

BEYOND COLLAPSE - CONTINUITY AND CHANGE IN NORTH KOREA

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Kim Jong Il faces a politically complex dilemma - pursue change or see his regime collapse. His primary goal is regime survival. Toward this end, he appears to have initiated a program of carefully managed change. He must pursue his program within the context of *Juche* to avoid alienating Pyongyang's aging guardians of his father's legacy. Surprisingly, within this rigid dogma one finds the pragmatism that allows Kim to rationalize change in terms of building a "strong and prosperous nation." The August 1995 floods and food crisis gave Kim the opportunity to initiate "managed change." The July 2002 announcement of "economic reforms" suggests Kim Jong Il is less concerned about potential domestic resistance to his program, and more realistic about the extent to which he must pursue change to secure regime survival. But his goal is regime preservation, not its transformation. Democratization is not on his agenda. National defense still tops the regime's agenda, and dominates its economic priorities. To sustain the changes necessary for regime survival, Kim Jong Il has had to turn to the international community for the resources vital to his programs' success: money, technology and training. The more Pyongyang needs from the international community, the greater the international community's ability to influence North Korea's conduct,

and the pace and direction of change inside North Korea. Pyongyang's October 2002 admission that it has acquired uranium enrichment equipment appears aimed at improving North Korea's access to scarce resources vis a vis negotiations with Washington. The admission was a constructive step, but it cannot compensate for Pyongyang's breach of the US-DPRK Agreed Framework. Nor can North Korea's reversion to coercive diplomacy be condoned. Pyongyang's blunders place the regime's survival in doubt. Either continued refusal to discard its nuclear weapons program will convince the international community to deny Pyongyang the resources it needs for survival, or North Korea risks war with the United States and its allies.

Introduction

The Soviet Union's collapse released its former "satellites" to seek their own fate. For most of these small nations, the choice between persisting with discredited communism or pursuing the promising prospects of capitalism was obvious. North Korea, however, opted to preserve its form of "*Juche*" socialism, a decision which gave rise to two assumptions. First, North Korea's authoritarian regime was incapable of change and reform. Secondly, so long as it persisted with its "Stalinist" style economy, North Korea's communist regime would inevitably collapse like the Soviet Union.

Neither assumption has proven correct. North Korea today is showing clear signs of economic revival and durable political stability. It has survived twelve years of economic decline since the Soviet Union's demise, plus the politically traumatic death seven years ago of its original "Great Leader" Kim Il Sung. Equally surprising is North Korea's announcement in July 2002 of an extensive program of economic

reforms. To better understand these developments, we would do well to sit aside our assumptions and preconceptions. Instead, we would do well to look into the minds of North Korea's leadership to determine their priorities and policies.

Our purpose here is to explore the ideological and political context for recent changes in North Korea. We will look behind the recent headlines about North Korea's economic reform program. Instead, we will strive to better comprehend the motivation behind these reforms and prospects for actually altering North Korea's long established patterns of centralized political authority and economic planning.

North Korea's Dilemma

North Korea's leadership faces a seemingly simple, but politically complex dilemma - either pursue change or see their regime collapse. The smiling face of North Korea's deceased founding father, Kim Il Sung, beams from huge concrete billboards positioned at key intersections throughout the country. Each boldly proclaims, "Kim Il Sung is Forever With Us." The subliminal message is clear - Kim Jong Il's primary goal is regime survival. The younger Kim is determined to do whatever is necessary to perpetuate his father's legacy, even if this requires pursuing a carefully managed and quietly implemented program of change.

North Korea is changing. Kim Jong Il, in numerous essays since his father's death, has chastised "reformers" as traitors of socialism. He has condemned as "villains" the leaders of the former Soviet Union who advocated reform, and blamed such policies for the Communist bloc's demise. Yet at the same time, Kim has found in *Juche*, his father's interpretation of Marxism and Leninism, ample rationale to distinguish between "reform" and "change." Some would label the distinction merely rhetorical. But if we delve into Kim Jong Il's mind through his

writings, we can comprehend his distinction.

According to Kim Jong Il's essay "Socialism is a Science," human beings, not Hegel's mechanical forces of dialectical materialism or Marx's economic determinism, drive history. Survival requires that the human species adjust to the constant changes of its natural and social environments. Humans analyze the change around them and respond with adaptations. For Kim Jong Il, like his father, the adaptations must reflect the specific aspects of conditions in Korea, not the universalistic formulations dictated by the ideologies and political philosophies of any superpower. To Kim, change is inescapable, and humans must adapt to it.¹ So long as the changes or adaptations are formulated according to national conditions, rather than universal principles, change is acceptable. Kim rejects "reform" because it sacrifices nationalism for the sake of preserving Marxism or promoting capitalism. This also is to say that Kim is not striving to emulate any model, be it the so-called "Chinese model" or any other. The nationalistic Kim is seeking to synthesize various "changes" into a model that he can proclaim as his own.

Managed Change

North Korea appears destined to continue changing, but not in all aspects of its political, social and economic institutions. Authoritarianism has deep roots in Korean society, dating from ancient Korea's adoption of Confucianism. Japanese colonialism early in the 20th

1 Kim Jong Il, *Socialism is a Science*, Pyongyang: Foreign Languages Publishing House, 1994, pp. 6-9 & 11. This treatise was published in *Rodong Shinmun*, the official daily newspaper of the Korean Workers' Party Central Committee on November 1, 1994. Also see: Kim Jong Il, *On the Juche Idea*, Pyongyang: Foreign Languages Publishing House, 1982, pp. 11-14; and *The Juche Idea and Man's Destiny*, Pyongyang: Foreign Languages Publishing House, 1989.

Century reinforced this authoritarian tradition in both halves of Korea. In the south, democratization was achieved only after a half century of political turmoil. Kim Jong Il is not about to relinquish political power during his lifetime. Democratization certainly is not on his agenda. Nor should we expect him any time soon to discard collectivism as the core of social and economic activity. Again, collectivism has deep roots in Korea's history. Confucianism emphasized selflessness for the sake of promoting the common good. Koreans' traditional reverence for their ancestors and kinship ties strengthens their preference for group rather than individual action. Kim Jong Il is certain to continue favoring socialism's collectivism over capitalism's individual gain, at least for the multitude of his subjects.

Looking back, we can now see that the changing international environment around the Korean Peninsula has profoundly affected North Korea. Despite its leadership's best efforts, North Korea today is a far more accessible society to foreign ideas and foreigners than a decade ago. Its network of diplomatic and commercial relations extends around the globe. A process of hesitant reconciliation with South Korea is underway. Relations with most ASEAN and European Union members have been normalized. Kim Il Sung initiated this process, and his son Kim Jong Il has continued the process of engaging the international community.

Yet Kim Jong Il has yet to discard "coercive" diplomacy, or what some call "brinkmanship," as an option to promote national interests. North Korea's recent boasting that it has a clandestine uranium enrichment program was a two-fold blunder. North Korea's acquisition of such equipment undermined what little credibility and good will it had achieved after signing the 1994 US-DPRK Agreed Framework. At the same time, this misstep achieved the opposite of Pyongyang's goal. Rather than compelling Washington to engage in negotiations, its coercive diplomacy strengthened the influence of Washington's "hard-liners" who favor pressing Pyongyang, even to the point of war, to

give up its nuclear weapons program.

