

North Korea Inching towards Reform: Prospects and Challenges

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The sudden demise of North Korean autocratic leader Kim Jong-il in December 2011 made the Korea watchers wonder about the possible implications of that development on domestic as well as international fronts. While optimists, citing cosmopolitan background of new leader Kim Jong-un, predicted more openness of North Korea, the traditionalists insisted on the possibility of continuation of the *status quo* within the context of major regional stakeholder policy priorities. The pessimists, on the other hand, predicted that North Korea might witness further economic deterioration and hostile intent of legitimization prerogatives. The debates among the three schools seemed to offer a variety of suggestions to the international community while dealing with the newly appointed Kim Jong-un administration: such as the need for heightened alert amid growing deprivation and provocations, a more active engagement to induce positive changes, and the call for wait-and-watch stance.¹ The international community seemed to be particularly concerned about the power transition in Pyongyang and possible instability under the leadership of young and inexperienced Kim Jong-un, son of late leader Kim Jong-il who is believed to be in his late 20s. It was also

presumed by many that Pyongyang would continue to uphold the late leader's legacy, as the ruling elites favor *status quo* and are mostly apprehensive of reforms which might lead to the regime's collapse.² However most those concerns and presumptions seemed to dissipate as the transfer of power went on smoothly and Kim Jong-un appeared to complete assuming power in North Korea by taking the top post in the government, military and the party.³ Kim was elected the first chairman of the powerful National Defense Commission. He consolidated his power further by assuming the role of the first secretary of the Workers' Party of Korea and the chairman of the party's Central Military Commission in April this year.⁴ In July 2012, Kim also earned the title of marshal, the highest military position after grand marshal, held only by his two predecessors – father Kim Jong-il and grandfather Kim Il-sung. All these developments seem to reflect the near-complete power succession in North Korea.⁵ After taking helm of North Korea, Swiss-educated Kim Jong-un indicated his desire for change by taking certain

1 Mikyoung Kim, "The post Kim Jong-il Era and Inter-Korea Relations: A Time for Cautious Hope" [JPI PeaceNET, January 2012].

2 "N.K. leader seen moving toward economic reform" [*Korea Herald*, 26 June 2012].

3 "Ex-NK military chief wasn't cooperative" [*Korea Herald*, 26 July 2012].

4 "North Korea needs a new direction" [*The Japan Times*, 30 June 2012].

5 "Presumed N.K. first lady may hint at change" [*Korea Herald*, 18 July 2012].



steps towards creating a more open, practical policy line. While deviating from his late father's policy which gave too much emphasis on military-first policy, Kim Jong-un sought to normalize the role of the cabinet and reduce the inordinate influence of the conservative military rulers.⁶ The young leader's strive for reform became particularly evident when during his first major speech in April, he declared that it was his party's "steadfast determination to ensure that the people will never have to tighten their belt again and make sure they enjoy the riches and affluence of socialism to their heart's content".⁷ By making frequent public appearances, Kim Jong-un seems to have assumed a 'people-friendly' leadership style different from his coercive father who was rarely in direct contact with ordinary citizens. However, the new leadership seems to be aware of the fact that if it pushes to carry out reforms too swiftly in the reclusive country, it might invite strenuous resistance, especially from the military elites. So, for the time being, Kim Jong-un appears to focus primarily on establishing a climate conducive to reform and openness by reorganizing the power structure.

Factors Indicative of the New Leadership's Reformative Policy

Initiative towards a 'knowledge-based' economy

Economically North Korea is going through a strenuous phase as the international community has imposed economic sanctions on the hermit country due to its continued pursuit for nuclear weapons program and engagement in the proliferation of nuclear weapons for the last several decades defying international nuclear disarmament and non-proliferation efforts. The North is also reeling under severe draught and food scarcity. Despite its repeated calls for more humanitarian aid,

the world does not seem to respond as positively as it did on earlier occasions. The international community's contributions to the World Food Program's North Korean aid program reportedly have fallen short of actual needs for several years.⁸

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To deal with the economic challenges, Kim Jong-un regime is currently focusing on creating a 'knowledge-based' economy and is closely studying the cases of economic reforms in various countries. It reflects a clear deviation of Kim Jong-un Administration from his predecessors because in earlier times, it was quite unthinkable to publicly reveal to the Western media about its leadership exploring the possibility of economic reform. Even late leader Kim Jong-il had a strong aversion to economic reform.

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The new leadership however seems to be aware that one of the major tasks in the process of consolidating the current regime is to shore up the economy. That is why, just four days after his father's demise, Kim Jong-un signaled his desire to push for a change in economic policy to attract foreign investment by revising the seven regulations for foreign investors including those on taxes, accounting, labor management and registration.⁹ Kim's desire for economic overhaul became more apparent with the recent increase in the economy-related articles

published by the Rodong Sinmun, the official daily of North Korea's ruling Workers' Party.¹⁰

All these developments have recently spawned speculation that the Kim Jong-un Administration may soon divulge its comprehensive economic plan, similar to the one introduced in 2002. The earlier plan was primarily aimed at expanding autonomy in corporate management and introducing some market elements. However that

6 "Signs of N. Korea Economic Reform" (*Korea Herald*, 25 July 2012).

