DPRK after Kim Il Sung: Is a Second Republic Possible ?

The NAPSNet Policy Forum provides expert analysis of contemporary peace and security issues in Northeast Asia. As always, we invite your responses to this report and hope you will take the opportunity to participate in discussion of the analysis.

Recommended Citation

Alexandre Y. Mansourov, "DPRK after Kim Il Sung: Is a Second Republic Possible ?", NAPSNet Policy Forum, September 27, 1994, https://nautilus.org/napsnet/napsnet-policy-forum/dprk-after-k-m-il-sung-is-a-second-republic-possible/

DPRK after Kim Il Sung: Is a Second Republic Possible ?

Paper prepared by Alexandre Y. Mansourov, M.Phil., for

presentation at international conference on "North Korea

After Kim Il Sung" held in Melbourne, Australia, on September 26-27, 1994

On July 8, 1994, the Great Leader Kim Il Sung passed away. This was a momentous event in the history of the DPRK, which had not known any other supreme leaders in its almost fifty-year existence. The entire era of Juche-type socialist construction, aggressive national liberation theology, boundless personality cult, accompanied by decades of domestic stability and popular acquiescence, seems to face an imminent and irreversible end.

Today, North Korea is in transition. Its society and polity are undergoing often invisible but nevertheless very significant changes. The days of the First Republic (the DPRK), founded on September 9, 1948, appear to be numbered. But does it mean that a Second Republic is possible and coming? This is a twofold question. On the one hand, can the North Korean polity change its political regime and governmental policy outputs substantially enough to be able to adapt to dramatically changing international and domestic socio-economic and military-political environments? On the other hand, once such radical changes are initiated, can

North Korea survive as an independent state, and will the North Korean leadership have enough will power to continue to exist and function independently, despite the looming shadow of a South-led absorption-style unification? What might be its policies? In this paper, in my search for answers to these questions, I intend to explore the issue of legitimacy of the new leadership in Pyongyang, its likely direction of change in governmental processes, and what impact these changes may have on the evolution of the domestic and foreign policy of the DPRK after Kim Il Sung's death.

1. Legitimacy of a New Republic

The concept of legitimacy of a political order has multiple meanings in the political science literature. It can be defined either through individual attitudes toward political order, regime, and its leaders, or as a structural property of a political system.

In the behavioral tradition, Lipset (1960) defines legitimacy as "ex ante commitment by elites and population to a certain political process", and Lamounier (1979) describes it as "acquiescence motivated by subjective agreement with given norms and values" (p13). Both derive it from Weberian notions of legality (meaning ex ante acceptance) and justifiability of dominant rules, norms, values. Habermas (1975) takes a step further and defines legitimacy as "ex post evaluation of rules" (which Lipset calls "effectiveness"). Although they all maintain that ex post evaluations modify ex ante commitments, they stop short of admitting that the very problem of compliance, the essence of legitimacy in Schumpeter's view, arises only because the outcomes generated by rules are uncertain ex ante. As a result, as Coleman (1989) put it, "consenting to a process is not the same thing as consenting to the outcomes of the process". Under Kim Il Sung, these two types of consent were taken for granted because of his personal charisma. After his death, although top leaders in Pyongyang appear to be in consent for the time being with the rules of the game they inherited from the Great Leader, obviously, they are likely to challenge the interpretation and evaluations of the outcomes of the process, thereby undermining the legitimacy of Kim Jong Il's rule and eroding his grip on power. In other words, although Kim Jong Il may initially enjoy procedural legitimacy, in the long run he will have to work hard to gain substantive legitimacy in the eyes of his peers and population at large.

From a structural point of view, legitimacy is defined negatively as the lack of collectively organized alternatives (Przeworski, 1991). Hence, Przeworski argues that "what is threatening to authoritarian regimes is not the breakdown of legitimacy but the organization of counterhegemony: collective projects for an

alternative future. Only when collective alternatives are available does political choice become available to isolated individuals…As long as no collective alternatives are available, individual attitudes toward the regime matter little for its stability" (p54). This view fits Weber's (1968) conclusion that "people may submit from individual weakness and helplessness because there is no acceptable alternative" (I, p214). In the same vein, Stepan and Linz (1994) define legitimacy simply as "the only game in town", which tends to get eroded as a civil society emerges and develops in authoritarian states. Under Kim Il Sung, for decades his clan had been "the only game in town". After his death, with his clan being fractioned and fragmented, the authority of his heir, Dear Leader, appears to be challenged from within, and the emergence of individual challengers is likely. However, the WPK's grip on power is still tight, and no "collective projects for an alternative future" are likely to be allowed any time soon. Therefore, the Second Republic may gain legitimacy and popular support to a degree unexpected without any major challenge from within, unless its claim is seriously challenged by the forceful imposition of the South Korean way of life as a collective alternative for the North Korean society and polity.