But change is not a one-way street. Unfortunately, many policy makers in Pyongyang and Washington cling to out dated perceptions of one another's priorities and policies. So-called "hardliners" in both capitals view their antagonists through the distorted prism of decade-old assessments and assumptions. They assume neither side has changed. Pyongyang's hardliners believe Washington's goal is to "strangle" North Korea.² Meanwhile, Washington's hardliners see North Korea as still determined to become a regional nuclear power. This clinging to past perceptions might help explain Pyongyang's recent reversion to coercive diplomacy, a practice it seemed to distance itself from with Kim Jong Il's expressions of regret to Seoul for the June 2002 West Sea clash and to Tokyo for North Korea's previous abduction of Japanese citizens. At the same time, however, when it with Washington since the advent of the Bush Administration, Pyongyang reverted to its previous preference for threats and the breaking of promises to pursue its goals. Washington's response has been equally predictable, as well as conventional. It, too, reverted to the previous preference for confrontation over diplomatic engagement.³

At the same time, the intensity of debate between advocates of a "hard" or "soft" landing for North Korea have deflected attention away from developments within North Korea. Advocates of a "hard" landing want to see the collapse or radical reform of the Kim Jong Il regime. They believe disengagement and confrontation will compel Pyongyang either to radically and rapidly change itself for the sake of survival, or else collapse. Their antagonists, who prefer a "soft

2 DPR Korea Foreign Ministry Spokesman's Statement, January 31, 2002. See Korea Central News Agency, "DPRK Denounces Bush's Charges."

3 Colin Powell, U.S. Secretary of State, "Remarks at Asia Society Annual Dinner," New York City, June 10, 2002. John Bolton, Under Secretary of State for Arms Control and International Security, "North Korea: A Shared Challenge to the U.S. and the ROK," speech to the Korean-American Association in Seoul, Korea, August 29, 2002. Both speeches are available via the internet at: www.state.gov.

landing,” believe intensifying engagement, diplomatic and commercial, of North Korea will promote the gradual but peaceful transformation of North Korea. Either way, North Korea must change. We need not attempt to resolve the continuing debate over “hard” or “soft” landing. Eventually, both schools of thought might prove correct. During the interim, we would do well to improve our understanding of the political philosophy and dynamics behind the changes now evident in North Korea. After all, doing so should improve our ability to influence the pace and direction of that change.

A Note of Caution: Any assessment of North Korea requires more effort and caution than for other societies. It is a land of illusions where we must look beyond the obvious. Pyongyang’s obsession with secrecy severely obstructs the most earnest efforts to understand its inner dynamics. Since the Korean War, North Korea has sought to shield the outside world from the reality of its weaknesses while striving to project an image of strength, both military and economic. But since 1995, floods and droughts, food shortages and crisis in public health have compelled it to reveal itself as never before to a virtual flood of foreigners. Today we know it as a land of contrasts: depressing poverty, pervasive food and medicine shortages, and crushing manual labor. Defending this grim reality is frightful military might in the form of ballistic missiles, hordes of armored vehicles, long range artillery and one million soldiers.

The potential pitfalls hinted at above point to the shortcomings of any comparative approach. Some well-intended efforts in the late 1990s contrasted North Korea with small East European former communist states, and prematurely predicted its imminent collapse. Claims that Kim Jong Il is striving to emulate the “Chinese model” of change has yet to be established. The use of “model” compounds the analytical problems. The meaning of the “Chinese model” is usually assumed. Attempts to define it require the impossible compressing of China’s

incredible diversity into a few brief paragraphs. On the other hand, some analysts are prone to assume the North Korean model can be quickly defined since it is a small, homogeneous society. Taken for granted is the accuracy of the limited information available about North Korea.

The approach here will be less ambitious. Conditions in North Korea today will be contrasted with those of its recent past to determine the degree, direction and pace of change. The analytical range will be limited to the leadership's priorities, philosophy of change and assessment of what has actually changed. Disciplined use of terminology will promote clarity and analytical consistency. The term "change" will refer to the process of human adaptation to circumstances altered by phenomena that are beyond a political leader's ability to alter, and his government to control. For example, the Soviet Union's demise was beyond Pyongyang's ability to prevent. The subsequent new circumstances compelled Pyongyang to "change" its international posture. The term "reform" means a rationally defined program of change which a government intentionally formulates and implements. In other words, when political leaders decide that past human activities and policies have produced undesirable consequences, they strive to rectify the results with a "reform" program. Maintaining this distinction between "change" and "reform" is essential to understanding how Kim Jong Il can reject "reform" while at the same time sanction change.

Kim Jong Il on Reform and Change:

Kim Jong Il until very recently has rigidly distinguished between "reform" and "change." His reasons are not merely philosophical. Since 1990, the foremost challenge for him and his father has been perpetuation of their dynasty. At a luncheon in New York City in September 1992, someone asked then North Korean Foreign Minister Kim

Yong Nam how his homeland could expect to outlive the Soviet Union. Kim, a close confidant of now deceased North Korean leader Kim Il Sung, responded confidently that it would endure because of superior leadership and ideology.⁴ At the time this seemed a hallow boast, but hindsight suggests Kim's confidence in North Korea's durability was not misplaced. Whether its survival is a consequence of leadership and ideology remains, however, quite debatable.

North Korean leaders' preoccupation with survival is reflected in the essays credited to Kim Jong Il and published by the Korean Workers Party (KWP) since 1991. Key recurrent themes are *Juche's* infallibility, and condemnation of "reformers" and "reform" as having been responsible for socialism's failure in Europe. Scorn is heaped upon the Soviet Union's last prime minister, Mikhail Gorbachev, and his reformers, as alluded to in the essay, "Socialism Is a Science." This is the first essay credited to Kim Jong Il after his father's death and appeared in the KWP's foremost newspaper, *Rodong Shinmun*, on November 1, 1994. The younger Kim declared that socialism, despite the claims of "imperialists and reactionaries," remains a science and has not failed. Conceding that socialism has crumbled in some countries, he counters that this is not a consequence of socialism's shortcomings, but of the "renegades of socialism," and their corruption and treason.⁵

Kim Jong Il was more specific in his December 25, 1996, essay, "Respecting the Forerunners of the Revolution is a Noble Moral Obligation of Revolutionaries." He defended his Korean predecessors, "True revolutionaries who fight for the people and for the victory of socialism must not forget their revolutionary forefathers; instead, they must defend and develop their achievements." The younger Kim placed his father above all others, "The communist morality of our people finds

4 The author, then the U.S. Department of State's North Korea Affairs Officer, attended the luncheon and sat at the same table with then Foreign Minister Kim Yong-nam.

5 *Socialism is a Science, op. cit.*, pp. 16-17.

its highest expression in their unqualified respect for and absolute allegiance to the great leader Comrade Kim Il Sung.”⁶

Later Kim refers to “opportunists and socialist renegades,” and accuses them of having, “emasculated the revolutionary principles of Marxism-Leninism to please the imperialists...” He labels them “traitors,” and condemns them for having carried out “reform and restructuring for democracy and economic welfare.” Kim concludes that the “renegades” program, an oblique reference to Gorbachev, “was nothing but a reactionary theory for destroying socialism and reviving capitalism.”⁷ Kim then links his rejection of reform to his premise that the Soviet Union’s demise was a consequence of former Soviet leader Mikhail Gorbachev’s reform program, *perestroika* (reconstruction or restructuring), and *glasnost* (openness). Gorbachev is condemned as a “traitor” to socialism and communism. To avoid falling into the same abyss, Kim and the KWP’s ideologues have purged the word “reform” from their vocabulary. Instead, he repeatedly proclaims the infallibility of his father’s *Juche* thought.

But Kim Jong Il’s rejection of reform extends beyond ideology. For him, reform poses substantial political problems. Gorbachev could justify the need for reform by criticizing his predecessors’ work while proclaiming his intent to forge a better future for socialism. Doing so strengthened Gorbachev’s legitimacy. The same can be said of Deng Hsiao Ping’s call for reform to rectify Mao Tse Tung’s excesses. Again, he could do so, after Mao’s death, without adversely affecting his legitimacy. But for Kim Jong Il, his legitimacy is genetically bound to his father. Without his ancestry, he lacks legitimacy.

Kim Jong Il and his followers have declared his father’s reign a “golden” age when Korean socialism achieved its greatest accomplish-

6 Kim Jong Il, *Respecting the Forerunners of the Revolution is a Noble Moral Obligation of Revolutionaries*, Pyongyang: Foreign Languages Publishing House, 1996, pp. 8, 9 and 13-15. This essay first appeared in the *Rodong Shinmun* on December 25, 1995.