7 "North Korea needs a new direction" (*The Japan Times*, 30 June 2012).

8 *Ibid.*

9 "N.K. leader seen moving toward economic reform" (*Korea Herald*, 26 June 2012).

10 "Signs of N. Korea Economic Reform" (*Korea Herald*, 25 July 2012).



plan failed to take off largely due to resistance from the military elites. This time however most analysts seem to be optimistic that the new regime might be able to initiate measures towards economic reform around August or September especially in areas like agriculture, service, trade, market, foreign investment and banking.¹¹

Pyongyang has reportedly already introduced a measure to dramatically increase the proportion of agricultural products that the farmers can dispose of freely. It was not possible earlier as under the state collective farming system, North Korea has only recognized the right to privately sell crops left over after having met the production targets.¹² The North is reportedly also looking for economic cooperation with other countries in East Asia. During the recent ARF Summit in Cambodia, North Korean Foreign Minister Pak Ui-chun held bilateral talks with his counterparts from China, Myanmar, Indonesia, Singapore, Vietnam and Philippines and explored the possibility of bilateral economic cooperation.¹³

However, experts at present seem to differ on what kind of economic models North Korea should adopt. Some of them argue that the North might adopt the Chinese model as the former regards China as one of its closest allies and economic partner. However while countering that argument, some other analysts opine that although China, with its vast resources, has been able to attract foreign enterprises, Chinese economic model might not be ideal for North Korea. Those analysts instead argue that the Singaporean model might suit the North's needs better. It is possibly so because despite its resource-scarce situation, under a centralized governance system, Singapore has been able to prosper in areas like logistics industries, banking and finances. North Korea can learn from the Singaporean model how to make economic progress even without adequate resources. North Korea, according to many others, should follow the Cuban

economic model, as just like the North, Cuba too has a socialist economic model and still struggling with tough sanctions imposed by the US.¹⁴

Initiative towards a 'Western-Style' socio-political system

Kim Jong-un is also making some attempts to break with his father's secrecy-shrouded leadership and inch towards 'more Western-style' leadership. In this context, the recent declaration of his marriage to Ri Sol Ju and the couple's frequent public appearances can be rightly cited. This indicated a calculated move on the part of the new leadership not only to forge a settled image of the young leader, but also to project Kim's desire for a more open leadership. According to Korea watchers, the declaration of Kim's martial status is a striking contrast to the custom maintained by his father Kim Jong-il who during his 17-year long rule rarely discussed his family members, companions and children.¹⁵ Even Kim Jong-un remained unknown to the outside world before his formal introduction in late 2010 as successor of his father. The new leader's policy clearly reflects his experience while studying abroad for almost five years where couples in public

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are quite common. Here the current leader's method seems to be similar to his grandfather Kim Il-sung, who frequently used to appear in public with his wife and children.

The new leader also seems to be keen on opening up different kinds of amusement parks, concerts, etc. for public entertainment in the reclusive country. The increasing number of public pleasure grounds is indicative of that. Kim Jong-un reportedly established a troupe called Moranbong. The troupe in July performed at a concert attended by both Kim and his wife.¹⁶ The footage

11 *Ibid.*

12 *Ibid.*

13 "ASEAN backs UN resolution on N.K." (*Korea Herald*, 13 July 2012).

14 "Signs of N. Korea Economic Reform" (*Korea Herald*, 25 July 2012).

15 "Presumed N.K. first lady may hint at change" (*Korea Herald*, 18 July 2012).

16 "First lady publicity latest sign of N.K. change" (*Korea Herald*, 27 July 2012).



of the concert was run on the state TV and it showed the troupe members dancing to Hollywood film tunes while dressing as Mickey Mouse, Winnie the Pooh and other Disney characters.¹⁷ This same concert also played a rendition of the renowned American movie 'Rocky' theme song which showed the scenes of the US film character pounding his Soviet rival at a boxing match set in the Cold War era. This development was seen as a notable change from the previous Kim Jong-il regime that directed performances primarily for propaganda purposes.¹⁸

Kim Jong-un regime apparently desires some sort of political reforms as well. It has to some extent become evident recently as he encouraged ranking officials to use the Internet for research and exchange information. According to him, the Internet can be instrumental in making the North Koreans aware of the international trends and developments, advanced science and technology. He also insists on the necessity to send North Korean delegates abroad to learn from other countries and collect their materials.¹⁹ Many Korea watchers apparently see this development as the new leadership's significant move towards an open-door policy. According to them, Kim Jong-un's reform-minded uncle Jang Song-thaek, who currently serves as the vice-chairman of the National Defense Commission²⁰ and believed to be the principal policy advisor to the young leader, is mainly responsible for the current political changes in North Korea.²¹ Although such developments are encouraging, one still cannot be sure about to what extent Kim would be able to pursue his open-up policy and take the path of reform.

