The Democratic People’s Republic of Korea (DPRK) is a state outside the frame of world politics. North Korea is the poor part of a divided nation, whose Stalinist dictatorship potentially threatens the world community with its nuclear weapons. The DPRK is also a regime that survived the collapse of the Eastern Bloc states and demonstrates an excessive leadership. Despite its dependency on foreign supplies of relief goods the isolated country practises an unpredictable foreign policy. There are repeated confrontations and military conflicts in particular with the Republic of Korea (RK) but also with the United States.

Kim Jong Il has been heading North Korea since 1994, taking over from the dictatorship of his father Kim Il Sung, the founder of the state in a perfectly smooth transition. Due to strict secrecy there is only little known about him – a circumstance that creates a questionable impression of the North Korean head of state. Ever since 2008, however, there have been increasingly more rumours about Kim Jong Il’s bad health and that is why for a while now observers predict a short life expectancy for him. This impression has been reinforced further by the official promotion of his youngest son Kim Jong Un into a high military and government position. Since 2010 he is considered to be the official successor of his father nationally and internationally. How real is this succession of Kim Jong Un’s, and will the DPRK open up under his regime?
PREPARATIONS FOR THE CHANGE OF GENERATIONS IN THE DPRK

In 2009 the North Korean regime started to prepare the next dynastic change of power. Kim Jong Il’s youngest son Kim Jong Un was presented to the people in stages and built up as his father’s successor.

The designated successor Kim Jong Un

As soon as his succession became apparent, Kim Jong Un attracted the interest of the world public. There is hardly anything known about Kim Jong Il’s third son. The existing information are mainly based on three sources: First of all on statements of the Japanese Kenji Fujimoto (a pseudonym), who had lived in Kim Jong Il’s household in North Korea for eleven years; secondly there are reports of former students and teachers about his school education in Switzerland; and thirdly there exist further statement of North Korean defectors from the political elite. Summoned up there still exists only a restricted impression about Kim Jong Un’s personality and his leadership style.¹

Even Kim Jong Un’s date of birth is not known. The North Korean government first mentioned the 8th January 1983. In 2009 they mentioned 1982 as being the year of birth, which seems to be directly connected to the preparation for the changeover of power. As according to this new date of birth, Kim Jong Un will be thirty years old next year, which would be of great symbolic importance. The year 2012 has been proclaimed by the North Korean propaganda to be the year, in which the DPRK is destined to become a “powerful and wealthy” nation². Kim Jong Un is said to be about 175 cm in height and said to weigh about 90 kg. Following rumours he is suffering from high blood pressure and diabetes. But his health problems do not seem to be stopping him from being elected the successor.

It is alleged that since the 1990s Kim Jong Un’s mother, Ko Yong Hui, has been trying to establish his older brother Kim Jong Chol as successor. Originally their older half-brother Kim Jong Nam, Kim Jong Il’s eldest son, had been selected and prepared for this role. He is the son of Kim Jong Il and his second partner Song Hye Rim. After an embarrassing incident in 2001, where Kim Jong Nam had tried to travel to Japan with his family on false passports – apparently to visit Tokyo Disneyland incognito –, he lost his status as successor.

The book by Kenji Fujimoto, who was Kim Jong Il’s personal cook between 1988 and 1999, gives a very private insight into the family life of Kim Jong Il. Fujimoto describes Kim Jong Un as competitive and obstinate. Even while still a youngster he was already ambitious and had willpower. Above all however, of all three sons, he is said to be most similar to his father, with regard his looks and personality. Fujimoto describes the second eldest son Kim Jong Chol as quiet and not ambitious, which rendered him unsuitable as successor.

Kim Jong Un received part of his school education in Switzerland, where he lived between 1996 and 2001. First of all he attended the International School in Bern. After a few months Kim Jong Un changed to a close by national secondary school under the name of Pak Un, where he received supplementary German lessons. His teachers described him as a quiet pupil with good results in arithmetic, English and German. When he reached the ninth form in 2009 he left school without graduation.

After his return to the DPRK Kim Jong Un visited the Kim Il Sung Military University between 2002 and 2007. There he was given a specialised education in military matters – considering in particular the Juche-ideology (autarchy) by his grandfather. His elder brother Kim Jong Chol had completed a similar study. The military orientated education of both brothers seemed to have been put in place upon request by their mother Ko Yong Hui. This education was to enable her sons to continue Kim Jong Il’s Songun-politics (Primacy for the military). After they had finished their studies, both sons were said to have presented their own
theories about a military leadership based on this ideology, which was received positively by their father.

After the eldest son Kim Jong Nam had lost his father’s confidence, the second eldest son Kim Jong Chol was passed over as potential successor. Kim Jong Il is said to have criticised his lacking leadership qualities several times in the past. Thus the youngest son Kim Jong Un was chosen as he is said to be the most able to take over power and maintain it in the view of his father.³ The succession was a non-subject in the DPRK for a long time and therefore the foreign observers were surprised by the suddenly occurring activities. Many of them think that the unexpectedly early preparations for a change in power are closely connected with the bad health of Kim Jong Il.⁴

**KIM JONG IL AND HIS HEALTH**

Kim Jong Il’s health is kept as a state secret in the DPRK which makes it impossible to verify it. Only by combining different circumstances can one draw one’s own conclusions about his current constitution. Film and photos taken of him are centrally important. They show that over the past few years Kim Jong Il has lost a lot of weight and also his hair has thinned out immensely. Some observers in South Korea think that a chemotherapy is responsible for this, which would point to cancer. But in particular South Korean doctors warn to draw hasty conclusions. It is not possible to give a medical diagnosis based on the evidence of photos. Fact is that Kim Jong Il has aged considerably within a very short period of time and appears physically weakened.