7 *Ibid.*, p. 15.

ments under the “Great Leader.” Kim Il Sung is more than the nation’s father. He is credited with having surpassed the philosophical and scientific sophistication of Marxism-Leninism by formulating *Juche*. The senior Kim is revered in North Korea for having driven the imperialists, Japanese and American, from the “fatherland.” Under his leadership, according to the younger Kim, North Korea became a “workers paradise.” Advocating reform would contest the perceived infallibility of Kim Il Sung’s rule, and possibly tarnish the proclaimed brilliance of his accomplishments. The grand illusion of the Great Leader’s superiority above all other communist leaders would be contradicted. Also, given North Korea’s Confucian legacy, Kim Jong Il’s filial piety would become suspect and his legitimacy gravely eroded.

Obviously, Kim Jong Il has little reason to pursue reform, yet ample evidence indicates he is comfortable with “change.” To avoid any reference to “reform,” North Korea’s leaders and bureaucrats rely on an impressive array of synonyms to characterize their efforts to achieve change without reform. Thus Pyongyang makes frequent references to “modernization,” “adaptation,” “reinvigoration,” “revitalization,” “restoration,” but not “reform.” But seven years after his father’s death, Kim Jong Il finally in the summer of 2002 sanctioned the use of the term “reform.” The implication may be that he his “reforming” his own economic policies of the past seven years rather than those of his deceased father.

Kim’s Formula for Change: *Juche* is a paradox. In North Korea’s highly centralized, authoritarian and rigidly stratified political hierarchy, one would expect an ideology of similar features. After all, *Juche*’s antecedent, Marxism, imposes an inflexible logic on its followers. *Juche*, however, is amazingly pragmatic. Political reality nevertheless negates any possibility of any “gray” area in one’s political loyalties and thought. An individual either submits totally to the perceived “collective” good and reveres the “great leader” and his thought as infallible,

or is expelled from society.⁸ Yet *Juche* permits loyal followers to explore, experiment, and even to alter and adapt foreign practices and materials to North Korea's internal conditions. *Juche* encourages change only so long as it conforms to the "Supreme Commander's" dictates.⁹

Outsiders have long assumed North Korea's leaders were micro-managers. This illusion may be rooted in Kim Il Sung's practice of "on the spot guidance." During the Korean War and post-war reconstruction, he traveled frequently to the countryside and to factories to observe and comment on conditions. His visits were commemorated a red plaque that noted in gold letters the date of his visit. His son has continued the practice. Since his father's death, the younger Kim has concentrated on the military, possibly to accent his concern for defense.

Kim Jong Il's performance and writings suggest that he is more a realist than a romantic, and a person preoccupied with visionary planning rather than micro-managing his regime. Officials in Pyongyang talk with surprising candor about their ability to debate with one another how best to implement policy. As for determining policy, however, they agree that this is the exclusive preserve of "the highest level of their government," an allusion to Kim Jong Il and his small council of closest advisers. Party cadre, bureaucrats and military officers turn to the writings of the "Supreme Commander" for guidance on policy and the parameters for their debates about its implementation.

We should be cautious when drawing conclusions from Kim Jong Il's public thoughts. They could have the dual intent of encouraging self-confidence in his followers while also inciting fear in his foreign

8 Kim Jong Il, *Abuses of Socialism are Intolerable*, Pyongyang: Foreign Languages Publishing House, 1993, pp. 17-18. This discourse first appeared in *Kulloja*, official magazine of the Korean Workers' Party Central Committee on March 1, 1993.

9 Kim Jong Il, *The Workers' Party of Korea Organizes and guides all the Victories of Our People*, Pyongyang: Foreign Languages Publishing House, 1993, pp. 2-7. This collection of three essays was originally published on October 3, 1990.

audience. We can only guess at his true intentions. A reasonable possibility is that his public comments establish national priorities and set the parameters for discussion among the KWP rank and file about how best to achieve their leader's goals. Despite the inherent limitations, Kim's words remain our best avenue for peering into his thoughts.¹⁰

In 1982, Kim Jong Il wrote in his landmark thesis, "On the *Juche* Idea," "The Principles of *Juche*, independence, self-sufficiency and self-reliant defense are the guiding principles of realizing *Chajusong* (self-determination) in the spheres of ideology, politics, the economy and defense." Since then, the only substantive alteration of these goals has been the elevation of defense to the top priority, possibly as a consequence of the Soviet Union's collapse and normalization of relations with South Korea. Similar themes are echoed in Kim's June 19, 1997 essay, "On Preserving the *Juche* Character and National Character of the Revolution and Construction."¹¹

Independence: In North Korea's political and ideological context, independence refers to the society's "inviolable" right to assert its sovereignty to protect itself from alleged imperialist exploitation and ideological subjugation. There is no room for individual independence or freedom. The individual is required to assimilate fully into society's collective whole and to submit to the common good. Ideological independence rejects Marxism's claim of infallible internationalism. Instead, it declares the superiority of Kim Il Sung's nationalistic interpretation of it, i.e. *Juche*. This declaration of independence from Marxism is the basis for the pragmatism of Kim Il Sung's thought. Unable to apply Marxism's urban industrial and capitalist-oriented criteria to Korea's essentially pre-capitalistic and agrarian society, Kim countered

10 *Op. cit.*, p. 36.

11 Kim Jong Il, *On Preserving the Juche Character and National Character of the Revolution and Construction*, Pyongyang: Foreign Languages Publishing House, 1997, pp. 1, 2, 6 and 27.

that he would guide Korea's struggle against imperialism according to conditions in his homeland. Those who criticized him were labeled "bigoted nationalists," "self-styled or bogus" Marxists, flunkeyists (those who allegedly revere foreign powers and their ideas more than those of their native land and people, specifically China) and "dogmatists" (theorists more faithful to Soviet Marxism than the teachings of the "Great Leader"). On the other hand, those who link their proposed solutions for North Korea's problems to the nation's indigenous conditions are lauded as heroes of the state.¹²

Self-Reliant Defense: Kim declared in the same essay, "Self reliance in defense is a fundamental principle of an independent state." "Imperialism," of course, is his key villain. The best defense against "the imperialist war of aggression" is perpetual preparedness to counter its violence with violence. Supreme Commander Kim Jong Il makes frequent references to this in his contemporary calls for North Koreans to work harder so their nation can be a "strong and prosperous" nation. Kim emphasizes that a "self-reliant defense" requires mobilization of the entire population to support the nation's defense forces. He reveals his realistic side by sanctioning the need to "receive aid in national defense from fraternal countries and friends." Kim concludes that the potency of one's defense capability depends primarily on the domestic economy, but foreign assistance must be fostered simultaneously.

Self Sufficient Economy: In 1982, Kim Jong Il could still speak confidently about a "self-sufficient economy." The nation's grain production was still yielding surpluses, exports of minerals were flowing steadily to the Communist bloc, and heavy industry was turning the

12 Kim Jong Il, *On the Juche Idea*, *op. cit.*, Kim's treatise was prepared for the National Seminar on the *Juche* Idea held to mark the 70th birthday of Kim Il Sung, March 31, 1982. Concerning independence, see pp. 36-43, on defense, pp. 50-54.

North Korean army into a highly mechanized and mobile force. Kim proclaimed, "Building an independent national economy means building an economy free of dependence on others..." His "socialist independent economy" was to distinguish itself from capitalism by aiming "to meet the demands of the country and the people," not by generating personal profit. Heavy industry was to be the "pillar" of the economy. Light industry and agriculture were important, but less so probably because they did not contribute as directly to the production of arms and munitions.

