

Reading Material

The Korean Peninsula and International Relations in Northeast Asia

Fall, 2012 (KF-HYU Global e-School Course), WEEK 4

Friday 13:30-16:30 (Seoul Time)

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Official Name: **Democratic People's Republic of Korea**



PROFILE

Geography

Area: 122,762 sq. km. (47,918 sq. mi.).

Cities: *Capital*--Pyongyang. *Other cities*--Hamhung, Chongjin, Wonsan, Nampo, Sinuiju, and Kaesong.

Terrain: About 80% of land area is moderately high mountains separated by deep, narrow valleys and small, cultivated plains. The remainder is lowland plains covering small, scattered areas.

Climate: Long, cold, dry winters; short, hot, humid, summers.

People*

Nationality: *Noun and adjective*--Korean(s).

Population (2012 est., CIA World Factbook): 24.6 million.

Annual population growth rate: About +0.535%.

Ethnic groups: Korean; small ethnic Chinese and Japanese populations.

Religions: Autonomous religious activities have been severely restricted since 1945. Buddhism, Confucianism, Shamanism, Chongdogyo, and Christianity existed previously and have influenced the country.

Language: Korean.

Education: *Years compulsory*--11. *Attendance*--3 million (primary, 1.5 million; secondary, 1.2 million; tertiary, 0.3 million). *Literacy*--99%.

Health (2012): Medical treatment is free; one doctor for every 304 inhabitants; one hospital bed for every 78; there are severe shortages of medicines and medical equipment. *Infant mortality rate*--26.2/1,000 (CIA World Factbook). *Life expectancy*--males 65.3 years, females 73.2 years (2012 est., CIA World Factbook).

Government

Type: Highly centralized communist state.

Independence: August 15, 1945--Korean liberation from Japan; September 9, 1948--establishment of the Democratic People's Republic of Korea (D.P.R.K., or North Korea), marking its separation from the Republic of Korea (R.O.K., or South Korea).

Constitution: 1948; revised in 1972, 1992, 1998, and 2009.

Branches: *Executive*--President of the Presidium of the Supreme People's Assembly (chief of state); Chairman of the National Defense Commission (head of government). *Legislative*--Supreme People's Assembly. *Judicial*--Central Court; provincial, city, county, and military courts.

Subdivisions: Nine provinces; two province-level municipalities (Pyongyang, Nasun, also known as Najin-Sonbong free trade zone); one special city (Nampo), 24 cities.

Political party: Korean Workers' Party (Communist).

Suffrage: Universal at 17.

Economy*

GDP (2010 est., CIA World Factbook): \$28 billion; 48.2% in industry, 31% in services, 20.8% in agriculture.

Per capita GDP, purchasing power parity (2011 est., CIA World Factbook): \$1,800.

Agriculture: *Products*--rice, corn, potatoes, soybeans, cattle, pigs, pork, and eggs.

Mining and manufacturing: *Types*--military products, machine building, electric power, chemicals, mining (coal, iron ore, limestone, magnesite, graphite, copper, zinc, lead, and precious metals), metallurgy, textiles, food processing, tourism.

Trade (2010): *Exports*--\$2.557 billion (CIA World Factbook): minerals, metallurgical products, manufactures (including armaments), textiles, agricultural and fishery products. The D.P.R.K. is also thought to earn hundreds of millions of dollars from the unreported sale of missiles, narcotics, and counterfeit cigarettes and currency, and other illicit activities. *Imports*--\$3.529 billion: petroleum, coking coal, machinery and equipment, textiles, grain.

Major trading partners (2009): (1) China, (2) R.O.K., (3) Singapore, and (4) India.

*In most cases, the figures used above are estimates based upon incomplete data and projections.

Establishment of DPRK

In December 1945, a conference was convened in Moscow to discuss the future of Korea. A 5-year trusteeship was discussed, and a joint Soviet-American commission was established. The commission met intermittently in Seoul but deadlocked over the issue of establishing a national government. In September 1947, with no solution in sight, the United States submitted the Korean question to the UN General Assembly. Initial hopes for a unified, independent Korea quickly evaporated as the politics of the Cold War and domestic opposition to the trusteeship plan resulted in the 1948 establishment of two separate nations with diametrically opposed political, economic, and social systems. Elections were held in the South under UN observation, and on August 15, 1948, the Republic of Korea (R.O.K.) was established in the South. Syngman Rhee, a nationalist leader, became the Republic's first president. On September 9, 1948, the North established the Democratic People's Republic of Korea (D.P.R.K.) headed by then-Premier Kim Il-sung, who had been cultivated and supported by the Soviet Union.

POLITICAL SYSTEM

Overview

North Korea is a self-described Juche (self-reliant) state, described by some observers as a de facto absolute monarchy or "hereditary dictatorship" with a pronounced cult of personality organized around Kim Il-sung (the founder of North Korea and the country's only president) and his late son, Kim Jong-il. There are also those who reject the view that North Korea is a communist state, instead claiming that the North Korean leadership uses communism as a justification for their rule. More recent research based on North Korea's domestic documents and not propaganda for the international audience, popularized in 2009 by Brian R. Myers and his book *The Cleanest Race* and later supported by further academics even characterizes North Korea as a far-right national-socialist country heavily influenced by Japan of the 1930s.