In order to address the question of whether the authority or behaviorally-defined legitimacy of the North Korean authoritarian state is eroding, it is useful to distinguish between the different types of grounds on which political institutions can be accepted, and compliance is granted. David Held (1987) elaborates the following seven categories: 1) coercion, or following orders, 2) tradition, 3) apathy, 4) pragmatic acquiescence, 5) instrumental acceptance, 6) normative agreement, and 7) ideal normative agreement. He reserves the term legitimacy only for categories 6 and 7, implying that people follow rules and laws because they actually think them right and worthy of respect. "A legitimate political order is one that is normatively sanctioned by its population" (p238). I would extend legitimacy to categories 4 and 5 which could be taken to imply a weak form of legitimacy meaning that the existing state of affairs is tolerated, and compliance is granted, in order to secure some other desired goal. Thus, as long as these other ends appear achievable the original situation will be agreeable. Categories 1, 2, and 3 constitute grounds for order but do not make it legitimate. As far as the DPRK is concerned, political order is partially voluntary and partially contrived; there are various people in North Korea whose rationale for cooperative behavior may fall in any of the above-mentioned categories. In the past, a high degree of compliance and integration among all groups and classes in the North Korean society could be explained by "shared values" of juche. At present and in future, with the juche system eroding and a degree of coerced compliance and apathy increasing, the "ideological domination" of the ruling class is likely to

replace the eroding consensus on values among the population and elites. However, in the current political order no collective alternative appears to be possible: it was suppressed many times in the past and it is unlikely to be allowed in the near future. In this sense, I do not expect any erosion or radical change in the nature of legitimacy during the transition from the First to the Second Republic.

However, as time goes by the substantive sources of legitimacy may vary. For instance, at different times the legitimacy of the First Republic in North Korea has been derived from different sources. Originally, it came from the national liberation ideology and practice of the first Kim Il Sung governments - their anticolonialist, nationalist and revolutionary credentials. In the late 1950s-1960s, the legitimacy of the political regime in Pyongyang was boosted by significant economic achievements in the North in the rebuilding and modernization of the North Korean industries and the dramatic improved living standards of the general population. In the 1970s, it was the international recognition granted to the DPRK due to its vigorous diplomacy. In the 1980s-early 1990s, the personal charisma of the "Great Leader" and the sanctity of the "revolutionary traditions of the past" became the main source of the regime legitimacy.

In contrast, today a de-facto North Korean supreme leader Kim Jong Il has very little to boast about that might reinforce his legitimacy. I fully agree with Robert Scalapino, who argues that in the DPRK "leaders and the party can no longer depend upon intensive ideological indoctrination combined with a fairly high degree of isolation of their people to preserve adherence. Allegiance, increasingly, will be dependent upon performance, not upon blind faith born out of ideological molding." But it is the Dear Leader's performance that has been lacking for some time. The DPRK's economy is in deep depression characterized by extremely low capacity utilization, historically high unemployment, rising inflation, and shrinking disposable income. Domestic ideology is in crisis. In the international arena, the country is politically isolated and is being pressured hard to give up its identity. Furthermore, Kim Jong Il does not appear to enjoy the unconditional respect and loyalty from his associates and some segments of the general public. Of course, he may continue to base his claim to power on his being Kim Il Sung's son and, hence, the legitimate heir, but this argument is unlikely to guarantee his future for long. To be sure, after Kim Il Sung's death, Kim Jong Il is being given the benefit of a doubt by his peers, so he has some time to perform. But time is running out, and unless he shows real leadership and delivers in foreign policy and the economy in the next couple of years, he may well be removed from power.

In the meantime, those who might dare to challenge Kim Jong Il

and lead the founding of the Second Republic may establish their credentials either by incrementally denouncing the past or by their performance only. Therefore, they either will have to continue to "reinterpret and implement" the legacy and the last will of the late Kim Il Sung. By definition, nobody is better fit for this job than his son, hence this may be a losing option. Or they may launch a de- kimilsungization of the North Korean society and polity, which might be similar to the destalinization and demaoization campaigns that took place in the USSR and PRC respectively. However, this option is fraught with unpredictable consequences, and could, therefore, be frightening.

In any case, whoever will be in charge, one can argue that the erosion of legitimacy after the death of the Great Leader is likely to lead to some decrease in the capacity of the North Korean state to act effectively. From the point of view of the overload theorists (Huntington, 1975; Brittan, 1975, 1977), rising expectations and decline in deference are likely to lead to excessive demands, which will strain the relationship between the government and social groups, as well as to the growing competition among the elites. From the standpoint of the legitimation theorists (Habermas, 1976; Offe, 1984), the death of God and the retreat of the state leave behind ideological and political vacuum, undermine traditionally unquestioned Kim Il Sung-sanctioned and state- oriented values and norms, and politicize ever more issues, that is, open them up to political debate and conflict. As a result, growing demands will erode state power and shake political stability.