Some events dating back to 2008 supply a further evidence of Kim Jong Il’s condition of health. At the time Kim Jong Il disappeared from public view for several months and even missed the key events to celebrate the 60th anniversary of the founding of the state. Subsequently foreign intelligence services said that he had suffered a stroke after

an operation. The North Korean government rejected such speculation as conspiracy of Western media. In order to prove this, the state media of the DPRK published ten photos in October 2008 that were supposed to show that Kim Jong Il is in good health. On these pictures, repeatedly transmitted by the state television, he was shown to inspect a military exercise. However, after having evaluated the films, the South Korean secret service concluded that the material had been prepared before the alleged stroke. It is only months after his disappearance that the North Korean media show film material about Kim Jong Il visiting a military unit and industrial plants. It was noticed on the videos that he hardly moved his left hand; that could be the result of a stroke, a theory that was supported by the secret service’s report.

The state media of the DPRK did not report about an illness or weakness of Kim Jong Il at any time. Information from 2009 however led to the conclusion that his health is deteriorating. On 16th July, 2009 the central state news agency and the central state radio announced that a documentary about the life and work of Kim Jong Il is being prepared. Similar films had been produced about his father, Kim Il Sung, just before he died. It seems the DPRK has started the propaganda system to prepare the country for Kim Jong Il’s death.

It was also in July 2009 that the South Korean news channel YTN reported about Kim Jong Il having fallen ill with cancer of the pancreas. The news channel referred to unnamed secret services sources in Seoul and Peking. As response the South Korean as well as the U.S.-American government declared that they do not have any such information about a cancer illness of the North Korean head of state. Nevertheless both countries consider Kim Jong Il’s health to be in a bad shape. According to unconfirmed newspaper reports South Korea as well as the U.S. expects his life expectancy to be below five years.5

Many analysts view the unexpected time and the pressure with which the change of power is prepared as a sign for Kim Jong Il’s decreasing health.\(^6\) Compared to the expected change of power, the transition from Kim Il Sung to Kim Jong Il had been planned well in advance: in 1974, at the age of 32 Kim Jong Il was appointed designated successor within the party. It was six years later that this was officially proclaimed at the occasion of the party congress of the Korean Workers’ Party (KWP). During the twenty years until the death of his father, he held various positions within the party and government. During this period Kim Jong Il created a power basis in the KWP, the government and the forces to secure his taking over power. In contrast Kim Jong Un was only about 26 years old when he was proclaimed successor by his father in 2009. Until this time he had not held any important positions with the state and military and only has restricted political experience.\(^7\) But it was in September 2010 when he was given high ranking party internal and military positions, ahead of being presented to the public nationally and internationally as his father’s designated successor.\(^8\) This completely different approach let one draw the conclusion that Kim Jong Il is in a bad state of health and wants his succession settled before he dies. The speed with which the transition of power to his son is progressing seems to be an indication for the North Korean leadership that Kim Jong Il only has a short life expectancy.\(^9\)

Altogether a serious cancer illness or a stroke cannot be confirmed or rejected beyond doubt due to very few reliable information from North Korea. It is however almost certain to presume that Kim Jong Il’s condition of health has deteriorated rapidly since the middle of 2008, as this is the date when the DPRK started their preparation for a transition of power to Kim Jong Un.


\(^7\) Cf. Shim, “Efforts,” n. 4, 6.


\(^9\) Cf. Lee, “North Korea’s three,” n. 6, 4.
PREPARATION MEASURES FOR THE TRANSITION OF POWER TO KIM JONG UN

Following unconfirmed reports Kim Jong Il informed the party leadership of the KWP on 8th January, 2009, about his decision for Kim Jong Un to become his successor. On 1st June, 2009 the leadership of the Korean People’s Army (KPA), the Committee of the Supreme People’s Assembly (CSPA), the cabinet as well as the diplomatic representative from abroad were informed about this decision. The latter were ordered to keep quiet about the matter.10

Kim Jong Un’s appointment was accompanied by numerous political and military measures that were to prepare and secure his taking over power. In simple terms one can differentiate between inner political and foreign political measures.

Foreign Policy Measures

Since 2009 the DPRK has again returned to practice an aggressive foreign policy. This is marked by weapon tests, threats and military provocation. It led to the most serious inner Korean tensions since the mutual signing of an armistice agreement on 27th July, 1953. On 5th April, 2009 North Korea carried out a rocket launch that according to their own statement, had the task to take a satellite for civil uses into orbit. However, the U.S., the RK and Japan presume that they were testing a military long range missile. The rocket launch was heavily criticised by the United Nations (UN).

