necessary funding for ruling and for the security of its regime through command and military economies. Although North Koreans may feel dissatisfaction toward the regime, they are thoroughly controlled not to express even a little dissatisfaction and are not allowed to express any opposition. The North Korean people blame neither the Party nor the government for their economic hardships, but rather consider those

who die of starvation as “idiots” and lead their lives by “running”, “market” and “kitchen garden”. As the market system spreads out, only socially vulnerable groups are damaged. The North Korean regime does not care about how its people manage their lives, either through self-help methods or not and tacitly permits a certain level of deviant behaviors while giving core organizations and power elites special treatment in order to pursue internal unity.

Based on *Sun-gun* politics in which the military takes precedence over any other concern, the regime maintains special privileges and distribution of food for the core organizations such as the Worker’s Party, State Security Department and the People’s Safety Agency. Looking at the political situation, the regime is maintaining stability through *Sun-gun* politics and a divide-and-rule policy, and by having elites keeping each other in check. In the beginning of the *Sun-gun* politics, giving preferential treatment to the military had more symbolic implications than practical ones. Yet recently, military officials occupy more important posts in the Party or other government organizations. Moreover, during the last decade, the regime has been promoting power stability while making core authorities such as the Defense Security Command, the People’s Safety Agency, the State Security Department and the Organization and Guidance Department keep each other in check.<sup>3</sup> As Kim does

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<sup>3</sup> In 1996, the Bureau of Political Security in North Korea was upgraded to the Defense Security Command (Commander, Won Eung-hee) which suppressed a coup by the Sixth Army Corps, which occurred in 1995 and riots in Songlim iron works, and carried out a purge over the State Security Department and the Party organizations. After that, the Defense Security Command was downgraded to an affiliated organization of the General Political Bureau and commander Won was purged. Chang Sung-taek, who had been considered North Korea’s number two leader, implemented a massive scale purge of the Party and State Security Department by mobilizing the Social Security Ministry. After that, the Social Security Ministry was purged by the State Security Department and the Defense Security Command of the People’s Army. Chang Sung-taek was also

not want his power decentralized, he does not appoint a chairman for power agency. Despite loosened social order, the North Korean regime still closely controls society and constantly manages their system of control.<sup>4</sup> Some see that North Korea will maintain its regime stability as long as its control system works.

Though the relationship with the United States, which North Korea considers the most important for regime stability, still has some uncertainties, it has achieved a great deal of progress. After many problems since the February 13 Agreement, the United States and North Korea came to an agreement in Singapore on April 8, 2008. It was agreed that North Korea indirectly acknowledges the United States' concerns over the two core issues of the enriched uranium program and Syria's cooperation regarding nuclear programs. Accordingly, the two parts agreed that the United States will declare what they have agreed to instead of North Korea, which will acknowledge - but not challenge - this, and will include these in their "secret minutes" not in a formal report.<sup>5</sup> North Korea also agreed to first verify the disabling of the nuclear facilities in Yongbyon which were included in the formal report and then to verify the remaining nuclear programs in the next stage. Responding to North Korea's efforts, the Bush administration excluded North Korea from the list of terror-sponsoring nations on October 11. The second stage of the denuclearization process was possible because the Bush administration desperately hoped to utilize the

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withdrawn from his post. He was repositioned as head of the Korean Worker's Party.

<sup>4</sup> As 'non-socialism' widely penetrated into North Korean society in the latter portion of 2007, North Korea hosted the 'National Party Cell Secretary General Assembly' in October for the first time in 13 years and the 'National Intellectual Assembly' for the first time in 15 years to strengthen regime unity.

<sup>5</sup> *Bloomberg*, April 12, 2008.

North's case as a political asset after the failure in Iraq. The Bush administration's momentum regarding nuclear issues is likely to remain into the Obama administration. During his presidential candidacy, President Obama hinted that he will actively engage and embrace North Korea while often mentioning that he will proactively search to advance the denuclearization of North Korea through bilateral talks with the reclusive leader Kim Jong-il.

In the meantime, having regime security guaranteed by the United States has been North Korea's utmost goal. Pyongyang's efforts to strengthen ties with China and Russia and to improve relations with Japan by confessing that the North had abducted Japanese citizens were ultimately designed to improve relations with the United States. When North Korea faced a stalemate both in the six-party talks and the US-North Korea relationship, it dared conducting nuclear testing so as to make stronger demands on Washington. Finally, the North achieved the February 13 Agreement and promoted it as a victory in its diplomacy with the United States. It is unlikely that Pyongyang will invalidate the February 13 Agreement considering it made arduous efforts to achieve it. Thus, a likely scenario is that North Korea, based on negotiations made with the Bush administration, will agree to dismantle its nuclear program in return for political and economic rewards as well as a guarantee for the security of the regime.

### **< Expected Situations >**

The six-party talks will progress, North Korea's denuclearization process will go beyond the second phase, and the verification and dismantling of the nuclear program will be resolved. As various sanctions against North Korea will be eased after being excluded from the list of terror-sponsoring nations, and with the sanctions of the Trading with the Enemy Act being lifted, foreign funds will

have more opportunities to invest in North Korea. During this process, summit meetings between Washington and Pyongyang can be expected to accelerate. An advanced relationship with the United States will also affect relations with Japan. Additionally, progress is expected in both discussions on the peace regime as well as on a framework for multilateral security cooperation in Northeast Asia. Cooperation between China and North Korea will be broadened into various fields and will bring a partial opening of North Korea. Progress is also expected in the inter-Korean relationship where a Denuclearization, Openness, 3000 plan, initiated by South Korean president Lee Myung-bak, can be carried out in earnest.

It is highly probable that North Korea will open its doors gradually, but its opening is more likely to have negative rather than positive effects on regime stability.

Stable Kim Jong-il regime		
	<ul style="list-style-type: none"> <li>- Progress both in the six-party talks and North Korea's unclear issues</li> <li>- A progress in the inter-Korean relationship / Implementation of the 'Denuclearization, Openness, 3000' plan</li> <li>- Progress in the relationship between Japan and North Korea</li> <li>- Exclusion from the list of terror-sponsoring nations / Lift of 'The Trading with Enemy Act' sanctions</li> <li>- Progress in a discussion on a peace regime</li> <li>- Increase in foreign investment into North Korea</li> <li>- Limited cooperation between China and North Korea</li> <li>- Progress in negotiations over the framework of multilateral security cooperation in Northeast Asia</li> <li>- Improvement of North Korean economy</li> <li>- Gradual opening limited opening</li> </ul>	
Conflicts between the United States and North Korea		Improved relations between the United States and North Korea
Improved relations between the United States and North Korea		

## **B. Scenario B (Conflicts between the United States-North Korea / Stable Kim Jong-il regime)**

Scenario B is that Kim Jong-il's regime remains stable although conflicts between Washington and Pyongyang persist. North Korea's economic difficulties are difficult to resolve in a short period of time. However, thanks to a political culture where people obey the regime, it is less likely that North Korea faces regime change despite its economic difficulties. As long as ideological and material controls are effective on the people, it is difficult to envision either splits amongst the power elites or public riots in North Korea.