But it is not that North Korea is approaching the end of its authoritarian world, or that the authority of the state is suddenly in decline, or that legitimacy is now undermined; rather, it is that the uncertainty, apathy, cynicism, and scepticism of many people today lead to growing detachment and political departicipation. At the same time, the elites find it increasingly difficult to mobilize the population for the pursuit of their ends and often fail to offset these sentiments by sufficient comforts or credible promise of future benefits as the economy runs into seemingly ever worse problems. This is the phychological background the Second Republic will have to face.

2. New Governmental Processes:

The Great Leader Kim Il Sung passed away four months ago. All this time the DPRK has not had an official head of state nor has its central policy-making institution, the WPK, had its Secretary-General. Does this mean that the country has been unruled, and that nobody is in charge ? Or does it mean the emergence of a new conservative regime where formal institutions of power are disregarded, charisma and rationality as the bases for authority give way to tradition, and supreme authority is

exercised via informal interpersonal channels? Or does this simply mean that there are difficulties in transition and institutional change, following such a momentuous event as the death of Kim Il Sung, that consolidation of power by Kim Jong Il in Pyongyang is slowing down, and that in order to disguise these realities, North Korean propaganda works hard to finesse the mourning period argument, which seems to be a very fluid concept and prone to be extended endlessly?

There is no evidence to suggest that the authoritarian state is losing even an inch of control over the society in the DPRK. Nor is there any evidence to maintain that the bureaucratic apparati of the state, including the KPA and the Ministry of National Security, and of the Workers' Party of Korea themselves doubt or challenge the supreme leadership of Kim Jong Il in any meaningful way today. The fact that the DPRK representative referred to Kim Jong Il as the "supreme leader of our country" in his UN speech in September 1994 attests to the point. Nevertheless, some Russian sources close to a number of key WPK Politburo members maintain that the North Korean regime is about to undergo profound changes in the composition, functions, and roles of its supreme political institutions, which may even amount to constitutional changes in the form of government in Pyongyang. What are the driving motives behind this?

First of all, observers of the North Korean politics know that during the late period of the Kim Il Sung era there existed a dualistic power structure, a duopoly of sorts. There were two semi-independent hierarchies of authority, two self- sustaining chains of command - one leading to the father and another leading to the son with little interaction and communication in between. While, officially, all party and state bodies were subordinated to the President of the Republic, the General Secretary of the WPK, and the Supreme Commander-In-Chief Kim Il Sung, the primary institutional vehicle for maintaining Kim Jong Il's personal authority in all party and state organizations were the so-called Three Revolution Small Teams (samdae hyongmyong sojo), which amounted to the junior Kim's personal surveillance network planted everywhere. For instance, they are said to be operating in the KPA down to the company level and in the Ministry of Public Security down to the section level, not to mention economic and political entities, where they are omnipresent. They are believed to bypass the regular chain of command, reporting to their own chain of command, which leads ultimately to Kim Jong Il. Paralleling this development has been a significant increase in the power of political commissars in the KPA and MPS. All orders issued by military commanders and security officials needed to be countersigned by "political deputy commanders" (chongch'i pujihwigwan) who reported directly to Kim Jong Il's staff. Anyway, the death of Kim Il Sung has resulted in a dramatic shift to a monistic (Kim Jong Il-centered) power

structure. This change brings about growing consolidation of the previously bifurcated bureaucratic apparatus, and is reflected in rapid promotions, early retirements and demotions, as well as considerable rejuvenilation of the state officialdom.

Secondly, some of the current institutions, like the Presidency and the Central People's Committee, were originally set up personally and specifically for the Great Leader Kim Il Sung. With his passing, these institutions cannot function properly and fulfil the tasks they used to, and therefore have to be reorganized.

Until 1972, the DPRK had been a "parliamentary republic" of sorts headed by the Chairman of the Cabinet of Ministers, relying on unchallenged formal WPK majorities in the Supreme National Assembly for the mandate to govern. As a result of the constitutional changes in April 1972, the "parliamentary game" was over and the DPRK became a "presidential republic", with the institution of the Presidency (chusok) with unlimited powers having been set up specifically for Kim Il Sung. Now that Kim Senior is dead, one of the most likely scenarios is that nobody, including his son, will be able or allowed to exercise such unlimited and arbitrary authority over the North Korean elites and society at large, as Kim Il Sung did. Therefore, it is likely that the institution of the chusok (President) will be abolished. Instead, the institution of the taet'ongnyong, President with representative functions only (to receive foreign delegations, to award medals, etc.), may be created. There is a rumor that Kim Il Sung intended to see that his younger brother Kim Yong-ju would be appointed to such a post after his death, while Kim Jong Il should assume the position of the Secretary-General of the CC WPK. However, alleged strains in personal relations between Kim Jong Il and Kim Yong-ju, as well as the fact that Kim Yong-ju is perceived by the Pyongyang political establishment with a degree of resentment as an outsider who spent nineteen years in oblivion but now stakes out his claim to the pie as an equal, give credence to an alternative scenario: perhaps the current Foreign Minister of the DPRK Kim Yong-nam will be appointed President (taet'ongnyong) just as the former Foreign Minister of the USSR A.A. Gromyko was appointed Chairman of the Presidium of the Supreme Soviet of the USSR (the title for President of the then USSR), while Kim Jong Il assumes the party leadership post.