Tensions increased when the DPRK announced that they had carried out a nuclear weapons test on the 25th May, 2009. This was presumably the second test, as the country, according to its own information, had exploded a nuclear weapon back in 2006. This was followed by the launch of several short range missiles during a manoeuvre. They responded with aggressive rhetorics to foreign criticism. The regime threatened to leave the Six Party Talks for de-nuclearisation of the Korean peninsula, to cancel the armistice of 1953 one-sided, and to cease the dialogue with the U.S. The world community reacted to this on the

10 | Cf. ibid., 3.
12th Juni, 2009, by a uniform decision of the UN safety council which extended the existing weapons’ embargo against the DPRK and authorised searches of suspicious North Korean ships in international waters.\textsuperscript{11}

After a break of seven years in 2009, military incidents happened again along the so-called Northern Limit Line (NLL). The NLL is a controversial maritime demarcation line between the divided Korean states, being the western sea border. It is not recognised by North Korea, and it was the reason for repeated sea conflicts in this area.\textsuperscript{12} It is remarkable that the military incidents have increased in quantity and intensity since 2009:

• On 10th November, 2009, there was a naval action near the South Korean island of Daecheon after a North Korean patrol boat had crossed the NLL. There were no losses reported on the South Korean side and nothing is known about injuries or losses on the North Korean side.

• On 27th January, 2010 North Korean positions fired repeatedly into South Korean territorial waters. The South Korean forces responded to the fire. There were no losses on either side.\textsuperscript{13}

• On 26th March, 2010 the South Korean corvette Cheonan sank in the controversial sea district. 46 crew members were killed. The DVRK rejected any part in this incident. An international investigation committee however, came to the conclusion that the Cheonan had been sunk by a North Korean torpedo.\textsuperscript{14}

\textsuperscript{11} Cf. ibid., 2-3.
\textsuperscript{13} Cf. BBC, "North and South Korea exchange fire near sea border," http://news.bbc.co.uk/2/hi/8482251.stm, evaluated on December 12, 2010 (accessed July 13, 2011).
On 23rd November, 2010 the North Korean army fired at the South Korean island of Yeonpyeong. The locally stationed troops responded to the fire with a slight delay. The incident lasted several hours during which four South Koreans were killed and nineteen injured.

This last violent conflict marked the preliminary height of the border conflict. For the first time the North fired at a South Korean island whereby civilians were killed. Experts view this as the most serious of military incidents since the end of the Korean war. As the South Korean defence minister had to resign, the DPRK could book a considerable and not to be underestimated success within.

The aggressive foreign policy of the DPRK fits in with the strategy that the regime has pursued since the beginning of their nuclear weapon programme. By applying the so-called Brinksmanship-strategy (politics at the edge of the abyss) by increasing the danger of crisis- and war, the North had continuously tried to force the international community to make allowances.15

Many observers can see a connection between the foreign policy and the preparation for the succession of Kim Jong Un. Accordingly in the first preparation phase, the regime built up the threatening situation by confrontations with abroad, in order to justify the tighter inner control.16 They are furthermore of the opinion that tension in the foreign policy will reinforce the cohesion between regime and population. This would encourage an inner stability, which would be absolutely essential for a transition of power.17 This interpretation is confirmed by the timing of Kim Jong Un’s nomination and the beginning of the antagonistic foreign policy.

**Inner Political Measures**

Parallel to the foreign policy measures, the inner political preparation for the transition of powers had begun. In February 2009 Vice Marshall Kim Yong Chun, General Ri

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15 | Cf. Dürkop and Yeo, “Das Säbelrasseln,” n. 12.
17 | Cf. Lee, “North Korea’s three,” n. 6, 4.
Jong Ho and General O Kuk Ryol received key positions within the North Korean military. They are considered hardliners and close confidants of Kim Jong Il. By their promotion they received the required influence to support the successor during his transition of power.

According to information by a South Korean newspaper, Kim Jong Un was appointed head of the State Security Ministry (SSM) by his father in March 2009. The SSM is said to be the backbone of the North Korean regime. It is responsible for controlling the country within but also for foreign espionage.\(^{18}\) The ministry as secret police works independent from other government organs and is directly responsible to Kim Jong Il.\(^{19}\)

The 12th Supreme People Assembly confirmed a change in the Constitution on 9th April, 2009, by which the position of the National Defence Commission (NDC) was again raised.\(^ {20}\) The NDC is formally the highest leading organ for the military and military matters of the DPRK. It became the most important government organ of North Korea under the presidency of Kim Jong Il. Apart from defence issues, it also deals with the most important political and economic matters.\(^ {21}\) By a change in the Constitution the position of the commission president was \textit{de jure} also declared the highest office of state of the DPRK. Additionally the authority of the commission was extended and the number of members increased. Through this extension civilian functionaries were accepted for the first time. Experts think that as a result an overall system is to be created where military and party are combined.\(^ {22}\) Since the death of Kim Il Sung the KWP had not been able to perform its tasks regularly. It is presumed that there had not been a meeting between the secretariat and the


\(^{22}\) Cf. Shim, “Efforts,” n. 4, 4-5.
Politburo since the change of power to Kim Jong Il. It will however remain one of the cornerstones of the North Korean regime through its social control functions.\textsuperscript{23}

One of the new members of the NDC is Jang Song Thaek, the brother-in-law of Kim Jong Il. He is head of department in the KWP. His promotion underlines his position as second-in-command in the state. Experts presume that Jang had taken over government matter for a while after Kim’s stroke. He is also said to be the most important supporter of Kim Jong Un.\textsuperscript{24} Should Kim Jong Il become unable to realise the state leadership, then he could control the succession of Kim Jong Un as interim regent. Due to his positions, the support of the NDC and the KWP would be secure.\textsuperscript{25}

By a further change the Songun-Policy of Kim Jong Il was incorporated in the Constitution as political guideline. It obtained the same rank as the Juche-ideology by Kim Il Sung. This measure is considered to legitimise the outstanding claim of power by Kim Jong Il. At the same time North Korean media started to publish quotations of Kim Jong Il in which he justifies the transition of power to his youngest son.