Following Kim Il-sung's death in 1994, he was not replaced but instead received the designation of "Eternal President", and was entombed in the vast Kumsusan Palace of the Sun in central Pyongyang.

Although the office of the President is ceremonially held by the deceased Kim Il-sung, the Supreme Leader until his death in December 2011 was Kim Jong-il, who was General Secretary of the Workers' Party of Korea and Chairman of the National Defense Commission of North Korea. The legislature of North Korea is the Supreme People's Assembly, currently led by Chairman Kim Yong-nam. The other senior government figure is Premier Choe Yong-rim.

The structure of the government is described in the Constitution of North Korea, the latest version of which is from 2009 and officially rejects North Korea's founding ideology of communism. The governing party by law is the Democratic Front for the Reunification of the Fatherland, a coalition of the Workers' Party of Korea and two other smaller parties, the Korean Social Democratic Party and the ChondoistChongu Party. These parties nominate all candidates for office and hold all seats in the Supreme People's Assembly. They have negligible power, as the leader holds autocratic control over the nation's affairs.

In June 2009, it was reported in South Korean media that intelligence indicated that the country's next leader would be Kim Jong-un, the youngest of Kim Jong-il's three sons. This was confirmed on 19 December 2011, following Kim Jong-il's death. According to Cheong Seong-chang of Sejong Institute, speaking on June 25, 2012, there is some possibility that the new leader Kim Jong-un, who has greater visible interest in the welfare of his people and engages in greater interaction with them than

his father did, will consider economic reforms and regularization of international relations.

Political developments

For much of its history, North Korean politics have been dominated by its adversarial relationship with South Korea. During the Cold War, North Korea aligned with the Soviet Union and the People's Republic of China. The North Korean government invested heavily in its military, hoping to develop the capability to reunify Korea by force if possible and also preparing to repel any attack by South Korea or the United States. As relations with the PRC and the Soviet Union loosened towards the end of the Cold War, North Korea developed an ideology, Juche, based upon a high degree of economic independence and the mobilization of all the resources of the nation to defend against foreign powers seen as a threat to the country's sovereignty.

In the wake of the collapse of the Soviet Union and Soviet-supplied economic aid, North Korea has faced a long period of economic crisis, including severe agricultural and industrial shortages. North Korea's main political issue has been to find a way to sustain its economy without compromising the internal stability of its government or its ability to respond to perceived external threats. To date, North Korean efforts to improve relations with South Korea to increase trade and to receive development assistance have been mildly successful, but North Korea's determination to develop nuclear weapons and ballistic missiles has prevented relations with Japan or the United States from improving. North Korea has also experimented with market economics in some sectors of its economy, but these have had limited impact. Some outside observers have suggested that Kim Jong-il himself favored such reforms but that some parts of the party and the military resist any changes that might threaten stability.

Although there are occasional reports of opposition to the government, these appear to be isolated, and there is no evidence of major internal threats to the current regime. Some foreign analysts have pointed to widespread starvation, increased emigration through North Korea-China border, and new sources of information about the outside world for ordinary North Koreans as factors pointing to an imminent collapse of the regime, but North Korea has remained stable in spite of more than a decade of such predictions. The Workers' Party of Korea maintains a monopoly on political power and Kim Jong-il remained the leader of the country, until 2011, ever since he first gained power following the death of his father.

According to Cheong Seong-chang of Sejong Institute, speaking on June 25, 2012, there is some possibility that the new leader Kim Jong-un, who has greater visible interest in the welfare of his people and engages in greater interaction with them than his father did, will consider economic reforms and regularization of international relations.

Leaders

North Korea has a centralized government under the rigid control of the communist Korean Workers' Party (KWP), to which all government officials belong. A few minor political parties are allowed to exist in name only. Kim Il-sung ruled North Korea from 1948 until his death in July 1994 as Secretary General of the KWP and President of North Korea. The latter post was abolished following Kim Il-sung's death and the title of the Eternal President of the Republic was established and given to Kim Il-sung.

Little is known about the actual lines of power and authority in the North Korean Government despite the formal structure set forth in its constitution. Following the death of Kim Il-sung, his son, Kim Jong-il, inherited supreme power. Kim Jong-il was named General Secretary of the KWP in October 1997, and in September 1998, the Supreme People's Assembly (SPA) reconfirmed Kim Jong-il as Chairman of the National Defense Commission (NDC) and declared that position as the "highest office of state."

However, the President of the Presidium of the SPA, Kim Yong-nam, serves as the nominal head of state. North Korea's 1972 constitution was amended in late 1992, September 1998, and April 2009.