If the President's powers are curbed in the DPRK, the role of the Central People's Committee is likely to change as well. In reality, the CPC was Kim Il Sung's decision-making apparatus, his own National Security Council. It had few members, most of them comrades-in-arms and close associates of the Great Leader, who helped him formulate key domestic and foreign policies and put his decisions in the form of decrees and instructions. If the institution of the Presidency becomes purely representative and

symbolic in nature, the role of the CPC is likely to diminish increasingly, its meetings will become spotty and lacking in substance because the locus of crucial decision-making will shift elsewhere.

Thirdly, one cannot help but notice an emerging shift from the regime of absolute personal power exercised by the late Kim Il Sung to a system of collective leadership. Reportedly, the North Korean leaders ardently seek for a venue to institutionalize the emerging "collective leadership of the party centered around Kim Jong Il". Why does such a shift to collective leadership appear to be inevitable? The immediate history of all post-totalitarian societies, including both mentors of North Korea - the USSR and the PRC, suggests that such a direction for the evolution of authority in the DPRK is probable. Recent statements by leading North Korean politicians such as the WPK Politburo members Kim Yong-nam, Kang Song-san, Kye Ung-tae, and Party Secretary Kim Ki-nam allude to the desirability of establishing collective leadership. Indeed, people around Kim Jong Il fear his lack of experience, especially in economic matters, which are crucial to their own survival. Nor does the son have the personal charisma of his father. His words are not seen as sacred by some of them. In turn, from Kim Jong Il's point of view, he may accept shared leadership because he wants to tie up leaders around him with collective responsibility for recurrent failures in the economy and domestic policy, thereby relieving himself of the burden of sole responsibility. He does not want to become a sole scapegoat for his opponents.

Fourthly, Kim Jong Il is faced with two hard questions today: what to do with the existing institutions inherited from a different era but increasingly incapable of coping with mounting new challenges and how to bring new people to power? If he wanted just to protect the status-quo, he could simply leave these old institutions intact in terms of allocation of authority and reduce the membership in institutions like the WPK's Politburo and Central Committee, the Administrative Council, etc. to their current members. If he is not satisfied with the status-quo, he may resort to institutional reorganization aimed at reducing the number and curtailing the powers of existing members. The institution of the Vice- Presidency is one of the obvious targets here: four vice- presidents are not sustainable, and only one is likely to be left. If the institution of the president is stripped off its absolute authority and retains only representative functions, the institution of the VP may be abolished altogether. The five-member Presidium of the Politburo is another probable object for reorganization, if not abolition. But if for the same purpose of changing the status-quo, he brings in new people to fill in vacancies, this may upset the existing balance of forces and personal influences, which in turn may lead to renewed attempts by the other leaders to promote their own

proteges and expand their own power bases, as well as new intrainstitutional turf battles.

On the other hand, attitudes to Kim Jong Il and his leadership bid seem to vary along the generational lines. Paradoxically, the old guard (Defense Minister O Jin-u, 77, Vice-Presidents Park Sung-chol, 81, and Lee Jong-ok, 78, Politburo member Kye Ung-tae, 69) seem to accept that Kim Jong Il is the supreme leader. They fear any change. Therefore, they eagerly hide behind his back. They are content with the status-quo: being in their late seventies - early eighties, they hope they will sit it out. At the same time, they are afraid that Kim Jong Il may be won over by the proponents of reforms and may launch "radical changes". Therefore, they incessantly attempt to influence Kim Jong Il in a containing and discouraging way: "Be loyal to the traditions and will of your father", "Do not touch the inheritance built by generations of the revolutionaries", "The slower you go, the further you will get", etc.

However, the days of the octogenerians are numbered, and the time of the pragmatic technocrats is coming. Although it will also be very important for them to maintain control over the society and prevent the emergence of organized opposition, they are unlikely to "look into Kim Jong Il's mouth for every word", as they did in case of Kim Il Sung. They may not fully understand him, and even may not accept him as their supreme leader. For instance, reportedly, even today Premier Kang Song-san and Foreign Minister Kim Yong-nam can say to Kim Jong Il: "This is not so; I have a different opinion", something which was unimaginable in the era of Kim Il Sung.

With the growing number of vacancies in the major political and economic policy-making bodies as a result of the "natural attrition of the guerrilla generation" (as B.C. Koh puts it) and seemingly natural deaths of some younger leaders, bureaucratic reshuffles, early retirements, purges and rapid promotions, the inflow of new people becomes inevitable. Kim Jong Il needs new people, personally loyal to him but espousing unorthodox ideas, so that he could at last feed, clothe and warm up the population: otherwise, his power may slip away from him. He seems to understand that he cannot launch and implement economic reforms of any kind with old cadres only.