Kim did not oppose learning and trading with the outside world. When he wrote his 1982 thesis, many outsiders still considered North Korea a closed and isolated society. It was closed, but mainly to the "Western" and non-socialist nations, but certainly not to the Communist and so-called "third world" or "emerging nations." Kim explained, "... self-reliance does not mean building an economy in isolation." His "self-reliant" economy should, in his view, avoid foreign domination, but "this does not rule out international economic cooperation."¹³ Here he was referring to retaining access to the technical and material wealth of the "socialist countries and newly emerging nations." Kim clearly did not foresee the collapse of the Communist bloc and China's gradual economic transition into a hybrid of socialism and capitalism.

Juche Ante-Communism: Subsequent developments - the Communist bloc's collapse and North Korea's economic decline - required that Kim adjust some of his views. In his 1997 essay "On Preserving the *Juche* Character..." he warns of a "sharp confrontation between socialism and imperialism."¹⁴ Kim's response to this new situation is an affirmation of his confidence in the validity of *Juche*, "... we must maintain the *Juche* character of the revolutionary struggle..." He dismisses as a "shameless lie," "imperialists' allegations that socialism is inferior to

¹³ *Ibid.*, p. 48.

¹⁴ *Op. cit.*

capitalism....” Again raising the banners of “self-sufficiency and self-reliant defense,” he warns against tolerating “the capitalist ‘Western’ style in managing the state,” a clear reference to decentralizing economic planning and replacing economic “collectivism” with “individual” incentives. North Koreans were still suffering from pervasive shortages of food and medicine when the essay appeared. Kim seems to make an oblique reference to his domain’s woes, “The countries which are experiencing social problems, economic difficulties and disasters...” For him, the way out of this harsh reality was to more resolutely muster one’s indigenous efforts through political training. He rejected “so-called prescription that the imperialists are propagating....” Given the broader context of his 1997 essay, he was probably referring to economic reforms.

Kim, apparently sensing growing ambivalence within his Korean Workers Party and bureaucracy toward imperialism, strikes out against it, “Aggression and plunder are the real nature of imperialism.” The international community’s food aid also seems to have had a positive impact on his subordinates. Apparently concerned, Kim strikes out against it as well, “Nothing is more foolish and dangerous than pinning hopes on imperialist ‘aid’...” He terms the aid “a noose of plunder and subjugation....” He then dismisses South Korea’s economic success as a consequence of its “flunkeyism,” that is its perceived willingness to subordinate itself to the wishes of foreign powers in exchange for economic gain. He claims Seoul’s “internationalization and globalization” are erasing its Korean qualities with a flood of American, Japanese and West European preferences in politics, the economy and culture.¹⁵

Kim concludes that change is acceptable, but only so long as it opposes imperialism, preserves *Juche* and the national character, and “strengthens international unity and cooperation among the progres-

15 *Op. cit.*, pp. 27 and 29.

sive people of the world.” This is an astonishing, almost unimaginable task for a tiny, lonely nation on the edge of economic collapse. But like his father, the Supreme Commander finds boundless pride and self-confidence in his sense of Korean nationalism. Having a million-man army certainly helps. Given Kim’s demeaning attitude toward capitalism and blind faith in socialism, prospects would appear bleak that North Korea might adopt reforms aimed at a transition to capitalism, at least so long as Kim Jong Il rules.

Juche Verse Marxism: *Juche* is a faint echo of Marxism. Kim Il Sung rejected Marx’s internationalism and the universal and urban brotherhood of workers. He emphasized nationalism, and his assessments were rooted in local conditions. He rejected Engel’s mechanical interpretation of history. Evolution toward communism was inevitable, Engel had claimed, because of the innate tensions of class struggle. Kim retained the concept of class struggle, but more in keeping with Mao Tse Tung’s clash between peasants and landowners. Instead of Lenin’s vanguard of the proletariat, Kim put soldiers and teachers in the forefront of his revolution. Man himself, rather than the inanimate and unthinking forces of history, Kim Il Sung argued, propels change within society and moves mankind toward a higher level of existence.

Juche verges on being the antithesis of Marxism. Kim Il Sung’s thought is human-centered, nationalistic and rejects universal precepts. Solutions to problems are to be found in analysis of indigenous circumstances and solutions are to be consistent with local conditions. Marx’s theory minimized man’s ability to determine his fate. Marx, like Kim, claimed universal validity and application for his views, but Kim rejected the idea that human activity must conform to a single ideology. According to Marx, urban workers were to unite behind the global outcry against capitalism’s exploitation, and each state was to wither away as social classes dissolved.

But for Kim, the state is the encompassing and benevolent defender

of nationalism and the national character. Society is rigidly stratified so the leadership can better manage class struggle, allocate obligations to the state, and determine awards and punishments. Kim shares Marx's appreciation for "collectivism," but in a very different way. Marx's collectivism was to provide materialistic equality and social egalitarianism. Kim sees collectivism as much more than the sharing of material goods. It means all individuals have a shared, collective obligation to serve the state and to act in unison with their peers. Kim's collectivism demands selflessness and self-denial. In his utopia, the individual ceases to exist as a separate entity and merges into the totality of the state and society. But in the view of Marx, the collective action of the multitude empowered workers to destroy their capitalist overlords and to seize political power.

Kim Il Sung retained the broad outlines of Lenin's view of imperialism. This fit comfortably with Kim Il Sung's hatred of Japanese colonialism of Korea from 1910 to 1945, and remained valid after Korea's division in 1945 and subsequent occupation by the United States and the Soviet Union. But Kim broadened Lenin's definition of imperialism to encompass ideological and cultural imperialism, tendencies Kim perceived in the ambitions of his two benefactors, the Soviet Union and China. To temper these impulses, Kim countered their interpretations of Marxism with his own, and sought to exploit their rivalry.¹⁶

Juche's Advantages: *Juche* concentrates all authority in the hands of the "Great Leader." Since man is perceived as the prime mover of reality, the younger Kim in his role as the "Supreme Commander" can

16 This comparative discussion is a composite of views presented in: Charles Van Doren, *A History of Knowledge*, New York: Ballantine Books, 1992, pp. 255-264 & 304-311. Seweryn Bialer, *Politics, Society and Nationality Inside Gorbachev's Russia*, Boulder and London: Westview Press, 1989, pp. 1-41. Kim Jong Il, *On Correctly Understanding the Originality of Kimilsungism*, Pyongyang: Foreign Language Publishing House, 1984. This speech was pressed to the Korean Workers' Party on October 2, 1976.

sanction or commission adaptations in the name of compensating for changing circumstances. He does not have to conform to Marxism's supra-human historical forces. Nor has his father's philosophy taught him to believe that his subjects' conduct is a consequence of economic determinism and materialism, another Marxist precept that limits a leader's authority. *Juche* empowers its foremost advocate to mold human activity through his example, instructions and political education. *Juche* also teaches Kim's followers to suppress their individual impulses, to merge their being with the collective whole of society, and to conform to his dictates. Hence Kim Jong Il can proclaim himself the *de facto* Supreme Commander in his society.¹⁷

For the younger Kim, linking his personal preference to his father's precedent is politically the safest way to propose "change," or to select one "adaptation" over another. For example, many foreign observers have misinterpreted the appearance in the mid 1990s of "farmers' markets," sometimes also referred to as "black markets," as evidence that a second, "underground capitalistic" economy was emerging in North Korea. Actually, Kim Il Sung condoned such "peasant" markets whenever domestic conditions required.¹⁸ As we will see later, Kim Jong Il has relied extensively on his father's precedent in the areas of foreign and unification policy.

Juche's pragmatism enables Kim Jong Il to experiment with an impressive range of new, even alien methods. It allows him to draw from any ideological and cultural tradition to address the underlying causes for problems at home, so long as the method is first tested and adapted to conditions within North Korea. Any one of these might be

17 Kim Jong Il, *On Enhancing the Party's Leading Role*, Pyongyang: Foreign Language Publishing House, 1992. This collection of speeches and essays provides insight into Kim Jong Il's views on leadership and *Juche* between 1979 and 1990, the formative period of his rule.