The state media were also used for propaganda campaigns with the aim to prepare the population for the succession. By the end of 2008 they started to report about subjects such as “blood lines” and “(political) heritage” without however referring directly to the transition of power or to Kim Jong Un. Since 2009 he has increasingly been mentioned in state reports, when he took part in a large state event or organised such events. He is supposed to have been responsible for the large firework display on the 15\textsuperscript{th} April, 2009, as well as for the economic rebuilding campaigns “100-day-battle” and the “150-day-battle”. This was initiated to demonstrate his loyalty to his father and prove his abilities as successor. As a further part of the propaganda campaign a song to the honour of Kim Jong Un was composed. Presumably a work by the high ranking

\textsuperscript{24} Cf. Shim, “Efforts,” n. 4, 4.
\textsuperscript{25} Cf. Lee, “North Koreas’s three,” n. 6, 4-5.
The currency reform led to a massive inflation and to a further deterioration of food supplies. Social unrest followed and influenced the transfer preparations negatively.

The DPRK introduced a currency reform on the 30th November 2009, where the North Korean Won was newly evaluated. With this reform one tried to obtain a higher degree of control of the economy. During the currency reform new bank notes with an exchange rate of 1:100 were exchanged for the old money. By setting an exchange upper limit, however, many North Koreans lost their savings. The measure was primarily directed against the free markets in the country that were established in 2002 parallel to the state planned economy. Apart from economic considerations the regime seemed to have carried out the reform in preparation to the transition of power. The currency change did not only lead to destroy private savings but also to a massive inflation and subsequently to a further deterioration of food supplies. Social unrest followed and influenced the transfer preparations negatively. The regime held the chairman of the planning- and finance unit of the KWP, Pak Nam Gi, responsible for the unsuccessful reform. He lost his position and was probably executed in March 2010.

On 27th September 2010 the state media reported that Kim Jong Un had been promoted to “Daejang”, a four-star-general, although he had not served in the military. On the following day he was appointed deputy chairman of the Central Military Commission (CMC) during the party conference of the KWP and was called into the Central Committee (CC) of the party. These positions are the first political positions for Kim Jong Un that have been made

26 | Cf. Shim, “Efforts,” n. 4, 4-5.
Kim Jong Un was to be consolidated before a possible transition. To this end he was made equal to his father by a change in the Constitution and declared unrestricted leader of the DPRK.

The North Korean regime essentially followed three inner political aims with its measure: First of all the power base for Kim Jong Un was to be consolidated before a possible transition. To this end he was made equal to his father by a change in the Constitution and declared unrestricted leader of the DPRK. Furthermore the NDC headed by him was built out to become a government organ, into which military, KWP and the secret service were incorporated. Kim Jong Il promoted furthermore his closest confidants into key positions at the top of the government so that they could take over the state leadership, respectively secure the succession of his son, in case of his premature leaving government business.

It was also decided to increase state control. Apart from the SSM and the KWP the currency reform played an important role. Although there were also economic issues behind this, it was nevertheless its primary aim to increase the control of the population. Private assets were to be devaluated and the trade on the free markets restricted. As a result of the collapse of the socialist economic system at the beginning of the 1990s that was followed by a severe famine, spontaneous markets had emerged, which the state was not able to control. The attempt to regain control through reforms in 2002 has failed.

Finally Kim Jong Un was presented to the population as qualified successor to his father, after they have been prepared step by step for the subject of a transition of


power. He was first of all promoted into high government positions and took part for the first time in public events, where also Western media were invited. In the meantime Kim Jong Un has been established as official successor to his father. The North Korean Press, especially military publications, celebrated Kim Jong Un as a military genius and artillery specialist with reference to his military education. This could possibly explain the Yeon-pyeong attack. Later the emphasis was put on economic issues, such as the (failed) currency reform, the 150- and 100-day-campaigns and the introduction of CNC (Computer Numeric Control) which had allegedly been implemented by Kim Jong Un.

POSSIBLE RIVALS

Based on his youth and lacking experience Kim Jong Un is in an unfavourable position as designated successor, in case his father would leave his position early. It is therefore possible that other people – such as one of Kim Jon Il’s other sons or his brother-in-law Jang Song Thaek were to try to obtain power after the death of the ruler. Kim Jong Un’s brothers are however lacking the support of the party and the military. They do not have access to the propaganda system either, which excludes them from being serious contestors. Jang had been put into a position during the past few years to be able to lead an interims government until the Kim Jong Un takes over power. His position within the government would allow him to carry out a coup. But he is believed to be a loyal confidant of Kim Jong Il and supporter of Kim Jong Un. A coup carried out by him seems rather highly unlikely.

Kim Jong Un will presumably have a lot less time to build up his own power compared to his father. But the support of the North Korean elite seems to be behind him. It looks as if the ruling class has been convinced that the present regime can only be maintained by a dynastical succession and a nuclear weapon programme. Thus Kim Jong Un could therefore remain the unchallenged successor to his father for quite a while.

33 | Cf. Lee, "North Koreas’s three," n. 6, 6-7.
PROSPECTS OF AN OPENING OF
THE DPRK AFTER KIM JONG IL

An economic revival of the DPRK with a self-supporting economy can only be achieved by opening up the country and ending the socialist planned economy. The People’s Republic of China (PR of China) and Vietnam have demonstrated this successfully. Although there are attempts also in North Korea, the regime under Kim Jong Il has not introduced such a basic change. The question is, whether it will be possible after the change of power in the DPRK – provided that there is no collapse of the regime after Kim Jong Il and the planned transition of power to Kim Jong Un can be carried out successfully.