Following the death of Kim Jong-il in December 2011, his son Kim Jong-un became the supreme leader of North Korea. In December 2011, the Politburo of the KWP formally appointed Kim Jong-un as the Supreme Commander of the Korean People's Army. In April, 2012, Kim Jong-un was appointed as First Chairman of NDC.

Important Organs

Three key entities control the government of the D.P.R.K. The cabinet, formerly known as the State Administration Council (SAC), administers the ministries and has a significant role in implementing policy. The cabinet is headed by the premier and is the dominant administrative and executive agency. The NDC is responsible for external and internal security, and under the leadership of Kim Jong-il, the NDC assumed a significant role in influencing policy. The Politburo of the Central People's Committee is the top policymaking body of the KWP, which also plays a role as the dominant social institution in North Korea.

Officially, the D.P.R.K.'s legislature, the Supreme People's Assembly, is the highest organ of state power. Its members are elected every 5 years. The SPA usually holds only two meetings annually, each lasting a few days. A standing committee elected by the SPA performs legislative functions when the Assembly is not in session. In reality, the SPA serves only to ratify decisions made by the ruling KWP.

North Korea's judiciary is "accountable" to the SPA and the president. The SPA's standing committee also appoints judges to the highest court for 5-year terms concurrent with those of the Assembly.

Administratively, North Korea is divided into nine provinces and two provincial-level municipalities--Pyongyang and Nasun (also known as Najin-Sonbong). It also appears to be divided into nine military districts.

Government

The Cabinet of North Korea consists of the Premiers, Vice Premiers, and Ministers of the government. Their terms of office are concurrent with the Supreme People's Assembly. The Premier is the head of the cabinet. The cabinet exercises theoretical control over the executive ministries and has the authority to issue decrees concerning administration of the government, although in reality the government also took its directions from Kim Jong-il until 2011. The current cabinet consists of:

- Premier: Choe Yong-rim
- Foreign Minister: Pak Ui-chun
 - Vice Foreign Minister: Kim KyeGwan
 - Vice Foreign Minister: Choe Su-hon
- Minister of State Construction Control: Pae Tal-jun
 - President of the Central Bank of the Democratic People's Republic of Korea: RiKwang-gon (since April 2009)
- Minister of Public Security: KwakPumJi
 - Deputy Director: PaekHak-rim
- Minister of People's Armed Forces: Vice Marshal Kim Il-Chol

Parliament

According to the constitution, the legislative Supreme People's Assembly (SPA) is the highest organ of state power. It consists of 687 members, who are elected every five years. The Assembly usually holds only two meetings annually, each lasting a few days; this is the shortest meeting time of any parliament. A standing committee known as the Presidium of the Supreme People's Assembly and elected by the Assembly performs legislative functions when the Assembly is not in session.

The Assembly officially chooses between, compromises upon, and ratifies the political positions on subjects put forward by the three represented parties. The president of the Supreme People's Assembly is Kim Yong-nam. Nearly all outside sources regard the SPA as a rubberstamp body, due to the short period of its sessions, uncontested elections to office, and the fact that it passes all proposals submitted by the government over a period of a few days.

In theory, North Korea's judiciary is accountable to the SPA and the Presidium. The SPA's standing committee also appoints judges to the highest court for 5-year terms that are concurrent with those of the Assembly.

Legal system

North Korea's judiciary is headed by the Central Court of North Korea, which consists of a Chief Justice and two People's Assessors; three judges may be present in some cases. Their terms of office coincide with those of the members of the Supreme People's Assembly. Every court in North Korea has the same composition as the Central Court. The judicial system is theoretically held accountable to the SPA and the Presidium of the SPA when the legislature is not in session.

The judiciary does not practice judicial review. The security forces so often interfere with the actions of the judiciary that the conclusion of most cases is foregone; experts outside North Korea and numerous defectors confirm this to be a widespread problem. Freedom House states that, "North Korea does not have an independent judiciary and does not acknowledge individual rights...reports of arbitrary detentions, 'disappearances,' and extrajudicial killings are common; torture is widespread and severe"

North Korea's fifth and current constitution was approved and adopted in September 1998, replacing the one previously adopted in 1972. The former constitution had last been amended in 1992. Under the constitution, North Korea has an unusual legal system based upon German civil law and influenced by Japanese legal theory. Criminal penalties can be stiff; one of the basic functions of the system is to uphold the power of the regime. Because so little information is available concerning what actually occurs inside of the country, the extent to which there is any rule of law is uncertain. In any case, North Korea is known for its poor human rights situation and regularly detains thousands of dissidents without trial or benefit of legal advice. According to a US Department of State report on human rights practices, the government of North Korea often punishes the family of a criminal along with the perpetrator.