Historically, Kim Il Sung preferred to co-opt (not elect) the new people in the Central Committee of the WPK first, and then to promote them in the state bodies. For instance, since the Sixth Congress of the WPK a whole "new breed" of members has been co-opted into the WPK CC. They are mostly middle- aged "red directors" of large industrial complexes and combines; later, some of them were appointed ministers at the Administrative Council. Similarly, dozens of the second generation of generals

were first co-opted into the WPK CC during those 14 years; later, some of them were promoted to the Central Military Committee and within the Ministry of People's Defense. Reportedly, Kim Il Sung used to resort to co-optation of new people so often because he was obsessed with inexplicable fear of the party congress. He believed (as Stalin did) that unexpected things could happen only at party congresses. All the rest of domestic politics, he thought, was under his firm control. (By the way, the history of any marxist-leninist party has a number of examples of this sort.) Probably, Kim Jong il inherited this phychological fear. Therefore, he is likely to postpone by any means the convening of the Seventh Congress of the WPK and will prefer to make all the key personnel decisions in the narrow circle of his confidents.

Fifthly, one could argue that some North Korean politicians seem to have started already to position themselves for the post-Kim Jong Il succession. They want "to stay close to the Sun" (so as to be part of the game effectively), but "not too close" (so as not to get burned or in case of Kim Jong Il's forced departure to be seen as too closely associated with him). And they all ask themselves who will sooner or later succeed Kim Jong Il?

The paradox of North Korean politics is that the so- called succession question was resolved smoothly immediately after Kim Il Sung passed away. As one North Korean official said, "it was already settled twenty years ago". But this created a new unresolved succession question: who will succeed Kim Jong Il ? This question becomes even more urgent given recurrent rumors, true or false, of the dear leader's deteriorating health condition. Kim Il Sung gave no answer to it. That's where all the trouble begins. In the North Korean political tradition "grooming" of a successor ought to start very early and the successor should: 1) espouse "the supreme leader" Kim Jong Il's ideas and be close to him; 2) belong to a younger generation to be able to continue Kim Jong Il's work into the future; 3) undergo a lengthy period of "practical training". From a dynastic point of view, this should be either one of Kim Jong Il's two sons (who are still too young to rule) or his son-in-law Chang Song-myung. But such a traditional practice appears to be unacceptable to the rising generation of political leaders in Pyongyang at this time. That's why, some of them demand institutional changes, which will open possibilities for their accession to power, while the latent struggle for the second, third, fourth, and so on positions around Kim Jong Il appears to be intensifying.

In general, according to a high-ranking source in Pyongyang that asked not to be identified, the DPRK leadership does understand that some kind of restructuring of the supreme political bodies and the institutions of the state power is inevitable, and the sooner these crucial decisions are made the less likely there

will be much elite resistance thereto as long as the shock of Kim Il Sung's death keeps the lid on the potential dissent.

3. Domestic Policy Outputs.

Nowadays, in times of severe economic crisis, the two main tasks of the government in Pyongyang, with or without Kim Jong Il, are to reignite economic growth and to secure the acquiescence and support of those collectivities that are crucial for the continuity of the existing order (the military, the security forces, the party functionaries and the rank-and-file, the "red directorate", the youth). If it succeeds in these, the "public order" can be sustained and is likely to break down only on certain "marginal" sites. What is crucial here is the selection of politically sustainable strategy of economic adjustment and socially palatable "strategy of displacement" (Offe, 1984). That is, strategies that restructure the economy in a more market-oriented fashion and disperse the worst effects of economic and political problems onto vulnerable groups while appeasing those able to mobilize claims most effectively. As everywhere else, the most vulnerable and weakest social groups (women, the elderly, the labor, children, students) are likely to suffer the most in North Korea. Whereas the most entrenched and powerful interests are likely to benefit the most. As long as the government has the political will and institutional mechanisms to sustain these strategies, political future of the Second Republic will be secured.

Nonetheless, it is still premature to talk about radical new departures in the domestic economic policy in the DPRK. Most of the processes that are under way now were launched in the early 1990s and in a way blessed by the late Great Leader. First, the Three-Year Structural Adjustment Plan for 1994- 1996, adopted in December 1993, indicated a shift in structural priorities in the development of the North Korean economy - from developing heavy industries and transportation network to emphasis on reforming agriculture, reorganizing the light industry, and boosting commerce, especially foreign trade. Obviously, not only did this plan reflect the government's failure to achieve the development targets set forth in the Third Seven-Year Economic Development Plan (1987- 1993) but also it was a recognition of the catastrophic state of the North Korean economy as a whole and of the fact that the population is hungry and underclothed.