18 Kim Il Sung, March 1, 1969 essay, "The Questions of the Peasant Market in a Socialist Society and of the Way to Abolish It," reprinted in: *Kim Il Sung on the Management of the Socialist Economy*, Pyongyang, 1992, pp. 290-94.

taken from a “capitalistic” society and contain traits of “capitalism.” For *Juche*, the “capitalistic” characteristics are less a concern than the capacity to adapt to indigenous conditions without adversely affecting the “national character.” Such reasoning enables Kim to consider diverse adaptations, even from “imperialists” in West Europe, North America and Japan.

Juche alone, however, cannot explain Kim Jong Il’s ability to adapt his father’s political and economic system to changing circumstances. Kim also has demonstrated impressive political acumen by focusing the blame for North Korea’s woes on “the schemes of the imperialists nations to strangle socialism” and natural phenomena. North Korea’s economic decline is not a consequence of shortcomings in its ideology and failings of its leadership, Kim Jong Il claims. Rather, it is a consequence of U.S. economic sanctions and the “betrayal of socialism” by Moscow’s leadership. Flood and famine are not a consequence of incorrect past policies, such as the excessive use of chemical fertilizers to boost grain production and deforestation to allow for the planting of more corn on hillsides. Instead, Pyongyang blames nature for its food shortages.

Doing so has enabled Kim to avoid personalizing his rationale for change. Because of the hereditary basis of his power, he cannot contend that his father had misinterpreted *Juche*. By not having blamed his “elders” for his regime’s problems, Kim has avoided one of the major pitfalls of the Soviet Union’s reform program. The Soviet effort to assess blame splintered the Soviet Communist Party and the bureaucracy into warring factions. Kim’s approach has preserved the cohesiveness of his primary bases of support, the Korean People’s Army and the Korean Workers Party, his emphasis on blaming natural phenomena and “imperialist schemes” motivates his elite followers to accept his changes with minimal resistance.

Continuity

Kim Jong Il foremost preference is to perpetuate his father's legacy. Some minor adjustments have been made, such as Kim's formal title and institutional rearrangement within the bureaucracy. Otherwise, the essential structure of North Korea's self-proclaimed "*Juche* system" is being preserved much as it has existed for nearly half a century.

The Political System: The political system continues much as it did under Kim Il Sung. Kim Jong Il monopolizes political authority, regardless of the titles he confers on himself. Deferring to his father, the younger Kim has left the title "Great Leader" for his father and instead prefers to be called the Supreme Commander. Whether he is called president or secretary or whatever, he and his followers know he shares power with no one. In the eyes of the society's most powerful groups - Korean People's Army, the Workers Party, the bureaucracy - Kim Jong Il stands alone at the pinnacle of power. He monopolizes their energies and determines their fate, and that of the entire population. Despite rumors that circulated in the years immediately after Kim Il Sung's death, we are unaware of any concerted challenge or opposition to Kim Jong Il's authority. By the fall of 1998, he had consolidated his rule, and all indications point to his having the full support of the most powerful group in the society, the Korean People's Army (KPA). The same can be said for the even larger Workers' Party (KWP). As discussed earlier, *Juche* remains the state's uncontested and unaltered ideology.¹⁹

Key political practices continue largely unaltered. Some laws have

19 "Two-thirds of 10th Term Supreme People's Assembly Members are Newcomers," *Vantage Point*, XXI, No. 8 (August 1998) 11-14, *Ibid.*, XXI, No. 9 (September 1998), pp. 1-2, Kim Gye-dong, "North Korea's Military-first Politics and Anti-south Strategy," *Ibid.*, XXII, No. 1 (January 1999), pp. 30-39, "Military rule in full Swing," *Ibid.*, XXII, No. 4 (April 1999), pp. 2-9.

been revised, but they remain essentially assertions of state power. There is no evidence of trends toward greater individual freedom or respect for human rights. Some of the content of the mass media has changed since 1994, but still the government dominates the mass media and uses it to educate the people for its own purposes. Some of the harsher labels assigned to the United States, Japan and South Korea have been moderated, but the duration of these changes has been brief and a reading of the back pages of the nation's leading newspaper, *Rodong Shinmun*, reveals persistent references to "American imperialists," etc. Museums, places devoted to educating the young and old alike about the regime's glorious accomplishments and the evil deeds of its foes, remain just as they were ten years ago. Images of Americans and Japanese remain disturbingly negative. Nor has the similarly changed content of school textbooks been changed.²⁰

Defense: Defense remains the top priority. Kim Jong Il maintains a formidable conventional military force, much of it forward deployed just north of the Demilitarized Zone (DMZ). Backed by an awesome concentration of long-range artillery, this force could lunge toward Seoul on a moment's notice. Dozens of short- to middle-range ballistic missiles could wreck havoc on South Korea. The KPA's combat capability and sustainability, however, have suffered in recent years. The nation's economic decline, total dependence on imported oil, inability to upgrade some military technology, and persistent food shortages have taken their toll. Nevertheless, the KPA retains a fearsome ability to inflict terrible suffering on South Korea. North Korea also remains a potent threat to peace in the Middle East because of its ballistic missile exports and potential to develop nuclear weapons. Also unchanged are Pyongyang's foremost enemies: the United States, Japan and South Korea.²¹

20 This anecdotal information is based on the author's scanning of the daily press while visiting North Korea several times between 1992 and 2001.

A significant change since Kim Il Sung's death was the discontinuation of North Korea's plutonium based nuclear weapons program, a change Kim Il Sung sanctioned on the eve of his death. But North Korea's recent declaration that the U.S.-DPRK Agreed Framework is "nullified" and confirmation that it possesses uranium enrichment equipment has rekindled grave international concern about Pyongyang's intentions regarding nuclear weapons.

Reunification: The June 2000 North-South Korean Summit in Pyongyang suggests there has been some significant movement toward co-existence and reconciliation. At least for the time being, forceful reunification no longer appears to be a priority option. Yet, in spite of appearances, Kim Jong Il has retained the essence of his father's reunification policy. Nothing accomplished at or since the Pyongyang Summit was unprecedented, except the meeting between the two men. All the accords leading to and after the summit continued a process that commenced in 1972, and that reiterate previous agreements. The Summit's June 15, 2000 accord, Article I, reiterates the July 4, 1972 accord; articles 2, 3, and 4 refer to items in the December 1991 Basic Agreement on Reconciliation, Peace, Social Exchange and Economic Cooperation. The June 2000 accord pledges Kim Jong will visit Seoul, a promise originally agreed to in principle in June 1994 by Kim Il Sung and his South Korean counterpart.²²

Continuation of Kim Il Sung's unification policies is evident in his son's writings. Of particular interest are his August 4, 1997 essay, "Let

21 Unpublished paper, "Conventional Forces in Korea," Brookings Working Group Meeting, June 18, 2001. Anthony H. Cordesman (ed.), "U.S. Department of Defense Estimate of North Korean Actions and Intentions Involving Nuclear, Biological and Chemical Weapons," in: *The Global Nuclear Balance: A Quantitative and Arms Control Analysis*, Washington, D.C.: Center for Strategic and International Studies, revised January 22, 2002. Joseph Bermudez, Jr., *Shield of the Great Leader - the Armed Forces of North Korea*, Sydney: Allen and Unwin, 2001.

22 *Together as One - the Inter-Korean Summit Talk*, Seoul: Ministry of Unification, 2000.

Us Carry out the Great Leader Comrade Kim Il Sung's Instructions for National Reunification," and a 1998 essay, "Let Us Reunify the Country Independently and Peacefully Through the Great Unity of the Entire Nation." Kim Jong Il's deeds support these goals. In these essays, he begins by carefully linking his views to those of his father, "The *Juche*-oriented idea of great national unity elucidated by the respected Comrade Kim Il Sung...."²³ The younger Kim proclaims that his father formulated the "original idea" on this topic. He asserts that, "it is inconceivable to talk about national unity apart from the principle of national independence." Kim Jong Il urges that, "All the Koreans in the north, south and abroad must unite closely under the banner of patriotism." He claims, "successive south Korean authorities [i.e., previous presidential administrations in Seoul] have obstructed harmony between the north and the south with their anti-North confrontation policy...."²⁴ Kim Jong Il, like Kim Dae Jung, advocates coexistence of each side's "different ideologies and systems."