Some changes are predicted for Kim Jong-il's ruling system due to his ailing health, but they do not harm the stability of the regime, though a drastically reduced role seems inevitable. Kim is unable to give field guidance and likely entrusts his closest associates with his authority. In this process, it is foreseen that a certain figure who receives Kim's trust expands his power and clout. However, this figure acts only on Kim Jong-il's behalf, and a power struggle is impossible as long as Kim remains alive. Rather, upper class elites are extremely cautious about their behavior, being wary that their words do not go against their leader.

There is a possibility that the US-North Korea relationship will progress slowly regarding the dismantling of nuclear weapons due to differing opinions. The second phase of denuclearization was possible thanks to the Bush administration's intent to utilize the North's case as a political asset since it had been defeated in the 2006 midterm election. Yet, from then on, the situation around North Korea's nuclear issues was not optimistic. Though the Bush administration excluded North Korea from the list of terror-sponsoring nations in order to prevent further plutonium extraction, both Republicans and Democrats maintained a firm position against terror and proliferation after the 9/11 attacks. Both former President

Bush and President Obama, who say the United States is open to bilateral talks with North Korea, are cautious of being labeled as having compromised with a dictator.

In the meantime, North Korea tries to guarantee regime security by improving relations with the United States while possessing nuclear weapons for as long as possible. North Korea's intent is evident in a statement announced by the Foreign Ministry spokesman on August 26, 2008. This statement came when the second phase of denuclearization was delayed because of the removal of North Korea from the list of states that sponsor terrorism, which the North insists is in return for disabling its nuclear facilities and not for the verification of complete dismantlement of its nuclear programs. North Korea also insists that the focus of the September 19 Joint Statement is not the denuclearization of North Korea but of the entire Korean peninsula. North Korea also stresses that any verification that is to be carried out in the scrapping stage of its nuclear weapons applies not only to North Korea but also to South Korea and to the armed forces of the United States stationed in South Korea.

As there are criticisms in the United States that Washington conceded too much to North Korea in negotiations on the second phase of denuclearization, it may be even more difficult to negotiate the third phase of denuclearization, which mainly covers the issues of political concessions and economic assistance in return for North Korea's disabling of its nuclear program. In the third phase, North Korea is expected to dismantle its plutonium-producing facilities, its plans for manufacturing nuclear weapons and uranium enrichment, and to conclude a safeguards agreement with the International Atomic Energy Agency (IAEA) and rejoin the Nonproliferation Treaty (NPT). However, it is not clear whether North Korea is ready for all of this. It pursues a guarantee for regime security by improving its relations with the United States and tries to receive

economic aid from South Korea in return for dismantling its nuclear programs. However, North Korea will likely not give up its nuclear program but instead hold on to it as a last resort. It is also a possible scenario that North Korea, which wants to keep its nuclear capabilities alive until the last possible moment, fails to reach a consensus with the United States, which requires verification of a complete and accurate declaration.

### **<Expected Situations>**

In scenario B, North Korea's economic situation is likely to worsen because of nuclear stalemate. North Korea will step up control over its people and stick to an isolationist policy in order to keep its regime secure. South Korea, the United States and Japan will consolidate cooperation to resolve a stand-off over North Korea's nuclear issues. Additionally, sanctions agreed to at the United Nations after Pyongyang's nuclear test in 2006 will be applied to North Korea, further enhancing their difficulties. The United States will strengthen pressures against the North through human rights organizations and the Proliferation Security Initiative (PSI).

Due to Kim's ailing health, his recovery and the achievement of internal unity will be North Korea's primary focus. As Kim's close aides will try not to give their leader any stress, the existing policy direction is expected to remain and any attempts at reform would be more difficult. As serious matters will not be reported to Kim, North Korea will not take an active role toward domestic and foreign issues. Regarding internal unity, Pyongyang will strengthen its control over deviant social behaviors and try to create tension with other countries. Additionally, a National Party Cell Secretary General Assembly will be held and more intensive censorship by the central government and more tightened crackdown on markets are expected. The inter-Korean relationship will become

tense due to North Korea's strong criticism of several issues such as South Korea's propaganda pamphlets. As Kim's close aides do not feel the necessity of a soft attitude toward the United States and South Korea, they will maintain firm attitudes in display of loyalty as their leader is lying sick in bed. All of these circumstances can have a negative influence on resolving North Korea's nuclear issues. We cannot exclude the possibility that North Korea will go ahead with a missile test or a nuclear test in order to escape from this deadlock. It is also probable that North Korea will depend more on China which will, in the end, harm North Korea's stability.

As the inter-Korean relationship is likely to be tense in this scenario, it would be difficult for South Korea to implement the Denuclearization, Openness, 3000 plan. Additionally, South Korea is likely to have domestic friction regarding its North Korea policy and assistance to North Korea.

Stable Kim Jong-il regime

- Six-party talks and North Korea's nuclear issues come to a deadlock
- North Korea's economic hardship worsens and the North's leadership tightens up on its people
- Inter-Korean relationship becomes tense.
- Possibility of North Korea's limited provocation (missile test, nuclear test, violation of the NLL(Northern Limit Line))
- North Korea's isolation policy
- Realization of the United Nation's resolution to impose sanctions on North Korea (after a nuclear test in 2006)
- Sun-gun politics remains / No real progress both in inter-Korean economic cooperation and South Korea's assistance to North Korea
- South Korea, the US and Japan consolidate their cooperative relationship
- Possibility of conflicts over the North Korea policy within South Korea
- More pressure on North Korea though the United States human rights organizations and PSI
- North Korea's increased dependence on China

Conflicts between the United States and North Korea

Improved relations between the United States and North Korea

Improved relations between the United States and North Korea

### **C. Scenario C (Conflicts between the United States and North Korea / Unstable Kim Jong-il regime)**

Scenario C is that Kim Jong-il's regime is unstable and North Korea's nuclear issues are at a stalemate. Even after completing the second phase of denuclearization, the US-North Korea relationship is not on optimistic ground. Nuclear facilities in Yongbyon are to be verified first, and nuclear weapons, the enriched-uranium program and nuclear proliferation are to be verified later. Yet, the prospect for the complete dismantlement of the nuclear program remains unclear. The September 19 Joint Statement, February 13 Agreement and October 3 Agreements do not allow for optimism on the fundamental solutions for North Korea's nuclear ambitions.

