

Policy Forum 09-094: Symbolism of the New North Korean Currency: Heralding a Change of Power in North Korea?



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Symbolism of the New North Korean Currency: Heralding a Change of Power in North Korea?

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By Rudiger Frank

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I. Introduction

Rudiger Frank, Professor of East Asian Economy and Society at the University of Vienna, writes, "Kim Jong-il is stepping out of the shadow of Kim Il-sung. He takes a great risk by exposing himself in such a way; but this is inevitable if he ever wants to be able to transfer power actively - either to his son, or to a collective. Technically, the new North Korean currency is an attempt to bring the economy back under control. But the picture of the elderly Kim Il-sung, the first-ever appearance of Kim Jong-il, and the reminder that these two leaders form a unity and that the Party is above the military also indicate that a power change in North Korea is drawing closer.

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II. Article by Rudiger Frank

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On November 30th, 2009, North Korea started replacing its domestic currency with new bills (photos of the new bills are available [here](#)). The economic goals of this are a sudden reduction of the money supply in order to fight inflation and a political measure to expropriate the new middle class in the context of the ongoing campaign to restore orthodox North Korean socialism.

However, there is another side to this currency reform that signals a remarkable, paradigmatic change in the political system of North Korea.

Symbolism is a historical and cultural heritage and has always been part of North Korea's communication style. Often, foreigners pose for official photos in front of red orchids and begonias without knowing that every North Korean without fail associates these with Kim Il-sung and Kim Jong-il. A picture of the Crater Lake on Mt. Paektu symbolizes the proud tradition of the anti-Japanese guerillas, and wild ocean waves breaking at sturdy rocks stand for the Korean nation's determination to withstand outside pressure and aggression.

Against this background, the new North Korean currency tells a remarkable story with far-reaching implications. The dates on the notes show that some of the bills were printed quite a while ago; what matters is, however, that they are issued now.

The 50, 10 and 5 won bills show the people of North Korea. We notice that the Party (50 won) is valued higher than the military (10 won) and that the farmers are missing altogether; the 5 won bill honors the technical intelligentsia. Does this signal a return to the times when the Party was firmly in charge and the military was its instrument? No matter how we interpret this, there is certainly a lot of food for thought.

The mid-size bills are the least exciting. The 500 won bill shows the Arc of Triumph symbolizing Kim Il-sung's glorious return to Pyongyang after his defeat of the Japanese colonialists. The 200 won bill shows the winged Cheollima horse, the symbol of the North Korean version of the Great Leap Forward that has been resuscitated in December 2008. The 100 won bill depicts the Magnolia, the country's national flower, and hence stands for the nation.

Yet, the truly significant message is to be found on the three highest bills.

Not unexpectedly, on the 5000 won note, we find the "Eternal President" Kim Il-sung. But while on the 5000 won bills issued in 2002 he has black hair and seems to be in his 50s, he is now depicted with grey hair; the same image is used during the Arirang games. Obviously, he is the senior, the first generation.

The 2000 won bill (dated 2008) is the most remarkable piece of the new currency. It complements the message of the 5000 won bill by showing, for the first time ever on North Korean money, the second generation. This is done tactfully by providing a symbolic reference to Kim Jong-il instead of a photo. The bill shows the log cabin at the "secret camp" beneath Jong-il Peak, where Kim Jong-il was born in February 1942 according to official North Korean mythology. On the back side we find Mt. Paektu, symbolizing Kim Jong-il's revolutionary roots. Kim Jong-il's close connection to his father is symbolized by the 1000 won bill that at its back side depicts the Samjiyeon lakes near Mt. Paektu and the place where father and son had a famous picture taken together. The front shows the birthplace of Kim Jong-il's mother Kim Jong-suk in Hoeryeong. Thus, the three largest bills show the "Three Generals of Mt. Paektu" and symbolize the revolutionary family.

If we translate the message of the new 5000, 2000 and 1000 won bills into open language, they say: Kim Il-sung has founded the country and led it successfully. He is the first, senior generation of our glorious leadership. The second generation is now in charge, with Kim Jong-il carrying on the proud tradition of the anti-Japanese guerilla fight and our revolution, being firmly and closely connected to Kim Il-sung, the Eternal President. The key message is that Kim Il-sung is not presented as "the" leader anymore, but as the first and most senior leader. If there is a first and a second generation, this - finally - creates room for a third one.

The statement that Kim Jong-il carries on the work of his father is hardly new; verbally it can be found in official North Korean media such as the Rodong Sinmun. Kim Jong-il's picture has for many years hung next to the images of his father in every home and office in North Korea. However, so far there was no Kim Jong-il statue in North Korea, no Kim Jong-il street, no Kim Jong-il plaza, no Kim Jong-il university, no Kim Jong-il Art School, no Kim Jong-il theatre. And there was no reference to Kim Jong-il on the country's currency.

The latter has been changed now, and we can expect the other "no's" to follow. This is far from being a meaningless formality or another bizarre image from a strange country. It breaks with a logic that has been the foundation of Kim Jong-il's power ever since he officially resumed control of North Korea in 1997 after a three-year mourning period. Kim Jong-il has always made it very clear that he leads because legitimacy has been transferred to him by Kim Il-sung. Challenging him would automatically mean questioning the authority of the Eternal President, which is unthinkable in North Korea. This has worked well; it protected Kim Jong-il and ensured that his claim to power was uncontested despite the fact that his personality differs from that of his father, and despite the many hardships the North Korean people had to endure during his leadership. However, as the issue of succession emerged, catalyzed by health issues, this strategy became a problem. He faced a dilemma. Kim Jong-il can only bestow legitimacy upon the next generation if he possesses enough of his own authority; but this he can only acquire if he first gives up the protection by his father. North Korea needs a strong leader(ship) who can check the centrifugal powers of economic malaise and outside pressure. A successful transfer of power to Kim Jong-eun, or to a committee, would require Kim Jong-il to create his own, independent legitimacy first. The development of the atomic bomb is an achievement that could substantiate such a claim. Now, the ideological implementation follows.

Kim Jong-il is stepping out of the shadow of Kim Il-sung. He takes a great risk by exposing himself in such a way; but this is inevitable if he ever wants to be able to transfer power actively - either to his

son, or to a collective. Technically, the new North Korean currency is an attempt to bring the economy back under control. But the picture of the elderly Kim Il-sung, the first-ever appearance of Kim Jong-il, and the reminder that these two leaders form a unity and that the Party is above the military also indicate that a power change in North Korea is drawing closer.

III. Nautilus invites your responses

The Northeast Asia Peace and Security Network invites your responses to this essay. Please send responses to: napsnet-reply@nautilus.org . Responses will be considered for redistribution to the network only if they include the author's name, affiliation, and explicit consent.

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Nautilus Institute
2342 Shattuck Ave. #300, Berkeley, CA 94704 | Phone: (510) 423-0372 | Email:
nautilus@nautilus.org