To confirm faithfulness to the "Great Leader," Kim Jong Il ties his views his father's essay, *The Ten Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country*. This Kim Il Sung essay appeared in 1993 at the beginning of former South Korean President Kim Yong Sam's administration. At an October 1993 meeting with U.S. Congressman Ackerman, then the chairman of the U.S. Congress' House Foreign Affairs Committee Sub-committee on East Asian and Pacific Affairs, Kim Il Sung autographed a copy of the essay on reunification. He asked the congressman to deliver it to South Korean

23 Kim Jong Il, *Let Us Reunify the Country Independently and Peacefully Through the Great Unity of the Entire Nation*, Pyongyang: Foreign Languages Publishing House, 1998, p.

4. This thesis was delivered in the form of a letter, dated April 18, 1998, to the national symposium to Mark the 50th Anniversary of the Historic Joint Conference of Representatives of Political Parties and Public Organizations in North and South Korea.

24 *Op. cit.*, p. 13. Also see: Kim Jong Il, *Let Us Carry Out the Great Leader Comrade Kim Il Sung's Instructions for National Reunification*, Pyongyang: Foreign Languages Publishing House, 1997, p. 13.

President Kim Yong Sam with the message that a North-South summit was in order. Unfortunately, Kim Yong Sam chose to ignore the invitation.²⁵ Not until the two Koreas were on the verge of war did Kim Yong Sam finally accept Kim Il Sung's offer. Former U.S. President Jimmy Carter conveyed the invitation to Kim Yong Sam as part of a deal to resolve the nuclear crisis, but Kim Il Sung died before the meeting could take place. When Kim Yong Sam publicly labeled the deceased Kim Il Sung a "war criminal," Kim Jong Il refused to meet the South Korean leader. Six years later, Kim Jong Il's summit with Kim Dae Jung fulfilled his father's wishes.

Change

At the same time, North Korea has made numerous impressive adjustments since Kim Il Sung's death. Particularly important are the changes to its external relations. Less apparent, but equally significant, are the changes in its agrarian sector, the preliminary economic reforms program announced in July 2002, and the continuing effort to improve and expand North Korea's linkage to the international market.

External Relations: As mentioned earlier, external forces began altering North Korea's foreign relations prior to Kim Jong Il's succession. The pace has been uneven, and North Korea remains uneasy with the growing number of foreigners within its borders. Also, Pyongyang's foreign policy persists in its vacillation between respect for international norms of diplomacy and commerce, and its more conventional reliance

25 The author accompanied Congressman Ackerman to Pyongyang, attended the meetings with Kim Il Sung and returned to Seoul and was with the Congressman when he delivered Kim Il Sung's message to South Korea's foreign minister Han Sung-joo in October 1993.

on coercive rhetoric and saber-rattling displays of military power to intimidate its antagonists.

Each spurt of diplomatic progress has succumbed to a period of severe tension.²⁶ The nuclear crisis of 1992-94 followed the North-South basic agreements of 1991-92. The U.S.-DPRK Agreed Framework of October 1994 initially prevented nuclear proliferation and reduced the risk of war. Yet armed clashes commenced shortly after the Agreed Framework took effect and have occurred intermittently ever since. The 2000 North-South Korea Summit in Pyongyang inflated expectations of rapid progress toward reconciliation only to be deflated by Kim Jong Il's continuing reluctance to visit Seoul. Most recently, Kim Jong Il's expression of regret to Seoul over the June 2002 West Sea clash was followed by progress on joint North-South Korean reconciliation projects. Then came the dual surprises of September 2002 when Japanese Prime Minister Koizumi visited Pyongyang and Kim Jong Il apologized to Japan for North Korea's previous abduction of Japanese citizens. Within days, however, the brightening prospects for peace on the Korean Peninsula were dashed by North Korea's affirmation that it possesses equipment to produce enriched uranium for possible use in nuclear weapons.²⁷

Nevertheless, the equation of power in Northeast Asia is fundamentally different now compared to that of 1990. Today, Beijing and Moscow have much more in common with Seoul and even Tokyo and Washington. All are agreed that the Korean Peninsula must remain free of nuclear weapons. They also agree upon the need for the International Atomic Energy Agency's (IAEA) to continue its monitoring of Pyongyang's nuclear activities. Also, Russia's and China's normaliza-

26 C. Kenneth Quinones, "South Korea's Approaches to North Korea: A Glacial Process," in: Park Yung-ae and Dalchoong Kim (eds.), *Korean Security Dynamics in Transition*, New York: Palgrave, 2001, pp. 19-48.

27 C. Kenneth Quinones, "Bush's Unilateralism verse Kim Jong Il's Brinkmanship," *Shin dong-a Magazine* (Seoul, in Korean), January 2003.

tion of relations with Seoul severely undercut Pyongyang's confidence in its traditional supporters. Russia's economic crisis halted its once considerable economic and military aid to North Korea. Moscow further diluted its military commitment to Pyongyang's defense by requiring cash payment for all arms purchases and by revising its defense treaty. No longer is Russia committed unconditionally to North Korea's defense. Instead, I will assist only in the event of aggression against North Korea.

North Korea's relations with China have undergone significant change. Gone are the days when Pyongyang could maximize gains from its two socialist partners by playing one off against the other. China's economic engagement of Seoul and preoccupation with its own economic development severely strained Beijing's relations with Pyongyang during the mid 1990s. Beijing-Pyongyang relations have warmed considerably since 1998, but no longer can North Korea take Beijing for granted. China now expects its small ally to provide something in return for food aid and economic assistance.

North Korea has attempted to compensate for these changes by expanding relations with its former enemies. When its efforts directed at Japan and the United States faltered, Pyongyang shifted its focus to the member states of ASEAN and the European Union (EU). Success in expanding its network of diplomatic relations with ASEAN and EU, however, simultaneously increased its dependence on these nations for access to the resources North Korea needs to revitalize its economy. The sum result of the realignment of North Korea's external relations has been greatly increased engagement of the international community and dependence upon it for what the Kim Jong Il regime needs for its survival. These external changes have necessitated a wide array of internal adjustments inside North Korea.

Engagement: Never before has North Korea been so accessible to foreigners from "capitalist" nations. Until 1995, visits were carefully

managed political events, crafted to accent North Korea's positive aspects and to veil its shortcomings. Now a growing number of foreigners visit and reside in North Korea. They include businessmen, engineers, technicians and even diplomats from most of the European nations, South and Southeast Asia, Australia, and North and South America. Resident representatives of UN humanitarian agencies represent: the United Nations Development Program (UNDP), Food and Agriculture Organization (FAO), World Food Program (WFP), UNICEF, and International Atomic Energy Agency (IAEA). Other residents are foreigners affiliated with KEDO, a small number of German, Swiss, Swedish, Italian and Japanese business representatives, plus the U.S. Army Joint Recovery Team. WFP monitors are assigned to all of North Korea's provinces. Temporary foreign visitors have been able to visit all the provinces. Even the U.S. Army is permitted access to the nation's northern provinces to seek out and recover the remains of hundreds of American soldiers who died there during the Korean War. Some areas of the nation remain closed, primarily because of military related concerns, but never before have so many foreigners been allowed such extensive access inside this once closed society.²⁸

Old habits die slowly, especially in North Korea. Ample restrictions remain on travel inside and outside Pyongyang for both foreigners and natives. Visiting Pyongyang is not a simple matter. Non-residents of Pyongyang still must obtain a travel permit to visit their capital. Foreigners must have a sponsor, and must fulfill other sometimes rather arbitrary requirements before they can receive a visa. Once in Pyongyang, so-called "guides," usually young men eager to prove their loyalty to the Korean Workers Party and who speak any one of several foreign languages, still accompany most foreign visitors everywhere in Pyongyang and beyond. Going anywhere, even shopping in

28 C. Kenneth Quinones, "The American NGO Experience in North Korea," in: *Embracing the Other: The Interaction of Korean and Foreign Cultures* (Seoul: Academy of Korean Studies), 2002, pp. 1008-1025.

a department store, still requires an advance request.