During Kim Jong-il's regime, there existed a very unique ideology or doctrine that shaped most of the legal frame of North Korea. That was the "Socialism of our own style". Internally, Kim Jong-il, a son of Kim Il-sung the founder of the state, succeeded the regime but lacked political legitimacy in the beginning. In order to differentiate himself from his father's "Juche" and to skillfully secure his leadership, he enumerated this unprecedented doctrine that emphasized the uniqueness and

subjectivity of North Korean system. Externally, as Soviet Union collapsed and China normalized its diplomatic relations with South Korea, North Korea's stance in international politics became very insecure. Thus, North Korea desperately needed a device or at least a justification to sustain its socialist system. Kim had to show the public that North Korea can better off, even without compromising to the outside liberal world. Both external and internal factors pressured Kim to isolate his regime from outside world and step on the end of a cliff. With this new ideology that reinforced the unique statism and nationalism, Kim could avoid internal complaints and external crisis. As other socialist countries weakened and domestic public suffered from severe famine, this strategy of isolation was the most effective for the Kim regime to maintain its power. In this sense, it can be said that the "Socialism of Our Own Style" doctrine by Kim Jong-il effectively framed North Korean legislature, administration and military as a whole.

National Defence Commission

According to the Constitution of North Korea (조선민주주의인민공화국 사회주의 헌법) Article 100, "the National Defence Commission is the highest military leadership body of State power." According to Article 102, "the Chairman of the National Defence Commission of the Democratic People's Republic of Korea commands and directs all the armed forces and guides national defence as a whole." The position of Chairman of the National Defence Commission has been declared the "highest office of state" and has the "highest administrative authority" according to decrees issued by the Supreme People's Assembly.

Few people correctly anticipated that Kim Jong-il would officially terminate the transitional period by resuming the chairmanship of the National Defense Commission (NDC) and abolishing the post of president. Under the 1998 constitution, the NDC's role and status was strengthened. The 1998 constitution defines the NDC as "the highest guiding organ of the military and the managing organ of military matters." The chairman of the NDC controls the armed forces.

In a speech endorsing Kim Jong-il as NDC chairman, Kim Yong-nam made it clear that chairman of the NDC is the highest position in the country, in charge of all matters regarding the country's politics, economy, and military. Thus Kim Jong-il was, until 2011, in substance head of the state, but theoretically the chairman of the SPA Presidium represents the state and is responsible for foreign affairs, such as reception.

In April, 2012, Kim Jong-un was appointed as First Chairman of NDC.

Principal Party and Government Officials

Kim Jong-un--Supreme Leader of North Korea, Supreme Commander of the Korean People's Army, General Secretary of the Korean Workers' Party, First Chairman of the National Defense Commission
Kim Yong-nam--President of the Presidium of the Supreme People's Assembly; Titular Head of State
Han Song-ryol--Ambassador to the D.P.R.K. Permanent Mission to the UN
Pak Ui-chun--Minister of Foreign Affairs

Party-Government relations

The relationship between the party organ and the administrative organ is often compared to the relationship between the man who steers the boat and the man who rows the boat. Party workers in

the back should steer so that administrative and economic workers can stay on the party track. Article 11 of the constitution repeats that "the DPRK shall conduct all activities under the leadership of the KWP.". Although relations between the party and the government have experienced both continuity and change, the party has maintained a guiding role over the government.

First, North Korean leaders attribute the demise of the communist bloc in Eastern Europe to the failure of ideology. Thus, they emphasize the importance of ideology, which is led by the party. They also focus on the significance of popular support of the party.

Second, Kim Jong Il started his career as a party cadre and his succession to power took place within the structure of the party. Moreover, most of his strong supporters are in the party and the party at large is his most loyal supporter.

Third, North Korea's hesitation to implement a policy aimed at integration into the international community makes one expect that the status of the party vis-à-vis that of the government will be strengthened. Although North Korea is very concerned with the opening policy, its economic policy is dictated by political considerations. North Korea's opening policy is implemented in a very limited way because of the fear of the side effects opening may bring. Thus the role of government technocrats is clearly limited, and it is not feasible to see the government outside the control of the party. Although the government gained in status under the new constitution, this does not affect the guiding role of the party over the government. Particularly in the area of organization and ideology, party guidance may be firmer.

Party-Military relations

The party has controlled the military in North Korea since the Korean War, when North Korea began to dispatch political officials to the military. In October 1950, party committees began to be organized within the military. The party organs within the military were strengthened after two incidents in 1956 and 1969 that resulted in a wide-scale purge of factions opposed to Kim Il Sung.

According to the Party Act (article 46) adopted in 1980, "KPA is the revolutionary armed forces of the KWP." Some believe, however, that the military-centred political system of recent years may be damaging the party's control over the military. Kim Jong-il treated the military better than ever by frequently visiting events and places associated with it and by promoting military officials in the official power hierarchy.

Political parties and elections

According to the constitution, North Korea is a Democratic Republic and the Supreme People's Assembly and provincial People's Assemblies are elected by direct universal suffrage and secret ballot. Suffrage is guaranteed to all citizens aged 17 and over. In reality, elections in North Korea are non-competitive and have only single candidate races. Those who want to vote against the sole candidate on the ballot must go to a special booth to cross out the candidate's name before dropping it into the ballot box—an act which, according to many North Korean defectors, is far too risky to even contemplate.