Though stability of Kim's regime depends on whether Kim is still able to exercise power as an influential person in the regime, the actual situation can be much more complicated. Kim's long-standing ill health or his demise will definitely have a negative impact on the regime stability. As the North Korean regime has not been based on a systematic ruling system but on Kim Jong-il himself, his sudden demise without a succession plan will likely bring chaos. Moreover, distrust among elites is deep as they have remained in power thus far by keeping their rivals in check and purging them.<sup>6</sup>

A strained relationship with the United States will have an even further negative impact on North Korea's political stability. Tension between the two is likely to result in a chilly inter-Korean relationship

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<sup>6</sup> However, North Korea remains the regime of one-man's absolute power and thoroughly prevents the emergence of friction. So, antagonism between elites will not develop into a power struggle. As the elite group is strictly supplemented according to their social levels, the group shares a common destiny.

as the South Korean government considers its cooperation with the United States regarding North Korea important, and its North Korea policy reflects Washington's tone toward the North. North Korea's long-standing isolation may also bring unrest and strife among power elites in North Korea.

### **<Expected Situations>**

If the Kim Jong-il regime is unstable, the US-North Korea relationship, whether it is cooperative or amidst conflict, will not have a big impact on the stability of the regime. The biggest concern for Washington is to prevent the proliferation of North Korea's nuclear materials and to prepare for possible situations such as vast numbers of North Korean refugees and domestic conflicts and starvation in North Korea. In this situation, China will cooperate with the United States. It is also possible that the United States will put all matters concerning North Korea under China's charge. In this case, China's influence over North Korea will expand with Washington's support, and China will likely step up guarding of its border to prevent North Korean refugees from coming into the country. In consultation with the United States, China will contact the new power in Pyongyang to deliver the concerns of neighboring countries. China will try to influence North Korea to appoint a new leadership which will cede any nuclear ambitions, reform itself and open its doors.

If Kim's illness is prolonged or should he die, discord and policy conflicts will surface in North Korea. It would become difficult to make prompt decisions as Kim's top cadres may have conflicting opinions. Especially, internal conflicts will worsen if they fail to properly respond to the numerous pending issues such as food shortages, social deviance and nuclear issues. North Korea has maintained its regime through an isolationist policy so that new

leadership will probably try to maintain its power through a closed system as well.

If North Korean society falls into chaos, there may be a humanitarian crisis such as an increase in refugees. Thus, it is necessary to prepare measures and policies to address such consequences.

Under these circumstances, the United States will exert every effort to collect information on what's going on in North Korea through its own channels or with help from China or South Korea. Washington and Seoul will warn against North Korea's possible attack and will enter a state of emergency.

Conflicts between the United States and North Korea	Stable Kim Jong-il regime Improved relations between the United States and North Korea
	<ul style="list-style-type: none"> <li>- The United States puts in efforts to collect the information on situation in North Korea</li> <li>- The United States warns North Korea against its attempt to proliferate its nuclear materials</li> <li>- The South Korean military forces and the United States armed forces in Korea enter a state of emergency</li> <li>- China heightens its state of alert on the border between China and North Korea, and will be ready to deal with North Korean refugees</li> <li>- South Korea's Ministry of National Defense and the US Department of Defense respectively warn against North Korea's possible attacks</li> <li>- The United States and China step up their cooperative relationship to prevent the proliferation of North Korea's nuclear weapons and to restore order in North Korea</li> <li>- In consultation with the United States, China will contact new power in North Korea to deliver neighboring countries concerns</li> <li>- China's friendly policy toward North Korea</li> <li>- China's efforts to expand its influence over North Korea</li> <li>- Chaos in the entire North Korean society, increase in refugees, humanitarian crisis</li> <li>- The American sanctions on North Korea</li> <li>- Increased military tension between the two Korea</li> </ul>

Improved relations between the United States and North Korea

## **D. Scenario D (Cooperative relationship between the United States and North Korea / Unstable Kim Jong-il regime)**

Scenario D is that Washington and Pyongyang form a cooperative relationship while Kim's regime is unstable. North Korea opens its doors during the denuclearization process and its regime becomes unstable due to a rapid increase in North Korean refugees and socially deviant behaviors. Kim's sudden demise creates friction among elites in the succession process, and a scenario emerges where the military, which is relatively free from the Party, takes control of the country and argues against nuclear dismantlement and against rapid progress in the relationship with Washington.

On the contrary, anyone who seizes power after the fall of Kim Jong-il will try to contact the United States which may acknowledge the new power in North Korea in order to calm the situation. North Korea, post-Kim Jong-il, is guaranteed its regime security in return for giving up its nuclear ambitions, which improves the relations between the two nations.

### **<Expected Situations>**

The United States will likely declare that negotiations between Pyongyang and Washington should continue and will support North Korea in terms of its security. Under the leadership of Washington, five or six-party talks will be convened to discuss measures on how to stabilize North Korea. China and the United States will compete fiercely to establish a relationship with the new leadership in North Korea.

The only interest of the United States in this situation is to prevent nuclear proliferation. Another possible scenario is that the United States takes a hard-line policy toward North Korea, asking it to

completely surrender while providing humanitarian aid to the North Korean people. This scenario is more probable when the two nations are in conflict.

Conflicts between the United States and North Korea	Stable Kim Jong-il regime	Improved relations between the United States and North Korea
	<ul style="list-style-type: none"> <li>- The United States makes effort to collect the information on the situation of North Korea</li> <li>- The United States warns against North Korea's attempt to proliferate its nuclear materials</li> <li>- Apart from the United States South Korea and China express that non-proliferation of North Korea's nuclear weapons and the stability of the Korean peninsula are their almost interest</li> <li>- The United States declares that negotiations with North Korea should continue</li> <li>- The United States hopes for stability in North Korea</li> <li>- The United States convenes a five or six-party talk to discuss measures of how to stabilize North Korea</li> <li>- The United States accepts North Korea's request for assistance</li> <li>- China makes efforts to expand its influence over North Korea</li> <li>- Competition between China and the United States emerges to seize influence over power over North Korea</li> <li>- Chaos in the entire North Korean society, including refugees and a humanitarian crisis</li> <li>- Increased military tension between the two Korea</li> </ul>	Improved relations between the United States and North Korea

## 8. Learning Points

It is expected that learning points are automatically brought up while checking through expected situations for each scenario, for instance blind points of and complements to current policies. Along with that, the workshop also suggests what to do in order to bring about desirable situations in the future as well as to set up measures to prevent unwanted situations.

## **A. Preparing measures for both a stable and unstable Kim Jong-il regime**

It is necessary to make a judgment about the state of Kim Jong-il's regime. Discerning whether it is stable or unstable is desirable. According to scenarios C and D, the state of the relationship between the United States and North Korea does not have much impact if his regime is unstable, which is an undesirable situation from a political perspective because it will bring instability to North Korea, a massive flow of refugees and a humanitarian crisis. Then, keeping Kim's regime stable and engaging with North Korea would be a realistic task and one of the most suitable policies in the current framework. Yet, it is also necessary to prepare for a situation where Kim's health becomes grave.

