

North Korea in 2009

The Song Remains the Same

ABSTRACT

During the first half of 2009, North Korea's relations with South Korea remained frozen, and its second nuclear test angered the entire international community. Beginning in August, the regime adopted a softer foreign policy line, while insisting that it would never give up its nuclear weapons.

KEYWORDS: North Korea, South Korea, Kim Jong-il, nuclear weapons, foreign policy

IN 2009, GOVERNMENT OFFICIALS in the United States and South Korea took a step closer to publicly acknowledging the intransigent nature of the Kim family regime that rules the Democratic People's Republic of Korea (DPRK, North Korea). The regime alternates between a hard line, which is conducted by canceling agreements, issuing threats, and withdrawing from dialogue, and a softer line in which officials agree to resume dialogue—at the price of requiring their interlocutors to modify previous demands and offer additional rewards. By using this elementary negotiating strategy and playing upon the exaggerated hopes and fears of the international community, North Korea is able to control the direction and pace of negotiations. The abstracts for the past two North Korea year-end articles in this journal illustrate this strategy. In 2007, the opening words were, “The year 2007 witnessed a gradual rapprochement between North Korea and the world” and for the following year, “In 2008, North-South relations worsened.”

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In the first seven months of 2009, North Korea continued to take a hard line with South Korea and adopted a hard line toward the rest of the international community as well. Then in the latter part of the year, the North Koreans embarked on a charm offensive. Members of the news media with an optimistic nature and a short memory hailed this warming trend; however, political realists were not fooled, and diplomats in South Korea and the U.S. vowed they would not be taken in again by this strategy. South Korea's unification minister, Hyun In-taek, said, "I don't see the North's moves as a sign they have altered their stance."¹ The U.S. point person on North Korean affairs, Stephen Bosworth, agreed, saying, "I don't think there's been any fundamental change."² Indeed, North Korea's song remains the same, and everyone is finally learning the tune.

THE ECONOMY AND SOCIETY

The North Korean economy continues to struggle, with no signs that the Kim regime contemplates abandoning its ruinous brand of centrally controlled socialism. North Korea's industrial infrastructure cannot be repaired without hundreds of billions of dollars in aid. Every year sees a shortfall of about one million tons of food, partly made up by foreign food donations; for the rest, the people go hungry. The only significant change in the economy in recent years has been the stealthy market reform initiated by the people during the famine of the late 1990s. The appearance of markets outside the largely defunct state distribution system has been reluctantly condoned by the regime as a "temporary measure" to tide the economy over until socialism somehow gets back on track. For the million or so North Koreans who have good political connections and access to foreign sources of goods or hard currency, the partial marketization of the economy has brought relative wealth; for most North Koreans, the elementary market provides no more than a means to avoid the type of famine that killed half a million people or more in the latter half of the 1990s. The Kim regime alternates between ignoring the struggling market economy (an economic "soft line," if you will) and trying to suppress it. In 2009, suppression was the

1. "Unification Minister Says N. Korea's Conciliatory Moves Tactical," Yonhap News Agency, September 9, 2009, in English.

2. "U.S. Envoy Sees No Change in North Korea," *Korea Times Online*, September 6, 2009, in English.

dominant mode, highlighted by a frontal attack on the market economy in the form of a clumsily enacted November currency revaluation and exchange, followed a month later by an apparent ban on the possession and use of foreign currency. However, the market economy is so necessary to the welfare of the people—including the officials who are supposed to police the markets—that it will doubtless survive in some form.

In the absence of any progress in rebuilding the industrial infrastructure, the regime has little choice but to rely on the people's willpower. In a talk Kim Jong-il made to economic officials in June 2009, he once again appealed to them to "create something out of nothing."³ The most prominent attempt to motivate workers during the year was the "150-Day Battle" that ran from April 20 to September 16. As in a dozen similar campaigns launched since the early 1970s, millions of North Koreans were assigned to work overtime on special construction and agricultural projects in order to increase productivity. Despite the regime's claims of success, it is unlikely that this speed battle was any more successful than previous ones, and the people were called upon to immediately launch a 100-day battle that would take them to the end of the year. Even if little economic progress was made in the battles, they did serve to occupy the people's time and energy and reduce their access to the markets, which operated on reduced hours. Not surprisingly, the battles were extremely unpopular with the people, most of whom did little more than grumble in private. The more active malcontents fled the country: in 2009, North Koreans continued to defect to South Korea, mostly through China, at the rate of almost 3,000 a year (2,100 by the end of September), even though Pyongyang went to extra lengths to prevent people from escaping and punishing those who were caught.