By the way, already in 1987 Kim Il Sung publicly recognized that "the solution of the problem of feeding, clothing, and housing the people remains a top priority of the WPK". Five years later he reportedly went even further and in private conversations admitted that his people was "dragging out a miserable existence", and, therefore, he was tormented with the question "how to lift up the living standards of the people" but at the

same time "to keep it obedient and well disciplined" and not to dismantle the socialist economic management system altogether. That's why, he was willing to sanction various economic experiments around the country, especially in its remote Northern provinces. Apparently, Kim Jong Il inherited this approach from his father.

Secondly, it is a process of gradual and tightly controlled economic liberalization and opening in specially designated economic zones, in particular in the Rajin-Songbon area. It was launched in 1984, when the Standing Committee of the SPA promulgated the Joint Venture Act, gained a little bit of momentum in 1989-1992, when the number of joint ventures increased to over 100, but then stumbled due to the international stalemate over the North Korean nuclear issue. However, recently with the assistance from the UNDP and experts from the PRC the North Korean government has adopted a bunch of new progressive regulations radically liberalizing the foreign investment regime in the Tumen River Area Development SEZ. Moreover, literally on the eve of his fatal stroke, Kim Il Sung is reported to have convened an emergency meeting of his economic aides, including the PM and other key Administrative Council members, and blessed further rapid development of special economic zones, by saying that "they constitute the main road to the successful completion of socialist construction in our country". If this is a hard fact, then Kim Jong Il has a blessing from his father to accelerate economic reforms at least in the SEZs. Moreover, Kim Jong Il also secretly visited the PRC and travelled around the special economic zones in Southern China, as his father did. They say he liked it there; therefore, he is likely to be receptive to similar ideas at home. However, if this story is something less than a fact, then it indicates an unfolding struggle for the "right interpretation" of the will of the late Great Leader, and that there are forces in Pyongyang that are so interested in promoting economic liberalization that they risk using the name of Kim Il Sung without ground in order to attract political support for their own program.

Evidently, some North Korean leaders favor adopting the Chinese approach to the strategy of reforms. In private conversations, they express their belief in the possibility that "the economy could be separated from politics by the Chinese wall" (a very nonmarxist proposition !). They cautiously add that "any practical economic question can be resolved if it does not interfere with politics and military affairs", meaning that they have political will to continue to liberalize the economy gradually as long as these reforms do not spill over into the realm of politics and do not threaten the regime's survival.

At the same time, against the backdrop of a more benign political climate, bureaucratic turf battles are under way on the ground

between different ministries for policy-making authority in special economic zones and for budget appropriations to be spent there. Time and again in closed- door discussions in the capital the issue is raised on the need to establish a special combined authority to be fully in charge of all the activities within and related to the SEZs. However, this proposal is said to be facing serious opposition from some central ministries in Pyongyang, that do not want to have a hen that may one day lay golden eggs taken away from them. Also, there are, reportedly, serious tensions between the Ministry of Finance and the Central Bank of the DPRK regarding the taxation regime in the SEZ. The former considers the SEZs as a source of raising additional revenues for the budget, and therefore urges raising tax rates on foreign investments and businesses there, whereas the latter sees them as a way to attract foreign investors to North Korea, and therefore favors longer grace periods and lower tax rates. Also, the Ministry of Railroads is said to be deadlocked in a dispute with the Ministry of the Naval Fleet over the infrastructure development priorities in the Rajin-Songbon SEZ. They cannot agree on what transportation facility should be developed first - the central railway station or the port. When the budgetary resources allocated in Pyongyang for the insfrastructure development in the SEZ are scarce, they have to compete against each other for a piece of a shrinking budgetary pie from day one. For the ministry that succeeds in getting the start-up funds from the central budget first will have an advantage in obtaining the expansion funds later. Interestingly enough, in order to boost their respective cases at home, they have attempted to find some foreign investors who would express tentative interest in priority development of railroads vis-a-vis the port facilities in the SEZ and vice versa. Moreover, in the heat of their interbureaucratic battles they tend to propose mutually exclusive terms and projects for cooperation to foreigners. Lastly, there appears to be a general tension between economic ministries as a whole, supporting the openness of SEZs to foreigners, and hence visa-free travel in and out of the SEZ, and the security-related ministries and agencies that do not want to lose control over the movement of foreigners on the territory of the country, and therefore are vigorously opposed to such a measure.

In addition, one more process is worth mentioning. It is a relatively new phenomenon and somewhat hard to trace, but foreign diplomats in Pyongyang keep bringing it up in conversations with their friends. They say that after Kim Il Sung's death the WPK appears to have begun to get increasingly engaged in the type of activities which the Communist Party of the Soviet Union failed to do before it was outlawed and its assets confiscated in August 1991, but which the Communist Party of China has already been actively and successfully involved in for several years already.