On the other hand, if Kim's regime becomes stable, it is difficult to expect changes in North Korea, regardless of the relationship between the United States and North Korea. The last decade has proven that engagement policy cannot change North Korea. Thus, a policy which can bring change to North Korea is required. And such a policy should be focused on controllable regime instability and controllable changes. What must be prevented are uncontrollable instability and a tense United States-North Korea relationship.

Therefore, it is necessary not to take seriously the state of the Kim Jong-il regime but to prepare alternatives instead. North Korea's changes will largely be influenced by relations with the United States, which in turn will also affect inter-Korean relations. Thus, the South Korean government needs to secure an opportunity to play a leading role rather than make a hasty response. Taking advantage of the stable state of the North Korean regime, we should develop policies to lead the situation. However, when the regime is unstable, there are still things the South Korean government can do. For instance, South Korea can initiate a policy that allows North

Korea time to adapt to sudden changes in situations and to settle things on their own. In order for that, South Korea should proceed slowly and set up a multilateral security framework as a measure to prevent undesirable situations in advance.

## **B. Preparing for complex and various possible situations**

According to the situations predicted for each scenario, the stability of North Korea's regime is affected by more factors than previously thought. The current North Korea policies may not follow the scenarios discussed herein. As the Sunshine policy's simple presumption was that "North Korea will change if it is supported and embraced" was not always correct, the Denuclearization, Openness, 3000 plan also needs to prepare for much more complex situations. First of all, the South Korean government needs to bring about desirable future scenarios for the plan and to prepare for any situations should these scenarios fail as well.

For instance, to operate the Denuclearization, Openness, 3000 plan, a strategy to induce reform and the opening up of North Korea should be established in advance. Yet, inducing such changes from North Korea will not be easy as it stubbornly insists that the South Korean government submit to the 6.15 and 10.4 inter-Korean declarations. Urging North Korea to change its attitude while correcting failed practices in the inter-Korean relationship and applying flexible reciprocity regarding inter-Korean economic cooperation will not be easy. In this process, the South Korean government should avoid creating tension with Pyongyang while setting up strategies to move North Korea to consent to South Korea's new policy.

In order for this to occur, Lee Myung-bak's government should try to communicate with North Korea through governmental and nongovernmental bilateral talks, as well as through various channels

afforded them by the international community, to avoid unnecessary tensions by explaining his North Korea policy. At the same time, the Lee government should form a domestic consensus on its new North Korea policy. In 2008, Pyongyang tried to raise tensions on the Korean peninsula before and after South Korea's general elections, but the South Korean government responded calmly to the situation and avoided unnecessary tensions.

Sensitive issues such as human rights and North Korean defectors should be resolved under firm principle not solely by the Korean government but also with the cooperation of civil society and the international community. However, as the abuse of human rights, a crime against humanity, will be punished by history, too much political consideration on this issue may put the South Korean government into a strategic trap and give abusive forces opportunities to counter the strategy.<sup>7</sup>

### **C. Preventing North Korea from being isolated**

Even though North Korea hesitates to reform itself and to open its doors in the context of this long-standing stalemate in the inter-Korean relationship, it is important to prevent North Korea's isolation. For decades past, North Korea has isolated itself from the international community under the ideology of Juche. Under a strong control system, an isolated North Korea has abused its people's political, economic and social rights. Isolating and pressuring North Korea is likely to result in more pain for its residents rather than on the regime itself. Moreover, the "isolating and pressuring" approach, successful or not, will lengthen the period of North Korea's isolation. Romania's case is a telling example of the collapse of socialism in Eastern Europe, and shows that a closed

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<sup>7</sup> Lee, Jae-won, Collection of presentations in an NGO workshop on North Korea's human rights issues hosted by KINU (KINU, April, 2007).

system is more likely to reverberate into greater chaos and unrest.

For this reason, no countries are insisting upon an isolation policy toward North Korea. The Bush administration carried out a pressuring approach toward North Korea for regime change, but at the same time it also made “diplomatic efforts” and did not stop economic aid. After the Northern policy of the late 1980’s, an engagement policy has taken root in South Korea as the basic policy toward North Korea, evolving out of the South and North Korea’s Unification Formulas and the Basic Agreement between the Two Korea’s. Even if progress fails regarding denuclearization and openness, nongovernmental communication and exchange between the two Korea’s should be maintained to prevent North Korean isolation.

#### **D. Preparing for the collapse of North Korea while ruling out a policy based on regime collapse**

Though Kim Jong-il’s regime is highly unstable and the possibility of a regime collapse exists, a policy based on that likelihood is not appropriate. The collapse of North Korea should be considered as a scenario akin to North Korea’s denuclearization and openness. The possibility of North Korea’s collapse must be prepared for thoroughly, although South Korea should not stick to a policy which keeps it waiting for collapse. Such a vague and pointless collapse theory will negatively affect South Korea and distract it from current policy and undermine any current policy’s effectiveness.

Nonetheless, South Korea has to contemplate whether it is ready to deal with the consequences that may be result from changes in North Korea. Research on regime collapse, more specifically, on security, international law, economy and humanitarian aid should continue. South Korea needs to participate in multinational research on North Korea which will be carried out by the institutes of

neighboring countries. South Korea should recognize the various views and perceptions toward North Korea and should consider measures to deal with such differences, in particular as they exist with China and even within the military between the senior and working-level groups.

### **E. Preparing for strife in US-South Korea cooperative relations and possible conflicts within South Korea**

If Kim Jong-il's regime becomes stable and the United States-North Korea relationship rapidly progresses, there could be strife in the cooperation between the United States and South Korea. If North Korea utilizes the Obama administration's active engagement policy and tries to improve its relations with Japan and the United States while taking on the *Tongmi Bongnam* policy aimed at freezing out the South, South Korea may become alienated regarding issues concerning North Korea. In contrast, if North Korea requests large-scale assistance from the South in return for giving up its nuclear program, there might be a disagreement within South Korea on whether to provide the assistance and in what quantity to North Korea. If the North opens its doors while maintaining its nuclear ambitions, conflicts within South Korea are also likely to emerge as progressives, who acknowledge North Korea's determination toward openness, will request more assistance for North Korea.

In any situation, it is important to harmonize the inter-Korean relationship with the six-party talks on the denuclearization process. Further progress in the inter-Korean relationship ahead of the six-party talks may slow down the process of denuclearization by weakening the United States government's political leverage against North Korea. To the contrary, if the United States-North Korea relationship improves ahead of the inter-Korean relationship,

possible worries are a rift in the cooperative relationship between the United States and South Korea, discord within South Korea and a tense inter-Korean relationship.

When the Kim Jong-il regime is unstable, cooperation between Washington and Seoul should be consolidated. Additionally, if the United States and North Korea are in conflict when the regime is unstable, South Korea needs to prepare for the possibility that China will increase its influences over North Korea.

## **F. Preparing measures for the case that the current situation prolongs itself**

It is difficult to impose a military threat on North Korea regardless of which party controls the governments of the United States and South Korea. As unstable factors, apart from external factors, can also be generated within North Korea, it is necessary to predict various possible uncertainties and to prepare measures against them in order to quickly take advantage of matters. One assumption to consider is that the current situation can last longer than expected.