There are two contradictory trends in the research, the “gradual change theory” and the “inability to change theory.” The first means that under the pressure of the economic load the regime will allow step-by-step changes. The latter, however, anticipates that the North Korean leadership will oppose a fundamental change to the bitter end.\textsuperscript{34} Representatives of both theories agree however that the decision for or against extensive reforms will be decided by economic, socio-culture as well as political factors.\textsuperscript{35}

Economic Factors

The economy of the DPRK has been in a continuous crisis since the beginning of the 1990s, induced by the collapse of the Soviet Union. With the disappearance of the socialist trade partner, the economic weaknesses of North Korea, whose economic growth has been reducing since the 1970s, became apparent. The reason is that the planned economy of the DPRK – as was the case with the other socialist states – was utmost inefficient. The economic policy of the country for once had been developed one-sidedly with focus on the heavy industry. Based on the autarchy ideology of the state founder Kim Il Sung modern


technology was missing as were investments from abroad. Additionally the military used an extortionate amount of economic resources.

Opposed to their propagated autarchy already in the past the DPRK depended on subsidised trade within the socialist economy member states, in order to maintain their deficit economy. This was especially true with regard to covering their demands for raw material and energy supplies. When the Soviet Union removed their special trade conditions with the socialist states in 1990 and started to use convertible currency at actual world market prices, the trade relationship with North Korea came to an end. The DPRK lost its most important trade partner, whose trade amounted to 53 per cent of their foreign trading. Within one year the trading volume between the two states sank from 2.2 billion U.S. dollars to 360 million U.S. dollars. The North Korean government did not succeed to counteract this loss by trading with other states. North Korea’s total foreign trading volume was reduced by 30 per cent in 1991, compared to the previous year and continued to sink.

The energy industry was the first to suffer by the impact of foreign trading. Because of old conveyor systems and a lack of spare parts, the home mining industry was not in a position to replace the quantity of formerly imported coal. The result was a reduction in energy supply that was mainly due to the coal power plants. The desolate condition of the power plants and the power supply network increased the energy shortage additionally, plus the subsidised oil imports from the Soviet Union, which were reduced from 410,000 tons to 40,000 tons in 1991. The PR of China became the most important raw oil supplier, but the imported quantity was not sufficient to cover the North Korean requirements.

The lack of electricity and oil influenced the road- and rail traffic, creating shortages in all economic sectors, at the same time also causing a reduction in industrial capacity utilisation. In 1990 it was 40 per cent on average and sank to an average of 25 per cent within six years. Currently it has reached about 20 per cent, which implies a collapse of the North Korean planned economy according to some
The economic crises led to a collapse of the North Korean agricultural economy. The public distribution system (PDS) could not be maintained to sufficiently supply the population with food. Additionally, bad harvests and flooding caused a famine between 1996 and 1999. The North Korean government did not publish any figures about victims. Careful estimates, however, say that between 600,000 and 900,000 North Koreans died. International aid supplies were able to stabilise the situation and a repeated famine could be prevented. And although the food production could be increased, the DPRK continuously depends on supplementary supplies from South Korea, the U.S., the PR of China and Japan. The Food and Agricultural Organisation of the United Nations (FAO) and the World Food Programme (WFP) calculated for the year 2011 that the DPRK will probably have an unsatisfied cereal requirement of 542,000 tons.

The collapse of the PDS forced the North Korean population to look after supplying themselves by becoming active in an informal economy. Since the mid 90’s private markets were set up all over the country, which the government had to tolerate. The collapse of the socialist state’s supply had thus led to a spontaneous creation of a rudimentary market economy. But other than in the PR of China or Vietnam there was no significant economic growth. The regime reacted to this development with the “measures to improve the economy control of 1st July 2002” (the so-called 1st-July measures) by which private street markets, small trading companies as well as private agricultural use of

36 | Cf. Lim, The Rise of Markets, n. 34, 105-112.
During the following years the restrictions for the private markets were extended step by step, until the sale of nearly all goods and food products were prohibited in 2009.

small plots was allowed.\textsuperscript{41} One year later small markets were allowed, due to the “measures to promote markets”, to have a larger amount of goods and to sell consumer goods as well as food.\textsuperscript{42}

It was rather controversial for South Korea and the international community to understand the purpose of such North Korean measures. Some observers recognised in it the beginning of a gradual change of the DPRK. The regime was said to be forced, due to its economic crisis, to accept having to change from a planned economy to a socialist market economy. Critics however did not see the beginning of a new economic orientation in this interpretation, but the trial to protect the existing socialist regime.\textsuperscript{43} Against the assertion of a gradual change stands however the fact that already three years later the DPRK had begun to reverse their introduced measures.