In the center, allegations grow that some very high- ranking party officials are involved in laundering party funds and transferring some funds abroad and secretly depositing them in the banks of Switzerland, the US, Japan, Hong Kong, in the names of figure-head corporations. In general, as I understand it, the state budgeting process in the DPRK is very complex and fuzzy. During the era of Kim Il Sung there existed at least two budgets in Pyongyang - an official one, once a year in April presented by the Finance Minister before the SPA for approval and partially made public via the printed media, and an unofficial one, the so-called "the Great Leader's Budget". The latter was financed by revenues derived from some general exports, as well as from the arms trade, joint ventures, profits made by the North Korean-sponsored dummy investment firms in the international financial markets, perhaps even such illicit deals as drug trafficking and dollar counterfeit, and so on. Technically, all the revenues had to go to the Ministry of Finance where "funds for special needs" were separated from the "general account funds" and allocated to the department of special currency operations at the DPRK Ministry of Finance whose chief must have reported directly to Kim Il Sung how much money was available for "discrete spending". The latter included some "pet projects" of the Great Leader, entertainment expense, expenses incurred in maintaining the luxurious lifestyle of the ruling elite in Pyongyang, etc. It is obvious that Kim Jong Il and his associates have inherited this two-layer budget system. Moreover, they are alleged to have started to transfer some funds abroad in order to build up some tangible assets overseas which they can count on in case of emergency at home in the future.

In the provinces, the dynamic is different. Local party bosses are alleged to use party funds for personal enrichment on the spot (a "privatization of party funds" of sorts). Also they use their personal positions to obtain illicit income: that is, corruption is said to be wide-spread at the provincial level. In particular, foreign businesses are badly affected. One foreign enterpreneur who tried to set up a joint venture in one of the SEZ bitterly complained to me that "the Chinese from the Jilin and Heiluizyan provinces have bought out all the local party and economic officials in the port city of Chongjin". He went on to say that if the Western investors do not hurry up, the Chinese party businessmen will buy out party and state officials in the rest of the cities and provinces on the Eastern seaboard of North Korea, not to mention the Western seaboard too.

In sum, for four months after Kim Il Sung's death no one has yet got any statement on domestic policy from the new leaders in charge. In the meantime, economic processes, initiated under the Great Leader, slowly continue to unfold. Efforts aimed at structural adjustment of the economy, promoting backward agriculture in a highly industrialized North Korean society,

modernizing the light industries employing mostly women when heavily militarized heavy industries manned mostly with men are in deep depression, and expanding foreign trade in an internationally isolated country, linger on, despite their contradictory nature, paucity of resources to back them up and frequent lack of political will to follow through. Special economic zones become the object of political football in Pyongyang. Hardline conservatives define them as a Trojan horse and depict Doomsday scenarios for the Republic if the SEZs are allowed to exist; whereas pragmatic reformers advocate their expansion and define them as the last hope for saving the decrepit North Korean economy by opening it to the outside world. And, foremost, both sides use the name of the late Great Leader to make their respective arguments look more convincing and sanctified. Lastly, in this time of economic distress and political uncertainty those who have access to party funds or lucrative positions in the state bureaucracy do not hesitate to appropriate them for private use. They do it either on orders from their superiors or at their own risk. Corruption is commonplace, and privatization of party funds is creeping upward. By and large, if ever a Second Republic is established, on the economic front its government will have to start almost from scratch.

4. Foreign Policy Outputs.

In no other policy area are changes so noticeable as in the DPRK's foreign policy. Indeed, the changing international environment, in particular the crambling alliance system and nuclear stalemate, forced the North Korean leadership to begin to reconsider the tenets of their foreign policy in the early 1990s. By the time of his death the Great Leader had endorsed radical changes in some principles and directions of North Korean foreign policymaking. They are so unorthodox that they warrant being labelled as "new thinking" or at least as a "new departure" in the DPRK's foreign policy. Briefly, these changes include the following.

In fundamental principles guiding the Pyongyang foreign policymakers, one can notice a shift from the revolutionary diplomacy based on ideological preoccupations with worldwide national liberation and internationalist communist agenda to a more pragmatic diplomacy of realism aimed at promoting the national interests of the DPRK, in particular the survival of the North Korean state and the ruling regime.

At the level of general strategy, one can observe a radical shift from conventional deterrence to nuclear bargaining. Originally, it was outright nuclear blackmail and brinkmanship. After the Gevena accords were signed in October 1994, Pyongyang seems to be moving toward the nuclear freeze and eventual nuclear

disarmament.