It is quite possible that American-North Korean relations, inter-Korean relations and the internal situation of the North Korean regime maintain current trends without significant change over the next five years. Concerning North Korea's nuclear issue, it is impossible for Kim Jong-il to completely give up his nuclear ambitions and it is realistic to assume that it will be difficult for him to give up any nuclear weapons that he already possesses. Despite changes in Washington, Kim's perception of the new administration will not change. His perception of the United States is that "the nature of Americans doesn't change". Even if the nuclear issue is solved, there will remain numerous pending issues between the United States and North Korea, among them human rights, conventional weapons and biochemical weapons. Therefore,

a stable but somewhat conflicted United States-North Korea relationship is highly plausible.

If the current situation seems to last longer than expected, South Korea needs to establish mid-term and long-term policies under the premise that Kim Jong-il's regime, socialism and the Democratic People's Republic of Korea (DPRK) can last for quite some time. South Korea should prevent the application of *Tongmi Bongnam* policy while providing humanitarian assistance to North Korea, while simultaneously taking the initiative in matters concerning the Korean peninsula. Additionally, in order to play a leading role in the unification process, South Korea would be wise to carry out policies toward the United States, Japan, China and Russia. It is desirable to adopt a framework of multilateral talks, such as the six-party talks, to minimize tension that might be created during bilateral talks between North Korea and its five neighboring countries.

## **9. Next Steps**

The next step should be to review whether a follow-up workshop is necessary, and if it is, the subject needs to be confirmed.

Before confirming the workshop results, a draft should be sent to the participants to collect their opinions, which the final report should include.



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### **III. Situations by Sectors**

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Considering that the two major variables affecting regime stability in North Korea - the stability of the Kim Jong-il regime and United States-North Korea relations - are political factors, it is questionable whether changes in North Korea can be explained only by political factors. When determining the direction of change on a large scale, domestic and foreign political variables likely have the biggest impact. However, economic as well as socio-cultural factors affect the speed of such changes and work in specific situations which might occur in certain phases.

Therefore, these two factors notwithstanding, the effects of other factors discussed in this workshop should be considered. For instance, other scenarios are possible within the four existing scenarios that consider economic variables. When explaining expected changes for each scenario, economic and socio-cultural factors should be clearly explained so that the research can be more balanced. The aforementioned limits of this workshop can be complemented by an analysis of situations by sectors in North

Korea.

This chapter is designed to complement the results of the workshop by analyzing stable and unstable factors in the North Korean regime, apart from the scenario workshop results. This chapter evaluated the regime's internal factors based on an analysis of situations in North Korea.

## 1. Economy

In New Year's Statements in 2007 and 2008, North Korea proclaimed to have improved the quality of life for its people. This can be interpreted as rhetoric to prevent social unrest and fear in situations of resolutions or sanctions after its nuclear test and rapidly decreased international assistance. However, considering the current situation, a policy for improving the quality of life cannot be given importance ahead of policies concerning the military industry, heavy industry and *Sun-gun* politics.

The government's role in the North Korean economy is critical. Its role requires a completely new determination and intention to deal with the current circumstances in which the lower classes are moving toward a market economy. To put it another way, North Korea should give up its command economy and adopt a new form of national economy. The government should create a system that supports the nation's production to vitalize a non-productive, non-systematic, externally vulnerable and distribution-oriented market economy. Production needs government support and can be successful only when the government protects it. Its success can create a domain of production. Various systems and regulations are necessary for a market economy to function, although the regime sticks to the principles of socialism and forces policies of self-reliance on its people.

Since the July 1 Economic Management Improvement Measure,

North Korea can be effectively characterized by its duality. There are planned operations and market-oriented operations in a broad framework. Specific examples include price setting by the regime (rationing and distribution) and market price setting (market transactions), formal currency and market currency, payment by cash and payment by barter and a special zone and non-special zone.<sup>8</sup> This duality reflects the troubles of North Korea, whose ultimate goal is to rebuild a planned economy based on the *Sun-gun* policy. In reality, however, they have to tolerate the market economy in the face of economic hardships.

According to North Korean economists, the North considers the market economy generated by free trade as just temporary. Moreover, they view it as different from the open market in China and Vietnam. It is documented that North Korea intends to open a form of free market between 2020 and 2025,<sup>9</sup> but ultimately it will have no choice but to adopt a market economy. To create an upper structure of the market economy, the government's power of social coercion and policy capabilities will be needed.<sup>10</sup> Yet, thus far, North Korea has directed such efforts and capabilities toward other sectors. This raises a paradox that, namely, North Korea is too weak to adopt a market economy now just as the North Korean economy is facing new challenges from the denuclearization process.

More specifically, North Korea has given up its national economy, which is on the brink of bankruptcy, and sticks to the

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<sup>8</sup> Bae, Jong-ryul, "Establishment of a mid-term and long-term financial system for the development of North Korea," (August 4, 2006).

<sup>9</sup> "North Korean Marketization in Progress," *Economist*, October 30, 2006.

<sup>10</sup> Laissez faire, the beginning form of market capitalism, is considered a night-watchman state which actually does not exist. As market capitalism cannot be created within this night-watchman state, there must be a strong stateintervention.

command economy to protect and maintain its regime. As a part of efforts to “separate economics from politics,” the North has abandoned the national economy and has forced its people to survive on their own. Consequently, a self-sustained market economy emerged from the bottom up. Currently, the command economy and the market economy in North Korea are in conflict and seriously contradict each other as they have totally different natures.

With the command economy on top and a self-sustained market economy underneath, the dynamics of the current North Korean economy cannot last forever. North Korea has been pouring money into its socialist system economy in order to maintain the regime money earned from industrial facilities which are operated by the Party and the military, foreign currency earned from various sources and any money wrung from the market economy. This policy is seriously harming the regime’s durability and aggravating the regime’s stability. If the North relies on the dynamics of the current form of the economy despite internal and external challenges, it cannot avoid implosion. Thus far North Korea has operated a transitional system of crisis management which reflects *Sun-gun* politics and “economic policy of the *Sun-gun* period”, but it now seems to be entering crisis. Whether the current challenges will pressure North Korea to adopt some form of change (rapid or fundamental) will be determined by what strategy it implements to deal with its future. There is, however, little hope for optimism.