Following this, the regime prohibited the sale of cereals on private markets in October 2005, ordered the workers back to their working places in the state-owned factories and announced that they were resuming the distribution of food supplies by the PDS.\textsuperscript{44} During the following years the restrictions for the private markets were extended step by step, until the sale of nearly all goods and food products were prohibited in 2009. Across the whole country larger markets were closed. Only the state-owned businesses were allowed to sell food, consumer goods and imported products. Trading companies that had been supplying private markets or took foreign currencies were also restricted by the government. In May 2009 they were all put under the control of the state trading authority and adapted to the guidelines of the state economic plans. Thus the government tried to interrupt the private flow of goods, to control the influx of foreign capital and to remove the companies as a possible factor for disturbing

\textsuperscript{41} Cf. Choi, “The Changing,” n. 21, 143.
\textsuperscript{42} Cf. Kyuyoon Kim (Ed.), Modernization and Opening-Up of North Korean Economy, Roles and Efforts of Neighboring Countries, Seoul 2009, 68.
\textsuperscript{44} Cf. Ian Jeffries, Contemporary North Korea, A guide to economic and political developments, New York 2010, 27.
The persisting crisis had created a new economic reality that the regime could not ignore. Since the mid 1990’s the population received most of their food supplies from private markets.45

The attempts by the North Korean government to increase the control over the informal economy and the reversal of the 1st July measures seem to confirm the inability to change theory. The prevailing opinion in the meantime is that by implementing these measures it was not intended right from the beginning to introduce basic reforms. The persisting crisis had in fact created a new economic reality that the regime could not ignore, because since the mid 1990’s the North Korean population received about 60 per cent of their food supplies and 70 per cent of their consumer goods from private markets.46 Incidentally by looking closer, the measures do not seem to have created a real liberalisation. Most of the goods and services were said to have been available on private markets before the measure became effective. The regime just carried out an additional legalisation of existing economic situation in 2002 and 2003. It had recognised the informal sector as it was necessary for the supply of the population.47 After the economic situation stabilised in 2005, the North Korean government seemed to have tried to restore the economic control according to their conditions.48

And although the regime considers the private markets as a proviso, they cannot however completely dispense with them, due to the still lasting economic crisis. Thus a dual North Korean people’s economy is created, where the socialist planned economy and the rudimentary market economy of the informal sector exist side by side. As they are permanently contradicting themselves, the current economic structure of the DPRK cannot be kept up unlimited.49 Within a foreseeable period of time the regime will have to decide upon one form of economy in order to avoid an implosion of the system.

45 | Cf. Kim, Modernization, n. 42, 68-73.
46 | Cf. Kim, A Study on the Reality and Prospect of Economic Reform, n. 43, 37.
49 | Cf. KINU, “The Evaluation of Regime Stability,” n. 35, 44.
Social Factors

Looked at from the outside, the North Korean society does not seem to have changed during the rule of Kim Jong Il. However, DPRK’s economic crisis has led to two significant social changes, which threaten the stability of the regime. On the one hand, a simple market economy was structured that is fundamentally contradicting the propagated state ideology and social structure. On the other hand, the isolation of the country was broken by illegal border crossings and smuggled goods. Furthermore, the development of a cellular network with over 600,000 customers by this time enables more horizontal communication.

After the regime was no longer in a position to maintain the PDS, the population was encouraged to look after themself. The unconditional loyalty to the state was not enough to secure the basics of life. Instead the North Koreans were forced to support themselves and upon their own responsibility. This fundamentally changed the society. The ideologically shaped collectivism was superimposed by a market economy orientated individualism and thus reducing the solidarity for the regime. These changes had not been implemented consciously but were created spontaneously by the activities of the informal economy. Prior to the economic crisis the North Korean population had a very restricted understanding of capital and property. In the meantime earning money seems to be the top priority of the society.\(^{50}\) Also consuming the increased goods and services offers has supported an evolving materialism. Although no open resistance against the regime has yet developed, a larger independence from the state, increasing unrest about the government and also growing civil disobedience can be noticed.\(^{51}\)

For social and political changes to become effective, space is needed for personal exchanges as well as unofficial social networks. Unmonitored discussions are particularly

Social networks in North Korea have established themselves unofficially during the extension of the informal economy and consist mainly of business relations. They are particularly close between traders, who smuggle goods from the PR of China into the country and sell them on the markets. Prior to this nearly all social relationships were pre-defined and controlled by the state. The unofficial networks enable uncensored information and opinions to be distributed. The rudimentary market economy has thus not only changed society, but encouraged the setting up of forums and networks for exchanging opinions.

These development have encouraged a nationwide corruption, as illegal business is mostly only then possible, when bribes are offered. This circumstance is simplified by the fact that a large number of clerks and officers is also affected by the lack of food supplies. In the meantime there are illegal relationships on many levels between the informal economy and North Korean representatives of the state. Additionally the increased market economic activity has led to the actors to become specialised. Parallel to the market selling the import (smuggling), the goods transport and the intermediate trade have developed and also the economic stability of service providing offers has increased. Due to the diversification different income levels were the consequence, whereby a change in social structures has been introduced. Dividing society according to political criteria has partly been superimposed by a structure with regard to economic properties. At the same time the wealth gap within the North Korean society has distinctly increased.52

The regime is fully aware of this development and reacts with a dual approach. On the one hand the market economic activities are allowed in a restricted shape, as they are essential for the supply of the population, create working places and stabilise the economy. The government seems to presume that by securing the food supply and the availability of consumer goods, the population is less inclined to protest. At the same time the social controls and ideological indoctrination continuously increased. The disastrous currency reform of 2009 and the thus connected protests of the population show, however, that the regime will find it increasingly more difficult to control the market economic development.

Apart from the changes within the North Korean society, the economic crisis has also ended the informal isolation of North Korea. Like all other socialist states the DPRK restricts incoming information from abroad. The North Koreans are prohibited to have contact with foreigners without state authorisation. Private journeys abroad are nearly impossible and reserved only for a few privileged people. It is prohibited to own a freely adjustable radio. Only devices with a pre-set adjustment to the state radio stations are allowed. Non-technical publications from abroad are kept in special departments in libraries and can only be viewed after a safety check.