HARD-LINE NUCLEAR POLICY

Since the early 1990s, the U.S. has been trying to get the Kim regime to agree to verifiably end its nuclear weapons program. Some American officials naively believed that the Agreed Framework of 1994 would do the job, although historical evidence supports the claim that the regime has been committed to building a military nuclear program since at least the mid-1980s

3. "Talk Great Leader Comrade Kim Jong-Il Had with Party, Army, and State Economic Organ Functionaries on 25 June Juche 98 [2009]," broadcast in five installments by the Korean Central Broadcasting Station, August 24 through August 28, 2009, in Korean.

and has no intention of giving it up. Since 2003, when the Agreed Framework collapsed, representatives from the U.S., Japan, South Korea, Russia, and China (the host nation) have been meeting periodically with North Korean officials in the Six Party Talks, trying to get North Korea to abandon its nuclear program in return for political and economic compensation. As an inducement to denuclearize, since 1994 the U.S., South Korea, and Japan have spent over \$2 billion to provide construction and energy supplies to the North Koreans. What the secretive Chinese may have offered is hard to tell. Nonetheless, by the end of 2009 the Kim regime had accumulated more fissile material and nuclear weapons than it had in 1994 or before the Six Party Talks began. A growing number of people (including almost 90% of South Koreans polled on this issue in September 2009) doubted that North Korea would ever completely denuclearize.⁴

In May, North Korea conducted its second underground nuclear test, small but somewhat larger than the first test of October 2006, prompting yet another U.N. resolution of condemnation. The North Koreans rejected the resolution and said it was “impossible” for them even to consider giving up their nuclear weapons. They also announced that their scientists were embarking on a uranium enrichment program, which they had vigorously denied since the U.S. raised suspicions of it in 2002.

On the Fourth of July 2009, North Korea launched seven medium-range ballistic missiles—clearly a message to the Americans. When South Korea, after years of delay, decided to participate in the U.S.-led Proliferation Security Initiative designed to prevent countries (most notably North Korea) from transporting weapons of mass destruction and related material, Pyongyang called the decision a declaration of war and announced its withdrawal from the 1953 Korean War Armistice. This response was not as alarming as one might suppose because North Korea routinely interprets the actions of other countries as declarations of war. Pyongyang had announced on four previous occasions (in 1994, 1996, 2003, and 2006) that it would no longer honor the armistice.

The North Koreans rarely miss a chance to provoke the U.S., without going so far as to risk an American military response. When two American reporters working for an independent cable news channel crossed the frozen

4. Tony Chang, “Most South Koreans Skeptical North Korea Will Ever Give up Nukes: Poll,” Yonhap News Agency, September 30, 2009, in English.

Tumen River from China into North Korea in March, they were caught, charged with “illegal border crossing” and “hostility to the Korean nation,” and sentenced to 12 years of hard labor.

In 2009, North Korea not only provoked the U.S. but dared to alienate all of the major powers—a change from Pyongyang’s usual foreign policy of approaching one country while giving the cold shoulder to another. China was unhappy with North Korea for staging the nuclear test and quitting the Chinese-hosted Six Party Talks. Russia, with very little stake in the region, also displayed some impatience with the North Koreans for the nuclear test and missile launches. Thus, it was possible for the U.N. Security Council to pass unanimous resolutions and impose mild economic sanctions against the North Koreans for the test and launches.

INTER-KOREAN RELATIONS

The Kim regime considers the U.S. its greatest threat and also its greatest opportunity, but South Korea is the country—or part of the country—that North Koreans will eventually have to deal with if they hope to achieve prosperity. From 1998 to early 2008, the South Korean government under left-leaning Presidents Kim Dae-jung and Roh Moo-hyun took a relatively benign view of the Kim regime. They provided it with an annual aid donation of 400,000 tons of food and 300,000 tons of fertilizer, along with various other gifts, altogether amounting to \$7 billion, including almost \$3 billion in cash.⁵

When President Lee Myung-bak of the conservative opposition party took office in February 2008 and instituted a North Korea policy of reciprocity rather than unconditional aid, the North Korean media criticized him as a “traitor” to the Korean nation. The Kim regime gradually cut off all inter-Korean governmental contact and began putting the squeeze on the South Korean industrial enclave at Kaesong, 50 miles north of Seoul, where 100 South Korean companies rent land from the North Korean government and employ almost 40,000 North Korean laborers to manufacture light industrial goods to be sold in South Korea. During the annual U.S.-Republic of Korea (ROK, South Korea) military exercises in March 2009, all communications links between South Korea and Kaesong were cut, forcing many South Korean managers to return home. In May, the North Koreans unilaterally

5. “Seoul Gave N. Korea \$7 Billion since 98,” *Chosun Ilbo Online*, June 3, 2009, in English.

voided all Kaesong contracts, claiming that they were a special favor to the South Koreans who no longer deserved it.

In fact, North Korea is hardly doing South Korean businesses a favor by allowing them to employ North Korean workers and rent land to set up factories. Productivity at the Kaesong factories is lower than in South Korean-owned factories in China and Vietnam (and much lower than in factories in South Korea), and most of the 100 companies that have set up operations in the zone are losing money. The \$30 million in wages paid in 2008 went directly to the North Korean government, not to the 39,000 workers, who receive an unknown portion of these payments. Kaesong is important as a symbol of inter-Korean cooperation (or not), but it is hardly a good business investment.