All elected candidates are members of the Democratic Front for the Reunification of the Fatherland, a popular front dominated by the WPK. The two minor parties in the coalition are the ChondoistChongu

Party and the Korean Social Democratic Party; they also have a few elected officials. The WPK exercises direct control over the candidates selected for election by members of the other two parties.

Summary of the 8 March 2009 North Korea Supreme People's Assembly election results

List	Seats
Democratic Front for the Reunification of the Fatherland	687
<ul style="list-style-type: none"> • Workers' Party of Korea (<i>ChŏsonRodong-dang</i>) • Korean Social Democratic Party (<i>ChŏsonSahoeminju-dang</i>) • CheondoistChongu Party (<i>Ch'ŏndogyoCh'ŏng'u-dang</i>) • General Association of Korean Residents in Japan (<i>Ch'ongryŏn</i>) • independents 	<p>606</p> <p>50</p> <p>22</p> <p>6</p> <p>3</p>
Total (turnout 99.98%)	687

<State leaders>

Eternal President: Kim Il-sung

National Defence Commission of DPRK

Eternal Chairman: Kim Jong-il

First Chairman: Kim Jong-un (from April 2012)

Vice Chairman: Kim Yong Chun, Ri Yong Mu, Jang Song Thaek(from June 2010), O KukRyol (from April 2009)

Members: Pak To Chun, Kim Jong Gak, JuKyu Chang, Paek Se Bong, and since 2012: ChoeRyongHae, Kim Won Hong and RiMyong Su

Presidium of the SPA of the DPRK

President: Kim Yong-nam

Vice presidents: Yang Hyong Sop and Kim Yong Dae

Honorary vice-president: Kim Yong Ju

Secretary general of the Presidium: ThaeHyongChol (from April 2012)

Supreme People's Assembly (SPA)

Chairman: ChoeThae-bok

Vice-chairpersons: Kim Wan Su and Hong Son Ok

Cabinet

Premier: Choe Yong Rim

Vice Premiers: Ro TuChol (from April 2009), Pak Su Gil (from September 2009), and Kang Nung Su, Kim RakHui, RiThae Nam, Jon Ha Chol, Jo PyongJu, Han Kwang Bok (from June 2010), Kang SokJu (from September 2010), Ri Sung Ho, RiChol Man, Kim In Sik (since April 2012)

Minister of Foreign Affairs: Pak Ui Chun

Minister of People's Security: Ju Sang Song

Minister of Finance: Pak Su-gil

Minister of People's Armed Forces: Kim Jong Gak

WPK Central Committee

Eternal General Secretary: Kim Jong-il

First secretary of the WPK: Kim Jong-un

Presidium of the Political Bureau of the Workers' Party of Korea Central Committee (since September 2010):

1. Kim Jong-un (since April 2012)

2. Kim Yong-nam

3. Choe Yong Rim

4. ChoeRyongHae (since April 2012)

Members and Alternate Members of Political Bureau: Kim Jong-un, Kim Yong-nam, Choe Yong Rim, ChoeRyongHae, Kim Yong Chun, Jon Pyong Ho, Kim KukThae, Kim Ki Nam, ChoeThae-bok, Yang Hyong Sop, Kang SokJu, Pyon Yong Rip, Ri Yong Mu, Ju Sang Song, Hong SokHyong and Kim KyongHui, and since April 2012 Kim Jong Gak, Jang Song Thaek, Pak To Chun, HyonCholHae, Kim Won Hong and RiMyong Su (members), Kim Yang Gon, Kim Yong Il, ChoeRyongHae, JuKyu Chang, RiThae Nam, Kim RakHui, Thae Jong Su, Kim PhyongHae, U Tong Chuk, Pak Jong Sun, Kim Chang

Sop and MunKyongDok and since April 2012: KwakPomGi, O KukRyol, Ro TuChol, RiPyong Sam and Jo Yon Jun (alternate members)

Secretariat of WPK Central Committee: Kim Jong-un, Kim Ki Nam, ChoeThae-bok, ChoeRyongHae, MunKyongDok, Pak To Chun, Kim Yong Il, Kim Yang Gon, Kim PhyeongHae, Thae Jong Su and Hong SokHyong, and April 2012: Kim KyongHui and KwakPomGi

Central Military Commission of the Workers' Party of Korea: Chairman Kim Jong-un (since 2012), Vice - Chairmen ChoeRyongHae and Hyon Yong-chol (since 2012), Members Kim Yong Chun, Kim Jong Gak, Kim MyongGuk, Kim Kyong Ok, Kim Won Hong, Jong Myong Do, RiPyongChol, ChoePu Il, Kim Yong Chol, Yun Jong Rin, JuKyu Chang, Choe Sang Ryo, ChoeKyong Song, U Tong Chuk, Jang Song Thae, and since April 2012: HyonCholHae, RiMyong Su and Kim RakGyom.