The propagated self-image of the DPRK requires such an immense amount of isolation. During decades the population was told that North Korea has become a wealthy and modern country under the leadership of Kim Il Sung and Kim Jong Il. A comparison with another socialist state would however have shown them that their country is relatively poor and backward. Even worse would be a comparison with the RK, who have overtaken the North economically and technologically latest in the 1980s. Careful estimates state that the South Korean per head income compared to North Korea is currently seventeen times higher. Additionally the South Korean population enjoys a much higher standard of living. If this economic success became known then the legitimacy of the North Korean regime would have to be questioned.


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In the Soviet Union and other Easter Bloc states the radio was mainly used to obtain information from abroad. This seems to play an unimportant role in the DPRK. It looks as if especially video cassettes, CDs and DVDs are the source of information from abroad. Their import was made possible by border trading with the PR of China during the informal economy. The first video-CDs appeared as early as the 1990’s, whereby the video recorder and DVD player were circulated to a large extent only after the economy had stabilised and the demand for consumer goods increased.

It is estimated that about 20 to 25 per cent of households in the Chinese border area as well as in the urban centres have such devices. Foreign films and television series were also smuggled illegally into the country via the PR of China. It seems that South Korean productions in particular are largely popular and give the North Korean population a first, if only distorted impression of the standard of living in the South.

Further information from abroad enters the country with people returning from the PR of China. Since the mid 1990’s the border trade as well as illegal border crossings have increased all of a sudden. First of all, many North Koreans fled to the PR because of the famine; later they were looking for work there. About 200,000 to 250,000 North Koreans were said to stay in the PR of China illegally in 1999. And although this figure has reduced to about 30,000 to 40,000 people, it is presumed that about 500,000 North Koreans crossed the border to China within the past ten years. They are aware that the standard of living there is higher than that of their own country. Also, many will have been informed about the economic progress that took place in the South. This has apparently had first effects. North Korean defectors report that many people returning hold the dictatorship of Kim Jong Il responsible for the relative poverty of the country.

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A further source for information is the mobile telephones from the PR of China. By the Chinese mobile network having been extended, the North Korean side of the border area can also make use of it. There they are used by smugglers and traders for coordinating their businesses. Apart from that some North Korean families keep in contact with their relatives in the PR of China via the illegal mobile phones.

After decades of control the regime is no longer in a position to keep control of these sources of information. The improved knowledge about other countries enables the population to draw comparisons with their own standards of living, which of course means that the propagated self-image as a successful socialist state cannot be kept up anymore. Also, the majority of North Koreans presume at least that the South is much better off. As the influx of information can no longer be stopped, the regime has adapted their propaganda to the new situation. Instead of pointing out alleged successes, North Korea propagates now an intellectual and ideological superiority. In particular South Korea has lost its cultural identity due to the U.S.-American influence, whereby its economic success is put into perspective. It is rather questionable, how long the non-existence of economic prosperity can be covered up by a propagated national pride. It is much more realistic to presume that the regime will experience a lot of pressure within a foreseeable period of time.

**Inner Political Factors**

The control mechanisms of the state have been weakened by the increasing economic crisis. Apart from lacking means, the state organs mainly blame the spreading corruption. In the meantime clerks and officers of nearly all state authorities receive bribes from the informal economy or seem to be actively involved themselves. This is equally valid for all positions and ranks. It is however surprising, how much the leading elite is involved in these anti-socialist activities. It seems that high ranking incumbents in the Military, the Party, the Finance Ministry and the security

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forces protect their contacts in the informal economy from state sanctions. It has thus become impossible for the regime to restore the nearly overall control.

This leads to the conclusion that all supporting elements of the regime were eroding due to the continuous crisis and market economic structures. The resilience of the dictatorship has continuously deteriorated since the accession to office of Kim Jong Il whereby this process had not been initiated in an orderly way but had happened spontaneously. There are no political consequences as yet. It means however that with regard to the transition of power, the future government will have distinctly less political options available to them.

**Foreign Policy Factors**

Apart from RK, the U.S., PR of China, Japan and Russia represent regional powers that are utmost relevant for the North Korean foreign policy. The People’s Republic as closest ally takes up an extraordinary position. This is also true for the U.S. as most important ally for the RK, who have their troops stationed in the South and are considered as the main threat by the regime. Regional powers are already involved on a bilateral level or being part of the Six Party Talks on the de-nuclearisation of the Korean peninsula. These contacts could be used to create a foreign policy climate, which will make a decision to open up the country by the present or future regime easier. This however, means that the DPRK must accept considerable allowances to the foreign political targets.

North Korea aims at having direct negotiations with the U.S. that should lead to draw up a peace treaty, as the end of the Korean War in 1953 only ended with an armistice. The regime furthermore aims to have the UN sanctions cancelled, as well as receiving support for the economy and energy supply. North Korean maximum demands, whose

implementation is however rather unrealistic\textsuperscript{59}, could be the international recognition of the North Korean nuclear weapons and the withdrawal of the U.S. forces from South Korea. Many North Korean demands were partially met in the recent past. These developments were, however, constantly interrupted by confrontations and provocations of the DPRK, which is underlined by the current situation.\textsuperscript{60}

After the second nuclear weapon’s test, the sinking of the South Korean warship and the attack of the South Korean island of Yeonpyeong neither the RK nor the U.S. are prepared to grant the North any foreign policy concessions.\textsuperscript{61} The DPRK however feels to be dependent on such regular escalations in order to make the U.S. talk to them directly by increasing the tensions. Above all that, the North needs the confrontation with the international community to justify their Songun-policy to the population and to restore inner stability.\textsuperscript{62} By these actions the regime itself prevents a more favourable foreign policy climate.