## 2. Society

North Korea’s recent changes (as discussed in chapter 3) are likely to have negative effects on the regime. Such changes include the marginalization of production labor, the expansion and differentiation of consumption caused by an expanding market, a

weakened formal network, the alteration in hierarchical structure, a larger gap between the rich and poor, a weakened reliance on government, the spread of dissatisfaction toward the regime, increased social deviance, an increase in the influence of the culture of capitalism and the superficiality of political education. North Koreans are coping with the routinization of politics by spending some of their working time doing personal business, accumulating wealth illegally by utilizing clout and bribes, expressing their political dissatisfaction and secretly enjoying the popular culture of South Korea, the latter of which is prohibited in North Korea. These behaviors are not outright examples of resistance against the order of the nation, but neither are they examples of pure obedience. Like this, the North Korean people appropriate their daily lives in their own way by repeating adaptation, adjustment and resistance according to the level of the government's control and oppression.<sup>11</sup> As these behaviors go against what the socialistic regime pursues, it is quite possible that it will have a negative impact on regime stability.

As the axis of production and consumption is moving from the nation to the market and an informal economy, various social changes are occurring. These changes, however, cannot be said to always have a negative impact on regime stability. An informal economy, or a “second economy”, as well as socially deviant behavior on any scale helps people to manage their lives, and in turn is helpful to North Korea itself in a broader sense because it creates jobs, helps people survive and alleviates psychological

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<sup>11</sup> Appropriation is the core concept that H. Lefebvre designed to overcome everyday life. It is about having ownership of resources of previously un-owned, others or commonly-owned, or previously owned resources that have been once taken away. In other words, appropriation means that an individual owns one's body, desire and time, and manages these things by one's self. H. Lefebvre, translated by Park Jeong-ja, *Everyday Life in the Modern World* (Seoul: Giparang, 2005), pp. 36-39.

anxiety. These changes prevent oppressed North Koreans' routine resistance from being politicized by allowing an outlet that satisfies their desires and which allows them to maintain a basic level quality of life.

Therefore, the government tolerates these illegal activities to a certain extent, while ceaselessly imposing ideological controls and regulations to prevent their excessive spread, which might lead to regime change. Because of this duality of behavior, the regime continues to strengthen and loosen control over market activities, "non-socialistic" behaviors, "the culture of capitalism" and political education.

Among social changes, noteworthy is a change in the class structure. Namely, transformation from a politics-oriented class structure to one that is economy-oriented. Income earned on top of wages is becoming the main source of household earnings so that a gap between the rich and poor is widening. Consumption has also increased compared to the period before the economic crisis, although extremely poor people have more difficulty maintaining their lives. A notable change in the class structure is that intelligent people and low level officers become more dependent while the merchant class is managing quite well. Rapid changes in the class structure can cause social instability, and phenomena such as the widening gap between rich and poor and the fact that only a few members of the privileged class possess wealth, can spark social dissatisfaction. Yet, it is difficult to simply conclude that changes in the class structure endanger the North Korean regime. To confirm the impact of such changes, every factor that mediates politics-oriented and economy-oriented groups should be analyzed. These factors include the structure of social mobility which indicates the flexibility of class structure, especially political power and intelligence, connections, a sense of capitalism, the time to advance into a market, and initial capital. Additionally, the role

of the government, which blocks any possibilities for its residents to form private wealth in an informal economy, should be analyzed in advance.<sup>12</sup>

### 3. Politics

Given North Korea's economic crisis and the historical trend that socialist countries have transformed themselves into market economies, the North Korea regime is basically unstable. It is especially undeniable that North Korea's economic and social situations are worsening. Despite such insecure circumstances, it has maintained the regime through closed and controlled systems as well as through military power. Yet the country's absolute leader, Kim Jong-il's health problems and his reduced roles will definitely affect the political system of North Korea. If Kim Jong-il is suffering from complications of brain disorder, cardiac disorder or diabetes as the public assumes, the possibilities of his long-standing health problems and even his sudden demise should be taken into consideration. Of course, North Korea will make every possible effort not to bring about such events by securing up-to-the-minute medical facilities and guaranteeing rest for Kim Jong-il. However, a change in the government's role will bring various negative effects to the power structure, power relations, decision-making processes and the mind-set of North Koreans.

Most of all, Kim Jong-il's long-standing health problems will inevitably reduce or cancel some of his public relations activities. Such reduced activities will unsettle North Koreans, including the powerful elite, and cause social unrest. Due to the chronic economic

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<sup>12</sup> Bong-dae Choi, "Implications of transition theory on the revitalization of North Korea's informal economy since the latter 1990s," Yoon, Dae-gyu, ed., *Progress and development conditions of transition in the North Korean regime* (Seoul: Hanul, 2008), pp. 170-182.

crisis and food shortages, Kim Jong-il has been reduced to a mere figurehead to many North Korean people. It is difficult to see any real respect or loyalty toward Kim, especially when he is compared directly with his predecessor, Kim Il-sung, who used to actively look after people's circumstances. Kim Jong-il's superficial authoritative and military-focused field inspections may become one of the causes that will deteriorate his people's loyalty toward him. If his inspections are reduced or stopped, even though they are superficial ceremony, North Koreans, including soldiers, may become discouraged and demoralized.

In North Korea, field inspections or on-the-spot guidance by Kim Jong-il promotes both the morale and loyalty of soldiers and citizens. Field inspections are considered one important way to examine the circumstances of people, identify their problems and find solutions. Without field inspections, Kim Jong-il cannot but rely on the Party and his close aides who will deliver to Kim only issues that can satisfy and please their leader. They will try to hide when possible issues that could stir problems or cause stress. Thus, false, exaggerated and even distorted reports will be prevalent, and Kim Jong-il will steadily lose his ability to judge accurately, and thus lose power over society.

It is necessary to point out that the control of the regime by Kim Jong-il's closest associates, a possible scenario if his illness is prolonged due to old age, could weaken Kim's power and cause significant change in the government's power structure. Kim Jong-il has so far put government organizations on the same level to make them compete for their loyalty toward him and to keep each other in check. This also directly exercises dominating power over them through ratification politics with his aides. However, as mentioned earlier in this article, it is also possible that Kim entrusts his authority and roles to his closest aide whom he most trusts.

If such a scenario manifests itself, this figure closest to Kim will have increased influence over the nation, and power will be focused in their direction, while the existing system of keeping each other in check and competing for loyalty among senior groups will fade away. Those who obtain Kim Jong-il's trust and power may abuse it and mislead the government by issuing their own orders under the name of Kim Jong-il. If Kim entrusts his role of selecting aides to another of his aides, power will be centralized and informal connections to this new aide will emerge.

However, if Kim's illness is only a physical disorder, it is less likely that the increased influence of his aides will result in challenges to Kim's power and in political factions. Rather, power elites are likely to be very cautious about what they say and what they do. Kim Jong-il often used to say that real loyalists can be identified in difficult times. If someone in the power structure notes Kim Jong-il's health problems will weaken his power and if that proves to be incorrect, he will fall into a very troubled situation. If there is anyone who mentions policy changes, or flatters a senior official, or mentions collective leadership, going against the current succession and one-man ruling system, he will be branded as a traitor and a dissident who instigated unrest in society aiming to seize the power. Even those who really worry about his condition and recommend that he rest can be considered a traitor who longs for his power. The aging of the physical body normally accompanies mental aging. Physically and mentally incompetent people tend to be stubborn with their preconceived ideas and hold firm to their views, and tend to express more anger. These symptoms are even more evident in brain disorder patients. For this reason, it would be difficult to recommend Kim Jong-il take rest and risk being interpreted as meaning leave from his current post. After all, it is likely that Kim holds and exercises his power in the government and in policy decision-making despite his health problems. However,

such work-related burdens and stress may worsen his condition.