DEFENSE AND MILITARY ISSUES

North Korea has one of the largest armies in the world. It has an estimated active duty military force of up to 1.2 million personnel, compared to about 680,000 in the South. Military spending is estimated at as much as a quarter of GNP, with up to 20% of men ages 17-54 in the regular armed forces. North Korean forces have a substantial numerical advantage over the South (around 2 to 1) in several key categories of offensive weapons--tanks, long-range artillery, and armored personnel carriers. The North has one of the world's largest special operations forces, designed for insertion behind the lines in wartime.

North Korea's navy is primarily a coastal navy, with antiquated surface and submarine fleets. Its air force has twice the number of aircraft as the South, but, except for a few advanced fighters, the North's air force is obsolete.

The North deploys the bulk of its forces well forward, along the demilitarized zone (DMZ). Several North Korean military tunnels under the DMZ were discovered in the period from the 1970s to the present day. Over the course of several years, North Korea realigned its forces and moved some rear-echelon troops to hardened bunkers closer to the DMZ. Given the proximity of Seoul to the DMZ (some 25 miles), South Korean and U.S. forces are likely to have little warning of attack. The United States and the Republic of Korea continue to believe that the U.S. troop presence in the Republic of Korea remains an effective deterrent. North Korea's attempts to develop a nuclear weapons program have also been a source of international tension (see below, Reunification Efforts Since 1971; Denuclearization of the Korean Peninsula).

In 1953, the Military Armistice Commission (MAC) was created to oversee and enforce the terms of the armistice. North Korea has sought to dismantle the MAC in a push for a new "peace mechanism" on the peninsula. In April 1994, it declared the MAC void and withdrew its representatives.

Human Rights

Due to its isolationist nature, North Korea's human rights record is difficult to evaluate. However, non-governmental organizations (NGOs), think tanks, and defectors continue to report that North Korea maintains a record of consistent, severe human rights violations, stemming from the government's total control over all activity. Reported human rights abuses include arbitrary and lengthy imprisonment, torture and degrading treatment, poor prison conditions (including cases of starvation), forced labor, public executions, prohibitions or severe restrictions on freedom of speech, the press, movement, assembly, religion, and privacy, denial of the right of citizens to change their government, and suppression of workers' rights. All sources of media, such as radio, television, and news

organizations, are controlled by the government and heavily censored. Correspondence is strictly monitored and Internet use is limited to the political elite. Cellular phone access is limited to an internal network, but appears have grown to above one million users. However, international calls are only available to foreigners and the political elite. North Korea is ranked second-to-last on the World Press Freedom Index.

Political expression is tightly controlled in North Korea. Supporters of the government who deviate from the government line are subject to reeducation in sections of labor camps set aside for that purpose. Those who are successfully rehabilitated may reassume responsible government positions on their release. Troublesome political dissidents, factionalists and class enemies, who are considered irredeemable, are incarcerated together with any close family members or children born in the camp in "Total Control Zones" for life at hard labor. Labor camps in North Korea are actually areas of the country set aside for that purpose; Camp 22 (also known as Kwan-li-so No.22 Haengyong) is 31 miles by 25 miles with a population of about 50,000. Those who attempt to escape or violate camp rules are executed or sent to a separate prison within the camp. The labor camps are reserved for political prisoners; common criminals are incarcerated in a separate system. There are 6 such areas in the northern and northeastern portion of North Korea.

Terrorism

The D.P.R.K. is not known to have sponsored terrorist acts since the 1987 bombing of Korean Airlines flight 858. Pyongyang continues to provide sanctuary to members of the Japanese Communist League-Red Army Faction (JRA) who participated in the hijacking of a Japan Airlines flight to North Korea in 1970.

The D.P.R.K. has made several statements condemning terrorism. In October 2000, the United States and the D.P.R.K. issued a joint statement on terrorism in which "the two sides agreed that international terrorism poses an unacceptable threat to global security and peace, and that terrorism should be opposed in all its forms." The United States and the D.P.R.K. agreed to support the international legal regime combating international terrorism and to cooperate with each other to fight terrorism. The D.P.R.K. became a signatory to the Convention for the Suppression of Financing of Terrorism and a party to the Convention Against the Taking of Hostages in November 2001. In June 2008, the D.P.R.K. Foreign Ministry issued an authoritative statement providing assurances that the D.P.R.K. supports international efforts to combat terrorism and opposes all forms of terrorism.

In the February 13, 2007 Initial Actions agreement, the United States agreed to begin the process of removing the designation of the D.P.R.K. as a state sponsor of terrorism. On June 26, 2008, following the D.P.R.K.'s submission of its nuclear declaration and progress on disablement, President George W. Bush announced that the United States would no longer apply the Trading with the Enemy Act to North Korea. Additionally, on October 11, the Secretary of State rescinded the United States' designation of North Korea as a state sponsor of terrorism.

In May 2010, the United States re-certified North Korea as "not cooperating fully" with U.S. counterterrorism efforts under Section 40A of the Arms Export and Control Act, as amended. Pursuant to this certification, defense articles and services could not be sold or licensed for export to North Korea from October 1, 2009 to September 30, 2010.