At the level of regional strategy, North Korea was literally forced by its allies to abandon its decades-old "One Korea Policy", including the maniac idea of "communizing the South", and to apply for separate UN membership. Nowadays, the DPRK recognizes the undesirability and unlikeliness of military confrontation with South Korea, thereby gradually downgrading the use of naked force in its reunification policy, and instead it has begun to promote the idea of peaceful co-existence between two Korean nations. The strategy of revolution, that is, fostering revolutionary forces in North and South Korea, is being eclipsed by the strategy of confederation, in which the absolute equality of both sides would be guaranteed. Pyongyang actively seeks cross- recognition by the United States and Japan, and, instead of tight alliance politics of the past, seems to be inclined for all practical purposes to pursue a policy of equidistance from all four great powers in the region. It is in this light that one should see its proposal to change the Armistice agreement into a Peace Treaty, with possible talks on confidence- building measures, arms control, and even gradual conventional disarmament at later stages of the peace process.

Obviously, a greater emphasis is placed on economic diplomacy today. The DPRK government is likely to accelerate the colonial reparation talks with Japan in order to obtain new massive injections of the Japanese capital for the starving North Korean economy. "Special economic zones" are being vigorously promoted by the officials of all ranks travelling abroad. A lot of effort has been put into bringing to the negotiations table the issue of economic aid for conversion of the DPRK nuclear program and making it a significant part of the Geneva nuclear accords with the US. And of course, North Korean arms salesmen do continue to wander around the globe in search of hot arms dollars.

Lastly, the current Pyongyang government is more likely to get engaged in international discussions of its human rights record. Because now that the nuclear deal has been signed, and they are back in the NPT regime, naturally, they would like to improve their international image. If this requires opening the human rights dialogue, they will do it, even if in a very obnoxious way at the beginning. Also they are anxious to see the nuclear accords implemented, therefore, they are likely to try to appease the US in its minor demands such as the human rights issue. Also some unresolved issues with Japan include the condition of the abducted Japanese women in North Korea and compensation for the sexual abuse of the Korean women during the Second World War. In order to move ahead in the normalization talks with Tokyo, Pyongyang will have to deal with the human rights issues as well. Moreover, the Chinese set the example that any engagement in the human rights discussions with the West is not fatal for the

authoritarian regime but may be even beneficial for its ruling class in some regard.

In sum, all the above-mentioned changes may constitute a "new thinking" in the North Korean foreign policy. Evidently, they were blessed by the Great Leader before his death. But it is his son and his associates that are expected to benefit if and when these new departures bear fruits.

C O N C L U S I O N

In this paper, I have explored some aspects of continuity and change in the evolution of the DPRK in the first four months after the death of Kim Il Sung. By and large, despite a continuous process of generational change in the strategic sectors of North Korean society, with rare exceptions one still has to deal with "the same old faces". However, this fact in itself does not preclude the initiation of radically new policies. For instance, revolutionary reforms in the former USSR and the PRC were in fact launched by the very people who were the "finest products" of the now defunct or rapidly modernizing communist political systems, Mikhail Gorbachev and Deng Xiao-ping. However, what will matter for the generation of new policy outputs is how these same old politicians will try to justify their claim to power and share authority and interact with each other after the Great Leader's death. In this sense, I have referred to the growing legitimation crisis and attempts at institutional changes in the present governmental process in Pyongyang.

Where is the DPRK heading now ? Definitely, it is going to stay with us for some time. So far the North Korean regime has survived the disastrous domino effect of the socio- economic and political transformations that swept the communist countries of Eastern and Central Europe. Although big changes in the former communist world, once its major and only ally, put it on the verge of economic collapse, they failed to undermine its vitality. Tremendous international pressure brought to bear on Pyongyang as a result of the nuclear confrontation on the Korean peninsula also failed to break its neck or erode its credibility. Quite to the contrary, it revealed the DPRK's resilience and tenacity, as well as its ability to forge domestic consensus among elites at critical junctures. Obviously, there is strong determination and enough will power in Pyongyang to fight for the regime survival to the end against any potential calamity or adversary. Paradoxically, big changes around could not force Pyongyang under the iron grip of Kim Il Sung to change even a bit. This conservationist inertia is still there. But how long is it likely to last ?

Could small dripping changes when "the father of the nation" is gone suffice in turning the bowl upside down ? Some totalitarian

aspects of the North Korean authoritarianism are already being eased out slowly. In general, the regime is gradually opening up. It becomes more pragmatic and modernization-oriented in the economic matters, and it loses its idealist and internationalist appeals and becomes more realist and nationalist in its foreign policy. As a result of growing overload on the political system, policy conflicts between ideologues and pragmaticists within the government seem to be intensifying. With policy options available in the past being no longer there, the North Korean leaders will have to look for new opportunities and have to make hard choices previously unthinkable. These disagreements on personalities and policy matters are likely to cause cracks within the leadership, eroding the unity of the WPK. Will these little institutional and policy adjustments and personal changes result into some insiders' bolting out and seeking for a political alternative, which might lead to the emergence of the Second Republic ? I think it is possible, and if a cross- national history of political development is any guide at all I believe that's what is likely to happen.

Alexandre Mansourov is an associate of the Nautilus Institute who is a former Soviet diplomat based in Pyongyang and graduate of Kim Il Song University.