Long-time close associates of Kim will know his problems in his private life as well as his personal weaknesses better than anyone. It is believed that they have already recognized Kim Jong-il's physical and personality changes as well as changes in his rule which are caused by his aging. They do not have respect toward Kim Jong-il's charisma and are not threatened by his power. They are showing their "revolutionary faithfulness" and unconditional loyalty toward Kim because they do not want to lose Kim's trust and to see the regime collapse taking away their vested interests. Yet, if Kim's illness is prolonged they will worry about their future and "the spirit of defending their leader at the risk of their life" will fade away.

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## IV. Conclusion

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### 1. The worsening of Kim Jong-il's health condition and the Inauguration of the Obama administration

Recently, big changes have appeared in two important areas: the stability of the Kim Jong-il regime and the United States-North Korea relationship. Both affect the regime stability. Kim's regime stability is moving in a negative direction due to Kim's health problems. The other factor moves in a positive direction - the removal of North Korea from the list of terror-sponsoring nations. However, a more careful and thorough analysis of these two factors is necessary.

*Sun-gun* politics, which are characterized as reclusive ruling with close associates, does not seem to be largely affected by Kim's worsening health. Kim will retain a firm back-room grip on power and will get a close aide to lead the government. Among his aides, the one who enjoys Kim's trust the most will emerge as the heir

with support from Kim.<sup>13</sup> He will be inaugurated as general secretary and the Party-state system is likely to be restored. Yet, if the *Sun-gun* politics is still considered necessary, he is likely to become commander-in-chief. It is expected that during Kim's illness and even after his demise, elite groups in North Korea will unite with the new leadership for internal unity.

However, if new leadership tries to disrupt the existing order, to shake up the power structure and to change policy, or if the economic situation gets even worse, an unexpected power struggle may occur. In this case, the system, which will collapse due to a direct ruling system under the *Sun-gun* politics, will bring instability to the regime.

The United States-North Korean relationship, which gained momentum thanks to the exclusion of North Korea from the list of terror-sponsoring nations, is likely to further accelerate under the Obama administration. It is foreseeable that this relationship is likely to face changes under the new foreign policies of the Obama administration which emphasizes change. Obama indicated that diplomacy would have priority over military power regarding American foreign policy, and he would open a new era of engagement. His engagement policy was heavily criticized by the Republican Party during his presidential candidacy, but he has held fast to his intention of having a summit with Kim Jong-il.

To North Korea, the conclusion of the Bush administration is a great relief. The Bush administration had branded North Korea a member of the "axis of evil" and an "outpost of tyranny". Additionally, former President Bush tried to change the Kim Jong-il regime under the umbrella of spreading democracy. This is North

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<sup>13</sup> In this case, considering capability, leadership, and relations with Kim Jong-il, the current dominating power, Chang Sung-taek, is the strongest candidate.

Korea's last opportunity to stabilize internal and external uncertainties and escape from total crisis. Moreover, considering Kim's ailing health and his hot-temper, he may have to hurry to reinstate relations with the United States in order to stabilize the regime and to consolidate his successor's position. If North Korea abandons its nuclear ambitions, it is expected that relations between the two nations will improve at a rapid pace. Accordingly, discussions for a peace regime on the Korean peninsula, the normalization of North Korea-Japan relations and a multilateral security framework will gain momentum.

However, it is too early to hastily predict rosy prospects in the US-North Korean relationship. The change that the Obama administration referred to is actually only in its approach toward North Korea. Its firm position about nuclear weapons and materials remains in step with Bush administration policies. Some recommend Obama does not make bold diplomatic strides which will be seen as unpatriotic. That strengthens the assumption that Obama will take rather principled approaches toward North Korea's nuclear issue. Thus, if North Korea does not make a strategic move regarding the nuclear issue, the Obama administration's engagement policy can become a burden to the North. During his presidential candidacy, President Obama affirmed that he will ensure the control of all nuclear materials that have been loosely managed, prevent the production of nuclear weapons and reduce proliferation. He also expressed support for strong sanctions to be imposed on countries that do not fulfill the Nonproliferation Treaty (NPT) system. As Obama is pursuing the goal of a nuclear-free world, his administration is expected to actively engage North Korea with the goal of nuclear dismantlement. The restoration of trust and the improvement of relations between the United States and North Korea will be tested at the incoming verification stage of denuclearization. The first test will be whether North Korea will

agree with the verification protocol, which includes sample gathering, and whether it will be cooperative with the inspection of its nuclear facilities. The second difficulty will be whether the United States and North Korea will successfully reach an agreement concerning the second verification of nuclear weapons, nuclear non-proliferation and uranium enriched programs.

Kim Jong-il's worsening health condition will become an important variable in North Korea's response to the Obama administration's North Korea policy. The most urgent goals of North Korea would be Kim's recovery and internal unity. Thus, North Korea is more likely to maintain passive attitudes rather than actively engage in foreign policies. They will also try to create tension with other countries in order to foster internal unity. North Korea's harsh criticism regarding South Korea's propaganda distribution can be understood in this context. In order for the North to overcome the internal obstacle of its leader's ailing health and to respond to the Obama administration's active engagement policy, the North needs to make a strategic determination.

The fact that President Obama perceives the importance of multilateral talks while emphasizing bilateral talks manifests as another burden the North should manage. President Obama stated that he would resolve the issues of terrorism and nuclear proliferation through talks with relevant leaders, regardless if they are enemies or allies. He has also declared that he will cooperate with China rather than exhibit hostility towards it out of respect for mutual interests in areas such as politics, the economy, the environment and global security. He also emphasized the importance of China's role in the denuclearization of North Korea. North Korea developed a nuclear program under the previous pretext of a hostile American policy toward it. This emerged when the United States and China competed with each other. Now that American and Chinese interests in the region more closely align, North Korean

excuses for keeping its nuclear program have lost meaning.