Abductions

In the past, the D.P.R.K. has been involved in the abduction of foreign citizens. In 2002, Kim Jong-il acknowledged to Japanese Prime Minister Junichiro Koizumi the involvement of D.P.R.K. "special institutions" in the kidnapping of Japanese citizens between 1977 and 1983 and said that those responsible had been punished. While five surviving victims and their families were allowed to leave the D.P.R.K. and resettle in Japan in October 2002, 12 other cases remain unresolved and continue to be a major issue in Japan-D.P.R.K. relations. The R.O.K. Government estimated that approximately 480 of its civilians, abducted or detained by the D.P.R.K. following the end of the Korean War, remained in the D.P.R.K. The R.O.K. Government also estimated that 560 soldiers and prisoners of war missing in action also remained alive in the D.P.R.K. In October 2005, the D.P.R.K. acknowledged for the first time having kidnapped R.O.K. citizens in previous decades, claiming that several abductees, as well as several POWs from the Korean War, were still alive. In June 2006, North Korea allowed Kim Young-nam, a South Korean abducted by the North in 1978, to participate in a family reunion. In June 2008, the D.P.R.K. agreed to reopen the investigation into the abduction issue. In August 2008, the D.P.R.K. and Japan agreed to a plan for proceeding with the abductions investigation. However, the D.P.R.K. has not yet begun the investigation. The United States has continued to press the D.P.R.K. to address the concerns of Japan and the R.O.K. about the abductions issue.

ECONOMY

North Korea's economy declined sharply in the 1990s with the end of communism in Eastern Europe, the disintegration of the Soviet Union, and the dissolution of bloc-trading countries of the former socialist bloc. Gross national income per capita is estimated to have fallen by about one-third between 1990 and 2002. The economy has since stabilized and shown some modest growth in recent years, which may be reflective of increased inter-Korean economic cooperation. Output and living standards, however, remain far below 1990 levels. Other centrally-planned economies in similar situations opted for domestic economic reform and liberalization of trade and investment. To date, North Korea has not done so. However, North Korea did formalize some modest wage and price reforms in 2002, and North Korea has been forced to tolerate markets and a small private sector as the state-run distribution system continues to deteriorate. An increasing number of North Koreans work in the informal, private sector to cope with growing hardship and reduced government support. The government, however, seems determined to maintain control. In October 2005, emboldened by an improved harvest and increased food donations from South Korea, the North Korean Government banned private grain sales and announced a return to centralized food rationing. Reports indicate this effort to reassert state control and to control inflation has been largely ineffective. Another factor contributing to the economy's poor performance is the disproportionately large share of GDP (thought to be about one-fourth) that North Korea devotes to its military.

In late November 2009, North Korea redenominated its currency at a rate of 100 to 1. New laws were implemented, including regulations on consumption, tightened state control of the market, and a ban on the possession or use of foreign currencies. The redenomination appears to have resulted in increased inflation and confiscation of operational capital and savings earned by private traders and others working outside state-controlled sectors of the economy.

North Korean industry is operating at only a small fraction of capacity due to lack of fuel, spare parts, and other inputs. Agriculture was 20.9% of GDP as of 2009, although agricultural output has not recovered to early 1990 levels. The infrastructure is generally poor and outdated, and the energy sector has collapsed.

North Korea experienced a severe famine following record floods in the summer of 1995 and continues to suffer from chronic food shortages and malnutrition. The United Nations World Food Program (WFP) provided substantial emergency food assistance beginning in 1995 (two million tons of which came from the United States), but the North Korean Government suspended the WFP emergency program at the end of 2005 and permitted only a greatly reduced WFP program through a

protracted relief and recovery operation. In April 2011, the WFP announced that it was launching an emergency operation to feed 3.5 million vulnerable North Koreans. While China and the R.O.K. had provided most of the D.P.R.K.'s food aid in the past, the D.P.R.K. refused to accept food aid from the R.O.K. between Lee Myung-bak's inauguration in February 2008 and January 2010, when the D.P.R.K. accepted the R.O.K.'s offer to provide 10,000 tons of corn. Following the sinking of the R.O.K. naval warship *Cheonan*, the R.O.K. further tightened restrictions on humanitarian assistance to the D.P.R.K. The United States resumed the provision of food assistance to the D.P.R.K. in June 2008 after establishing a strong framework to ensure that the food will reach those most in need. The United States committed to providing up to 400,000 tons of food through WFP and 100,000 tons through U.S. NGOs. From May 2008 to March 2009, the United States provided approximately 170,000 metric tons of U.S. food to the D.P.R.K. In March 2009, the D.P.R.K. stated that it no longer wished to receive U.S. food assistance and requested that personnel monitoring U.S. food distributions depart the D.P.R.K., halting the U.S. food assistance program.