**CHANCES OF A CHANGE**

The economic, social and political situation of North Korea indicates a gradual change. After the end of the Cold War, a process was started that is called “spontaneous dissolving of socialism from the bottom without a change in regime” by part of the scientific world. Based on lack of alternatives Kim Jong Il’s regime should be forced to carry out reforms. Without the economy’s recovery there is a threat of long term social unrest and protest that could bring about the end of the regime. A fresh economic start, however, seems only possible with investments, technologies and expertise from abroad.

The reason why reforms and the opening of the country has not yet happened despite the precarious economic situation, may be based on the paranoid anxieties within

\begin{itemize}
  \item \textsuperscript{59} Cf. Korea Institute for National Unification (KINU) (Ed.), *North Korea’s Regime Maintenance Policy since the Kim Jong-il Regime and Prospects of Change*, Seoul 2009, 35-45.
  \item \textsuperscript{61} Cf. Dürkop and Yeo, “Das Säbelrasseln,” n. 12.
  \item \textsuperscript{62} Cf. KINU, *North Korea’s Regime Maintenance Policy*, n. 59, 47.
\end{itemize}
the North Korean elite, according to some authors. This explanation is however short lived. The regime seems to have decided against an extensive change – according to some intensive studies of other socialist states. It appears as if the leading elite have firstly investigated the political reforms in the Soviet Union and the other Central East European states. Finally these measures were rejected as they had caused the end of the socialist states.

Apart from that, opening the country would endanger the social position and livelihood of the North Korean elite. The clerks and functionaries of other socialist systems had succeeded in surviving the system change of their country relatively undamaged, mainly due to their education and administrative experience, but in case of a liberalisation of the DPRK, South Korean experts in particular would be available to design the economic and social development of the North. The current elite could not compete with their economic and technical knowledge, which means they would lose their jobs in case of the country’s opening up. Furthermore, in case of a unification with the South, the aspect of a legal clearing up of the North Korean elitist regime would be much worse. In this context the enormous brutality of the regime must be considered that is responsible for the death by starvation of thousands of North Koreans as well as interning at least 150,000 political prisoners. All these factors have rendered the North Korean leadership suspicious of any change and have led to a close relationship within the elite.

Against this background the regime’s only possibility was to avoid potentially dangerous reforms and to leave the system almost untouched. But even these efforts could not stop economic and social change. Over the past 15 years the socialist society of the DPRK has spontaneously disintegrated. Only the systematic change of structures and institutions necessary for an economic recovery was effectively prevented. The result achieved was a balance between the regime and the informal economy. This enabled the state to restrict the spreading of market economy and limit the social and political effects without however being able to completely wipe them out. The informal economy could establish itself due to corruption and networking with the
It is presumed that Kim Jong Un will not initiate fundamental changes within the first few years of his succession.

Therefore the question is justified whether Kim Jong Un will introduce reforms in the sense of changing theories after having taken up power. Due to lacking a power base of his own, he is dependent upon the support of the military, the North Korean elites and the confidants of his father’s, in order to secure his succession. Although it cannot be categorically excluded but it is presumed that Kim Jong Un will not initiate fundamental changes within the first few years of his succession. This means then that short and medium term, this policy in the sense of the inability to change theory will continue and whose unlimited continuation, however, will finally lead to the collapse of the regime.

**SUMMARY**

In case the North Korean regime does not unexpectedly collapse during the difficult political phase of the transition of power, then the future state leader of the DPRK will be Kim Jong Un. The circumstances of his nomination indicate also that in Pyongyang the foreseeable end of the Kim Jong Il’s rule is expected. His bad health condition can be seen as the introduction of the succession process, whose core elements are stabilising the inner political situation and the continuation of a maximum state control. Developing protests in the population or a power vacuum during the transition of power must be prevented with all means.

Although unchanged on the surface, Kim Jong Il leaves his son a fundamentally changed country. His regime has neither prevented the economic decline nor was it able to introduce a new economic start. The existing emergency supply situation forces the development of informal economic structures, entailing social changes that are incompatible with the regime and its state ideology. The state may lack control and enforcement means in future to reverse these developments. The North Korean regime will

64 | Cf. Lee, "North Korea’s three,” n. 6, 6.
not be able to continue its present activities forever, as it is facing conflicting interests. The population may strive to have a more independent economic development which the regime is still keeping from them, fearing that it will have political consequences. There are first reports of frustration and protests in the population, which will spread, if the North Korean politics are carried on unchanged.

The regime is in a tight spot, without having an acceptable alternative to offer. This dilemma has been characteristic of the North Korean political situation for years. As the leadership of the DPRK is no monolithic bloc, under circumstances there could be some supporters for a reform politics amongst them. These were however, not promoted to the top during the last change in government; therefore Kim Jong Un will have to completely rely on the military and political hardliners when he takes over power. A fundamental change as well as an opening of the country is therefore rather unlikely during the first few years of Kim Jong Un’s taking over power. Most observers expect this scenario. At present, how North Korea will develop on a long-term basis can only be guessed.