North Korea's practice of developing the United States-North Korea relationship and the North Korea-South Korea relationship separately may hinder the improvement of relations with the Obama administration. North Korea is trying to guarantee regime security through the United States and is trying to improve relations with Washington by agreeing to a certain level of progress in the denuclearization process. It is also trying to secure economic benefits through relations with South Korea and Japan. North Korea is well aware that the formation of a formal diplomatic relationship with the United States and the establishment of a peace regime are impossible without the complete abandonment of its weapons of mass destruction. As such, another possible scenario is that North Korea progresses in denuclearization to a certain extent, normalizes relations with Washington and then tries to resolve its economic and diplomatic dilemma by making a radical improvement in the inter-Korean relationship. However, the *Tongmi Bongnam* policy and approaching South Korea solely for economic benefits are less likely to succeed. The Obama administration's North Korea policy is based on a "comprehensive negotiation" covering improved US-North Korea and Japan-North Korea relations. It also deals with restructuring the North Korean economy, a multilateral security cooperation system, a peace forum on the Korean peninsula and denuclearization. President Obama's comprehensive negotiation requires close cooperation from South Korea and Japan. As South Korea also pursues close cooperative relations with the United States regarding its North Korea policy, the negotiation will reflect the mutual interest of South Korea, the United States and Japan.

The inauguration of the Obama administration opens up both challenges and opportunities for North Korea. Much of the prospect for a positive US-North Korean relationship depends on the choices that North Korea makes. If the North does not respond to

Washington's engagement policy due to a lingering desire to further its nuclear program or because of Kim Jong-il's health problems, Washington will encounter limits regarding progress with its North Korea policy. In fact, the urgent task of the Obama administration is to resolve its own financial crisis. In terms of diplomatic policies, North Korea carries less significance compared to Iraq, Afghanistan and Iran. Thus, if North Korea does not show an active attitude in resolving the nuclear stalemate, improvements in United States-North Korea relations cannot be expected.

## **2. Political considerations**

Predicting the future of North Korea, which has maintained political stability rather well despite its economic and social difficulties over the past two decades, remains a difficult task. Yet, it is clear that South Korea needs to adopt an active attitude toward issues concerning North Korea, a country which faces new issues with the inauguration of the Obama administration and Kim Jong-il's ailing health.

First, Kim Jong-il's worsening health conditions increases the necessity for South Korea to take the initiative in issues concerning the Korean peninsula. If the North cannot exercise any initiative and retracts from the inter-Korean relationship, South Korea should take the initiative. If necessary, the South Korean government needs to positively consider providing incentives to North Korea while actively coping with scenarios that may emerge due to Kim Jong-il's long-standing illness. Negotiations behind the scenes should also be considered if necessary though these have limitations. North Korea should be managed through various channels, including contacts by non-governmental organizations, the international community and governmental contacts. With strong leadership under the new administration in the United States and a new

government in Japan, the countries concerned are expected to consolidate a cooperative relationship in their North Korea policies.

Second, measures to cope with sudden changes resulting from Kim Jong-il's worsening health condition must be thoroughly prepared. This response should be a calm one. It is less likely that Kim's health problems and demise will directly lead to a power struggle, changes in policy or sudden changes in the current situation in North Korea. There was a controversy over the condolence delegation to the 10th anniversary celebration of Kim Il-sung's death in 2004. Any controversy of this type should not happen again as it will create tension between the two Koreas as well as within North and South Korea. Elite groups in North Korea must possibly step up the hard-line policy toward South Korea to consolidate internal unity and to show their loyalty to their leader.

Third, South Korea's policy direction should be set up to enable the Obama administration's active engagement policy toward North Korea to encourage practical changes in North Korea. South Korea should support the normalization of US-North Korea relations and Japan-North Korea relations so that those relations can contribute to bringing changes in North Korea while consolidating cooperative relations with the United States and preventing *Tongmi Bongnam* policy.

Fourth, as the success of South Korea's North Korea policy depends on public opinion, public perception of the North Korea policy should be followed carefully and closely. Possibilities for rapid progress in US-North Korea relations and the *Tongmi Bongnam* policy are less likely to occur, but an atmosphere of temporary reconciliation between Washington and Pyongyang, or the North's hard-line policy toward South Korea, can stir public opinion and cause conflict within South Korea. The South Korean government should prepare for such situations. North Korea will also make every effort to provoke conflict within South Korea.

One year has passed since President Lee took office and the Lee government has managed North Korean issues relatively well with the so-called, “ignoring policy”. But, as time lapses, the public will want to see visible progress in matters regarding North Korea. So far, South Koreans have understood that it was inevitable that inter-Korean relations would remain in limbo due to the spy scandal, by Kim Jong-il’s worsening health conditions and the killing of a South Korean tourist by North Korean soldiers. Yet, South Koreans will grow tired of a prolonged stalemate in inter-Korean relations and desire progress.

Fifth, South Korea’s efforts to take the initiative in the inter-Korean relationship as well as to engage the North can be seen as “the tactic of blowing hot and cold”. In order to prevent this interpretation, the South Korean government should control the quality and quantity of inducible incentives and set up firm goals and principles for North Korea policy. In the past, only South Korea cared about the expansion of the inter-Korean relationship and North Korea maintained only a contact point, the United Front Department. Creating an atmosphere of reconciliation and narrowing the gap between the two Koreas has yet to be successful through inter-Korean exchanges. Now, it should be kept in mind that North Korea policy need be carried out to meet the goal of bringing change to North Korea.

Lastly, the South Korean government should review changes in the regime and social relations in North Korea and the political implications of its assistance to the North. Changes in the regime and social relations can be considered major factors affecting regime stability, in addition to the two most important factors of stability of the Kim Jong-il regime itself and US-North relations. It is also worth paying attention to the progress of reliance and conflict between the regime and society in North Korea.

After the economic crisis in the 1990s, there have been many

changes in terms of the relations between the North Korean regime and its society. Since the economic crisis, the regime has lost much of its power to “control and protect” its people while residents have secured considerable opportunities in non-political sectors with respect to their livelihood. However, North Korea still intends to re-establish a control system while abandoning the duty of “protecting” its people.

North Korea’s attempt to re-establish its control has been clear since the re-introduction of the rationing system in October 2005, although it had a negative impact in the midst of a food crisis. In 2008, food scarcity caused a food crisis only for members of the lower class because of the development of market relations and the increasing gap between the rich and poor. With the expansion of market relations, a new upper class has emerged through irregularities and corruption. Some from this group have not been affected by the food crisis at all. Rather they tried to accumulate wealth by utilizing the crisis. The result was that some were wealthy enough to practice conspicuous consumption. Yet, the lower class was not protected by the government. It also faced hostile government intervention after October 2005 in the farming of kitchen gardens and market activities that were needed to sustain the livelihoods of the lower class.

The North Korean economy and the livelihood of its people have depended on external assistance in the midst of regime changes and changes in social relations. Therefore, assistance from other countries such as South Korea should continue in order to halt the vicious cycle of crisis in North Korea. External assistance should be carried out in a manner that effectively deals with an odd form of the market economy, the collusion of the government and the new upper class, the absence of social networks and the government’s hostile policy toward lower class livelihoods. In other words, the assistance should contribute to improving internal

productivity and protecting livelihoods so that the true purpose of such humanitarian aid can be achieved, and a humanitarian crisis can be prevented in advance without exploitation by the government. Therefore, South Korea's assistance to North Korea should be carried out with greater strategic consideration as it is an important factor affecting regime stability in North Korea.

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