Some surprising new practices contrast starkly with old ones. More and more North Koreans are willing to acknowledge foreigners in public. Occasionally there are exchanges of smiles and hand waves, pleasantries and social chitchat, even on the street. Taken singly, these small changes of personal conduct hint at a gradually changing view of the outside world. Relative to 1994, they are significant steps for North Koreans who were raised to despise foreigners, especially Americans. Twice in 2000, when landing at Pyongyang International Airport aboard an American Boeing 747 cargo plane, which proudly displayed an American flag over its forward door, sentries jumped to attention and saluted. Children bowed and adults waved enthusiastically as humanitarian relief workers rumble through the countryside in imported vehicles. In Pyongyang, children in the street boldly walked up to me, bowed and asked if I were an American. In hotels and stores, the staff was friendly and helpful. The welcome on farms has been equally hospitable. All of this is a far cry from just five years ago when no one wanted to be seen talking to a foreigner.

Likewise, North Korean officials from increasingly diverse sectors of the bureaucracy are venturing abroad in growing numbers. Until 1998, most delegations to foreign lands were dispatched to engage in diplomatic representation and negotiations, or to advocate North Korea's ideology and policy point of view. These remain the reasons for most official foreign travel, but a growing number of experts are going abroad to learn. Particular areas of interest are agriculture, business and international trade. A few young North Koreans are even allowed to enroll in year-long academic programs abroad. China still attracts the largest number of students, but small groups are currently enrolled in universities in Australia, Germany, Sweden, the Netherlands and Italy. Short-term study programs in various areas of agriculture, law and international business have been conducted in the United States. In 2000, there were at least four agricultural study tours to the

United States. Despite the still small numbers, each returning group has a substantial impact on its peers and family members because of the ripple effect of their stories, the gifts they distribute and the photographs they share.²⁹

The Economy: Kim Jong Il's confidence in *Juche* rules out his conversion to capitalism, at least in the foreseeable future. Since his father's death, particularly 1995-97, Kim has appeared aloof while his subjects suffered chronic shortages of food and medicine. His utterances about the economy denied any sense of urgency despite the incredible suffering around him. But looking back, we can now appreciate the profoundness of the steps he took in the winter of 1995-96 when he did as his father had never done - sought aid from the international community.

Despite North Korea's claims of "self reliance," acceptance of foreign aid does not contradict Kim Il Sung's teachings. He commented in his 1962 essay, "On Further Developing the Tae'an Work System," that: "Self-reliance does not mean refusing to use machinery made by others. Nor does it mean opposition to learning from others, nor total rejection of foreign aid. The point is that self-reliance should be the basic principle guiding our activities...."³⁰ Significantly, this passage is highlighted in "Second Thematic Roundtable on Agricultural Recovery

29 Many of these observations are based on the author's first hand experiences during twenty visits to North Korea between 1992 and 2001 during which he lived and worked in Pyongyang and the Yongbyon Nuclear Research Center for several months, worked with North Koreans in the Ministries of Foreign Affairs, People's Army, Trade, Atomic Energy, and Agriculture, plus Workers Party officials, collective farm managers, store clerks in department stores, Koryo Hotel staff, scientists, technicians, college and high school students, soldiers and farmers. I also met and interviewed more than 100 North Korean refugees in the area of Yanji in China between 1998 and 2001.

30 Kim Il Sung, "On Further Developing the Tae'an Work System," (written November 9, 1962) in: Kim Il Sung, *On the Management of the Socialist Economy*, Pyongyang: Foreign Languages Publishing House, 1992, p. 173.

and Environmental Projection in the DPR Korea,” jointly authored by representatives of the North Korean government and the UNDP in June 2000. Kim’s son and heir used the disaster to open his country as never before, not just to foreigner visitors, but also to a range of information and concepts previously unknown in North Korea’s history. As with North-South dialogue, the process of opening remains slow with uneven progress, but it is continuing.

Changes in North Korea’s economic posture have yet to impress most economists. A program of economic “reforms” was initiated in July 2002. Most noticeable of these is the shift away from the government’s payment of official salaries with goods and services, including food grain and subsidized housing, transportation and other daily necessities. Under the new reforms, officials (party, civil and military) resident in Pyongyang will receive greatly increased salaries but have to pay equally increased prices for food, housing, utilities and transportation. Foreign currency, specifically United States dollars and Japanese yen, has replaced the North Korean currency that was once reserved for use by government officials and foreign visitors.³¹

These reforms’ purpose, durability and ultimate consequences remain unclear. Meanwhile, the economy continues to operate under centralized management, private ownership of property remains unknown, and no system of taxation has been initiated. Despite the reforms, Kim Jong Il still appears more intent upon preserving socialism than promoting capitalism. Nevertheless, limited economic reforms may set in motion a process of change that he eventually may find impossible to control. Where this to happen, the pillars of the current economic order - central control of the economy and collective ownership of property - could be eroded.

Agriculture: Some changes in the economy are not readily apparent

31 July 2002 discussion with the editor of Tokyo’s pro-North Korean, Chosen soren sponsored daily newspaper *Chosen shimpo*.

to outside observers, but the economy's focus is shifting. North Korea's economic planners have moved away from the Soviet example. The debris of this failed system still clutters North Korea's economy, but finally it is being cleared. Simultaneously, as mentioned above, a variety of specialists are traveling the world to assess alternative economic practices. Agricultural revitalization and light industrial production have taken the lead over heavy industry. The agricultural system is in transition. Unorthodox farming methods have been introduced. Foreign advice and technical assistance are eagerly sought from UN agencies and non-governmental organizations from around the world.

In the agricultural sector, the essence of collectivism has been retained in the form of state ownership of all land and group effort, but with increasing accent on individual incentives to enhance production. Centralized supervision of all farming activity, however, has been loosened. Local and middle-level managers, those who supervise the nation's 3,000 collective farms, are shouldering more responsibility to determine the kind and distribution of crops in accordance with their assessment of local conditions and needs. No longer does Pyongyang's bureaucracy dictate these decisions. The same is true for the increasing diversification of livestock. Rabbit and poultry farming techniques have been introduced from Italy, aqua culture from Thailand and Malaysia, and geese and duck raising from China. Collective farms are able to retain any produce in excess of quotas established by Pyongyang. When available, work teams allocate any surplus to members according to the amount of time they invested in cultivating crops.³²

The entire process, however, has been somewhat disruptive. No longer can the collective farm managers rely on the Ministry of Agriculture to supply agricultural inputs - fertilizer, pesticides, seeds and fuel. They must use surplus farm production to purchase or barter trade for these essentials. Individual collective farms must find their

32 United Nations Development Program, *Second Thematic Roundtable on Agricultural Recovery and Environmental Protection in DPR Korea*, Geneva: United Nations, 2000.

own means to transport surplus food to urban and foreign markets, particularly the so-called farmers markets in major urban areas and in northeast China. Nevertheless, farm productivity has been increasing gradually. Adoption of double cropping, efforts to replenish the soil's nutrients naturally through crop selection and rotation, increasing access to fertilizers, particularly from South Korea, and reduction of land erosion have helped.