17 "[Editorial] Power Struggle in N.K.?" (*Korea Herald*, 17 July 2012).

18 *Ibid.*

19 "N.K. leader seen moving toward economic reform" (*Korea Herald*, 26 June 2012).

20 "Ex-NK military chief wasn't cooperative" (*Korea Herald*, 26 July 2012).

21 "[Editorial] Power Struggle in N.K.?" (*Korea Herald*, 17 July 2012).

Initiative towards diluting military influence over state governance

North Korea, being a country where military-first policy has been a predominant factor for long, any move towards military reforms will tend to elicit strong reactions from the conservative military elites. Still, Kim Jong-un has taken some initial steps on that front. In July, he dismissed

In July, he dismissed Vice Marshal Ri Yong-ho, the centerpiece of North Korea's 1.19 million strong military. The removal of Ri, one of previous leader Kim Jong-il's loyal aide and staunch advocate of military-first policy was seen by many as the current leader's apparent move to dilute the influence of rigid military in the governance of North Korea. Here the young leader is once again a clear contrast to his father who had strengthened the role of military to push for major state projects including economic hardships.

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Two other recent developments indicate the new leadership's desire for change. Kim Jong-un regime in April this year appointed Choe Ryong-hae, a reform-minded civilian as the director of the powerful General Political Bureau of the of the Korean People's Army which is

responsible for establishing the ruling Worker's Party's control of the military.²⁴ Kim Jong-un's promotion of younger officials is another indicative of the current regime's stance on military reform.²⁵

Challenges

Despite the signs of reforms in North Korea under the new leadership of Kim Jong-un, the Korean watchers still do not seem to be highly optimistic. Due to lack of progress in resolving North Korean nuclear issue,

22 *Ibid.*

23 "Signs of N. Korea Economic Reform" (*Korea Herald*, 25 July 2012).

24 "[Editorial] Power Struggle in N.K.?" (*Korea Herald*, 17 July 2012).

25 "North Korea confirms Kim is married" (*Korea Herald*, 26 July 2012).



the country continues to face sanctions from the international community. Its relations with the outside world seem to be largely strained. The situation seems to have deteriorated further with North Korea's recent failed attempt to launch its long-range missile, for which the North was condemned by the UN. During the recent ARF meeting held in Cambodia in July, the member states supported UN sanctions on North Korea and asked Pyongyang to refrain from attempting such provocative action in the future.²⁶

Meanwhile, North Korea is suffering from severe draught and food shortage. A recent UN report indicated that around 16 million people – two-thirds of total North Korean population – face chronic food shortages. Access to clean water, regular electricity and medicine is still remote for those residing in underdeveloped countryside.²⁷ According to Amnesty International, a US-based human rights group, up to 200,000 North Koreans remain held in political prison in North Korea facing malnutrition, harsh labor, torture and executions.²⁸ North Korea has a grievous record on human trafficking as well.²⁹

The recent moves towards socio-political reforms have been largely played down by many Korea watchers who

believe that Kim Jong-un's presence at the recent concert playing Western music and showing US movie clips only reflected the effect of the leader's Western education and did not necessarily indicate his reformist tendency.

Many further argue that Kim Jong-un's dismissal of Ri Young-ho though indicated the young leader's desire to strengthen his grip over the military, the former's control still may not be as strong as it appeared. Securing of full control of the military proved to be an elusive goal even for late leader Kim Jong-il. So, it will be quite premature to imply that the current regime will not face some kind of backlash from the military in the future.

Conclusion

Although the step taken by Kim Jong-un regime towards reform in North Korea is quite encouraging, one should not make any hasty prediction on the basis of the current course. Time will soon tell whether he is really titled towards reform and whether he has the capability to move towards reform while overcoming objections from conservative political as well as military elites. As of now, the young leader should primarily focus on improving the well being of the North Korean people. He should also try to improve the country's economy with foreign investments. Possibilities of bilateral economic cooperation with other countries can also be explored. As North Korea's pursuit of nuclear weapons program remains a major hurdle in improving Pyongyang's relations with the international community, the new leadership should try to adopt some positive and concrete measures towards resolving its nuclear issue.

26 "ASEAN backs UN resolution on N.K." (*Korea Herald*, 13 July 2012).

27 "North Korea confirms Kim is married" (*Korea Herald*, 26 July 2012).

28 "Up to 200,000 incarcerated in N.K. prison camps" (*Korea Herald*, 20 June 2012).

29 "N. Korea on US list of worst-human trafficking nations for 10th year" (*Korea Herald*, 21 June 2012).

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