South Koreans in Kaesong face more than financial risk. In late March, an engineer working for Hyundai at Kaesong was detained because, according to the North Koreans, he “denounced the political system of our highly esteemed republic and schemed to degenerate and spoil a female [North Korean] employee to incite defection.”⁶ The engineer was held incommunicado for four months. After he was released and returned to South Korea, he admitted that he had criticized the North Korean government, charging that during his detention he had been forced to sit motionless for more than 13 hours a day in a wooden chair and write countless confessions.

With Hyundai’s Mount Kumgang tourist resort in North Korea shut down since July 2008, when a North Korean soldier shot and killed a South Korean tourist who had wandered onto a banned strip of beach next to the hotel, inter-Korean relations hit the lowest point in years. In a public opinion poll taken in June 2009, only 22% of South Korean respondents said that North Korea could be considered a trusted dialogue partner, down from 52% after the 2000 inter-Korean summit.⁷

FOREIGN POLICY TURNAROUND

And then in August 2009, the Kim regime decided it was time to adopt a conciliatory foreign policy. Former U.S. President Bill Clinton was invited to Pyongyang early in the month to extract the two convicted American

6. Kim Hyun, “N. Korea Holding S. Korea’s Hyundai Worker for Second Day,” Yonhap News Agency, March 31, 2009, in English.

7. “Only 22 Percent of S. Koreans Say N. Korea Trustworthy,” *ibid.*, June 25, 2009, in English.

reporters, who had been living in a state guesthouse. The North Korean media summed up the visit by saying, “The measure taken to release the American journalists is a manifestation of the DPRK’s humanitarian and peace-loving policy. The DPRK visit of Clinton and his party will contribute to deepening the understanding between the DPRK and the U.S. and building bilateral confidence.”⁸ By early September, U.S. officials were saying they would agree, after all, to a bilateral meeting with North Korea—as long as the meeting paved the way for the North Koreans to return to the Six Party Talks.

Also in August, Kim Jong-il met with the visiting head of Hyundai and agreed to release the firm’s engineer. Kim and his guest also talked about resuming Hyundai’s tourist activities at Mount Kumgang. Former South Korean President Kim Dae-jung died the same month, and since he was a great favorite of the Kim Jong-il regime, a North Korean delegation attended his funeral and took the opportunity to meet with President Lee. Red Cross officials from the two Koreas agreed to resume family reunions after a hiatus of two years. North Korean officials also began hinting to their South Korean and American contacts that they would welcome food aid. In October, Chinese Premier Wen Jiabao paid a state visit to North Korea and apparently promised several hundred million dollars in additional aid; shortly thereafter, the Chinese formally invited Kim Jong-il to visit Beijing “at a convenient time.”

DOMESTIC POLITICS

Throughout the year, foreigners tried to guess what was happening at the top of North Korea’s political pyramid. Kim Jong-il did not appear in public for several months after his apparent stroke in August 2008. When he finally met a foreign delegation, in late January 2009, his Chinese guests insisted that he was in good health, although photos in the North Korean media showed he had aged considerably and was not using his left arm—symptoms consistent with a stroke. Rumors had it that he was suffering from a variety of ailments, including pancreatic cancer, diabetes, and kidney failure, but if even half of these were true, he should have long ago been dead. Foreign analysts speculated that during Kim’s recovery, important decisions were being made

8. “Report on Bill Clinton’s Visit to DPRK Made Public,” Korean Central News Agency, August 4, 2009, in English.

collectively and that top generals had gained political power, thus explaining North Korea's increased belligerence in 2009. It also appeared that the National Defense Commission, headed by Kim, was taking over more responsibilities at the expense of Korean Worker Party organizations.

If Kim was indeed becoming aware of his mortality, it would explain why signs of a domestic campaign to introduce a successor appeared during the first eight months of the year. Numerous signs pointed to his youngest son, Kim Jong-un, only 26. Like his brothers and his sister, Jong-un is believed to have spent a few youthful years at school in Switzerland (under an assumed name), but beyond that little is known about him and no current photograph is available. The North Korean people began to hear about the "sagacious comrade" and "morning star general" but weren't told anything about him. His name was never mentioned in the North Korean press, and at the end of the year, South Korea's intelligence service admitted he was so little known to them that they had been misspelling his name. Whether Kim Jong-il had finally chosen a successor, or whether the whole campaign was meant to mislead foreigners, is impossible to say.

CONCLUSION

North Korea changed little in 2009. In order to remain in power, Kim Jong-il must stick with a one-party dictatorship and a centrally controlled economy. In the absence of economic strength and trusted allies, the country must keep its military strong. Because the political elites there live a comfortable life, they are satisfied with the status quo and have little need to open the borders or reform the economy. The United States and Japan may be alarmed by North Korea's potential for nuclear and missile proliferation, but its neighbors would prefer to live with a nuclear North Korea than risk triggering a regional conflict or the social instability that might accompany a regime change.

To promote the illusion that it is possible to denuclearize North Korea, the United States and other participants in the Six Party Talks, which may or may not reconvene, must pretend that there is hope for a negotiated end to the country's nuclear weapons program; however, there is a growing recognition that the goal is unattainable as long as the Kim regime remains in power. It can safely be predicted that North Korea will continue to bring itself to the attention of other countries by surprising and provoking them, thereby keeping potential adversaries off balance.