The United States also assisted U.S. NGOs in providing aid to fight the outbreak of infectious diseases following August 2007 floods, and worked with U.S. NGOs to improve the supply of electricity at provincial hospitals in North Korea. Following July 2010 floods, the United States Government supplied medical and other relief supplies to U.S. NGOs for emergency humanitarian assistance for flood relief. In September 2011, the United States Government provided \$900,000 in emergency humanitarian assistance to U.S. NGOs to supply emergency relief to address severe flooding in Kangwon and North and South Hwanghae provinces. The D.P.R.K. failed to respond to the offer from the R.O.K. Red Cross of approximately \$5 million in emergency humanitarian flood relief in October 2011.

In 1991, following the collapse of the Soviet Union and termination of subsidized trade arrangements with Russia, other former Communist states, and China, North Korea announced the creation of a Special Economic Zone (SEZ) in the northeast regions of Najin (sometimes rendered "Rajin"), Chongjin, and Sonbong. Problems with infrastructure, bureaucracy, and uncertainties about investment security and viability have hindered growth and development of this SEZ. The government announced in 2002 plans to establish a Special Administrative Region (SAR) in Sinuiju, at the western end of the North Korea-China border. However, the government has taken few concrete steps to establish the Sinuiju SAR, and its future is uncertain.

North-South Economic Ties

Two-way trade between North and South Korea, legalized in 1988, had risen to more than \$1.68 billion by 2009, much of it related to out-processing or assembly work undertaken by South Korean firms in the Kaesong Industrial Complex (KIC). Ground was broken on the KIC in June 2003, and the first products were shipped from the KIC in December 2004. Plans envision 2,000 firms employing 350,000 workers by 2012. About 122 South Korean small and medium-sized companies operate in the KIC, manufacturing mostly garments and footwear and employing more than 46,000 North Korean workers. Until 2007, a significant portion of total two-way trade had included donated goods provided to the North as humanitarian assistance or as part of inter-Korean cooperation projects. However, beginning in 2008, commercial transactions such as general trading and processing-on-commission have accounted for larger portion in overall inter-Korean trade. Most of the goods exported from KIC are sold in South Korea; a small quantity, about 18% of the KIC products, is exported to foreign markets.

R.O.K.-organized tours to Mt. Kumgang in North Korea began in 1998. Since then, more than a million visitors have traveled to Mt. Kumgang. However, the R.O.K. suspended tours to Mt. Kumgang in July 2008 following the shooting death of a South Korean tourist at the resort by a D.P.R.K. soldier. In April 2011 the D.P.R.K. announced that it was terminating its exclusive contract with Hyundai Asan for operating the Mt. Kumgang tours.

Economic Interaction With the United States

The United States imposed a near total economic embargo on North Korea in June 1950 when North Korea attacked the South. U.S. sanctions were eased in stages beginning in 1989 and following the Agreed Framework on North Korea's nuclear programs in 1994. U.S. economic interaction with North Korea remains minimal, and North Korean assets frozen since 1950 remained frozen. In January 2007, pursuant to UN Security Council Resolution 1718, the U.S. Department of Commerce issued new regulations prohibiting the export of luxury goods to North Korea. Many statutory sanctions on North Korea, including those affecting trade in military, dual-use, and missile-related items and those based on multilateral arrangements, remain in place. Most forms of U.S. economic assistance, other than purely humanitarian assistance, are prohibited. North Korea does not enjoy "Normal Trade Relations" with the United States, so any goods manufactured in North Korea are subject to a higher tariff upon entry to the United States. At this time, goods of North Korean origin may not be imported into the United States either directly or through third countries, without prior notification to and approval from the Office of Foreign Assets Control.

On June 26, 2008, President Bush announced the termination of the application of the Trading with the Enemy Act (TWEA) with respect to the D.P.R.K., though some TWEA-based restrictions remain in place. The United States has issued sanctions targeting the D.P.R.K.'s weapons proliferation and illicit activities under Executive Orders 13382 and 13551. Executive Order 13570, issued in April 2011, prohibits the importation into the United States, directly or indirectly, of any goods, services, or technology from North Korea. The Executive Orders are directed at those involved in proliferation or other illicit activities and their supporters.

Following the D.P.R.K.'s May 25, 2009 nuclear test, the UN Security Council passed Resolution 1874 on June 12, 2009. Resolution 1874 condemned North Korea's second nuclear test, demanded that the D.P.R.K. not conduct additional nuclear tests or ballistic missile launches, and called on the D.P.R.K. to return to the Non-Proliferation Treaty (NPT) and Six-Party Talks without preconditions.

In addition, the Financial Crimes Enforcement Network (FinCEN) issued an initial advisory June 18, 2009 (amended on December 18, 2009) on North Korean Government agencies' and front companies' involvement in illicit financial activities. In light of the financial measures in UNSCRs 1718 and 1874, and the use of deceptive financial practices by North Korea and North Korean entities, as well as individuals acting on their behalf, to hide illicit conduct, FinCEN advised all U.S. financial institutions to take commensurate risk mitigation measures.