An ambitious program is underway to improve the agricultural infrastructure. Reconfiguration of all rice paddy land began in 1999 and will continue at the pace of one province per year until completed across the nation. This requires taking large tracts of land out of production so the paddies can be graded into regularly shaped rectangles using heavy machinery. Roads, electricity and communication lines, and irrigation ditches also must be realigned. The work has been completed in Kangwon and North Pyongan Provinces, and is showing multiple benefits. Productivity will rise while reliance on electricity will decline. The larger paddies will more readily accommodate modern tractors, planters and harvesting equipment. More efficient use of farm labor will increase the capacity to double crop more land. Double cropping is now limited by the fact that most farming is done by hand. The reconfigured irrigation system will rely on gravity to channel water into fields instead of the electricity-dependent pumping system built under Soviet tutelage in the 1960s. Additionally, a new system of gravity-fed irrigation ditches is under construction in South Pyongan Province. The project, now in its second year, relies on gravity instead of electric pumps to distribute water to rice paddies north and west of Pyongyang. The International Fund for Agricultural Development (IFAD) is providing the funding.³³

None of these changes can make North Korea self sufficient in food production. Actually, such a goal is unrealistic given conditions on the

33 See the United Nations World Food Program's monthly report on conditions in North Korea, available via on the UNWFP's web site.

Korean Peninsula and the size of the population that inhabits North Korea. Adverse weather conditions, plus chronic shortages of fuel, machines, and agricultural inputs such as fertilizers and pesticides, will perpetuate the nation's dependence on external supplies of grain. Since 1992, North Korea has imported at least 20 to 25 percent of its food grain needs either as commercial purchases or, since 1995, as food aid. Like South Korea, it will have to purchase increasing amounts of food from the international market as its population grows. The only way to pay for these food imports is for North Korea to become a producer and exporter of internationally competitive light industrial goods just as South Korea did in the 1970s and 1980s.

Commerce and Industry: Kim Jong Il has recognized the need to link his domestic economy to the international market place. This process has been underway since the early 1980s. Progress has been sporadic, but the pace appears to have quickened since 1998. Here too Kim seems to have a plan in mind—induce Koreans outside his domain to invest in North Korea's light industry. Initially, North Korea hoped Koreans resident in Japan would turn the northeast port area of Najin-Sonbong into an enclave of capitalism. Japanese currency would be converted into factories to produce and export textiles and house wares to Japan and China. The effort faltered and has yet to match expectations. Since 1997, Kim Jong Il has shifted the focus to attracting investment from Koreans living in northeast China and South Koreans. Some Korean Chinese have invested in small-scale textile and food processing joint ventures. But North Korea can hardly compete with the booming economic conditions that have prevailed in northeast China for the past five years.

South Korean interest has waxed and waned since 1990, but President Kim Dae Jung's June 2000 summit with Kim Jong Il energized the reconciliation process. Since the summer of 1998, South Korean investment in North Korea has boomed. Hyundai multinational corpo-

ration founder Chung Ju Hyong led the way with 1,000 cattle and 500 trucks in June 1998. He followed with a massive investment in developing tourism for South Koreans in the Kumgang or Diamond Mountains, a spectacularly rugged mountain area at the eastern end of the Demilitarized Zone (DMZ). In addition to an up front cash payment of \$972,000,000, North Korea earns \$300.00 for each tourist who visits the area from South Korea.³⁴

So-called “enclave-capitalism” is occurring in at least two other areas of North Korea. Hyundai is preparing to develop a major industrial park at Kaesong, a provincial city in North Korea located about thirty miles due north of South Korea’s capital. A similar enclave has been established near the northwest China-Korea border city of Sinuiju. South Korea’s electronics giant Samsung is investing in computer and color television production facilities west of Pyongyang. With the South Korean government’s strong encouragement, several South Korean small and medium industries hope to set up shop in Kangso, an industrial town southwest of Pyongyang.³⁵ None of these ventures will convert North Korea into a capitalist economy. Yet in combination they will significantly enhance North Korea’s capacity to earn hard currency from tourism and the production and export of light industrial goods. North Korea’s government subsequently will have to sanction increasing interdependence with the outside world in all areas of endeavor, further propelling the process of change.

34 Chin Yong-san, “1990 nyondae irae Chungguk-Choson muyok kwangye mit kuga Choson sahoe saenghwal e mich in yongyang,” and Nam Song-ok, “Pukhan ui kyongje hoebok uluihan kukche sahoe ui yokhal,” in *Academy of Korean Studies, op. cit.*, pp. 972-81 and pp. 987-1009.

35 See monthly issues of: Yonhap News Agency, *Vantage Point*. This monthly publication provides timely and balanced insight into developments in North Korea and between North and South Korea.

Conclusion

Kim Jong Il's goal is to preserve his regime, not to transform it. Essential to his regime are his monopoly on political authority, control of the centralized bureaucracy and all means of production. The *Juche* interpretation of Marxism-Leninism rationalizes his supreme power in the name of nationalism and his ancestry. Defense of the nation's sovereignty, i.e. preservation of his regime, is Kim Jong Il's foremost goal. Attainment of this goal requires economic revitalization, which necessitates considerable adjustment or change.

Kim Jong Il found in *Juche* the ideological flexibility needed to convince his father's politically potent supporters that a program of carefully managed change was essential to preserve his father's legacy. To avoid confusion with the changes that North Koreans believe undermined the Soviet Union, he avowed his opposition to "reform." He then appears to have used the floods and crop failures of 1995 and 1996 as pretexts to initiate a program of "managed change." Most affected have been North Korea's external relations and its agrarian economic sector. Since 1997, his program of change appears to have gained momentum and widened acceptance among the regime's political elite, party cadre and bureaucrats. His recent willingness to use the term "reform" could suggest declining internal resistance to "change," particularly by the regime's most powerful entity, the Korean People's Army. After all, it is this group that is to be the primary beneficiary of Kim Jong Il's program of change.

Kim Jong Il's preferred outcome, however, is not inevitable. The pace of change, and its direction, could exceed his ability to control it. In fact, our interests would seem best served by ensuring that the pace, extent and direction of change in North Korea exceeds his ability to manage it. If accelerated beyond his control, the process of change could eventually transform North Korea more along the lines the international community prefers.

Alas, policies favored in Washington tend to play into the hands of those in Pyongyang who favor using change to sustain North Korea's military might as the primary counter to foreign threats. Undoubtedly, the Korean People's Army uses these perceived, and sometimes audible threats to justify its continuing quest for weapons of mass destruction and investment of the nation's scarce resources in enhancing North Korea's military capabilities. The Bush Administration's recent calls to isolate North Korea economically only reinforce the consensus in Pyongyang that favors putting defense before all else. Consequently, the nation's civilian economic sector remains starved for resources needed to prepare to engage in international trade.

At the same time, those who advocate North Korea's economic and diplomatic isolation ignore a key consequence of Kim Jong Il's program of managed change. North Korea today is increasingly dependent on the international community for food, fuel, technology and the skills vital to its economic revitalization. This growing economic interdependence has greatly enhanced our negotiating leverage vis a vis Pyongyang. This, combined with Pyongyang's willingness to engage the international community, suggests the wiser and less costly course of action for dealing with North Korea would favor engagement and negotiation over isolation and confrontation.

There is a precedence for this. The former Bush Administration in 1990 decided to intensify its diplomatic and commercial engagement of China in the wake of the Tienan Massacre. The outcome has been China's radical transformation. Political power in Beijing remains in the hands of the authoritarian communist party. But the economy has been thoroughly altered and the nation has been opened to an unprecedented degree. Many of China's generals have discarded their uniforms in favor of business suits. China retains a huge army and mighty arsenal of nuclear tipped ballistic missiles. But its political leaders prefer negotiation and commerce to saber rattling and confrontation. China's transformation from a powerful threat to world

peace into a generally benevolent economic giant would not have been possible without the former Bush Administration's intensive program of engagement to induce greater Chinese eagerness to shift resources from military to civilian commercial endeavors. Given Kim Jong Il's willingness to pursue change, a similar effort vis a vis North Korea could pay similar dividends.