



Could North Korea See a Shift in Its Balance of Power?

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North Korean governance is opaque in the best of times. Today is not the best of times. A recent leadership change suggests that the balance of power is moving from the military to civilians, though no one knows for sure.

Kim Jong-un has diverged from his father and grandfather in many ways. Perhaps most important is his very public commitment to improve his people's living standards—and failure to sustain what economic growth had occurred.

Three years ago he declared that [the North](#) had acquired its deterrent and therefore he would be concentrating on economic policy. In dropping his Byungjin policy, meaning parallel military and economic development, Kim took a political risk.

“This makes him more vulnerable to economic crises than his predecessors,” German Economist Ruediger Frank said.

The fear that he is losing ground might have animated his latest political changes.

The Democratic People's Republic of Korea (DPRK) has become an unusual consumer society. In 2017, there was more color, style, and goods in Pyongyang. But times have changed. Frank, a professor who teaches about the East Asian economy at the University of Vienna, detailed the new North Korea.

“For two decades now, consumerism has taken a firm hold in the country,” Frank said. “Cars, smartphones, electric bicycles, flat-screen TVs, fashion and fancy food and cafes are all available. The over four hundred markets and even state-run shops and stores of North Korea are full of a great variety of top-quality products. A society that for a long time was economically largely homogeneous and where differences between individuals existed because of political merits such as party membership, or political shortcomings such as family ties to South Korea, is getting more diversified. The divide is running along new, monetary lines: some can afford the new luxuries, others cannot. The new middle class is concentrated in Pyongyang but also spreads to the provincial capitals.”

Those gains are now at great risk and have an uncertain impact on Kim’s hold on power.

Kim’s economic reforms never went far enough. Three years ago Frank insisted that if the supreme leader “wants to stay in power and achieve Korean unification under his leadership, he will have to succeed in making North Korea the next East Asian tiger. However, reaching such an ambitious goal will be impossible without decisive steps towards privatization.” Those conditions never occurred. There was real liberalization but it fell far short of the changes which transformed South Korea, Taiwan, and [China](#).

Worse, Kim has since retreated. When the Workers’ Party of Korea gathered in January, [NKNews](#) found “no apparent interest in reform, sanctions relief, or an opening of the economy.” In fact, “entrepreneurial freedoms are being curtailed. State media and party economists have returned to the familiar old rhetoric of autarky and central control,” according to [The Economist](#).

Equally serious is the role of the sanctions. Kim’s professed emphasis on the economy might have been a signal to the Trump administration as well as his own people: I feel secure and am willing to deal. His Hanoi proposal, even if unbalanced, showed the way forward, and should have been used as a basis for negotiation: reductions in North Korea nuclear activities in exchange for reductions in sanctions.

Alas, that approach broke down. Last year, Kim appeared to publicly abandon any effort to engage the Trump administration. [He told Korean Workers’ Party leaders](#) that “the DPRK-U.S. standoff, which has lasted for generations, has now been compressed into a clear standoff between self-reliance and sanctions.” In which case, his position should not surprise anyone. “We can never sell our dignity, which we have so far defended as something as valuable as our own lives, in the hope of a brilliant transformation,” Kim empathized.

This shift in attitude may explain Kim’s seeming reluctance to engage the Biden administration. He might have grown pessimistic about the likelihood of reaching an agreement with any U.S. administration. He might figure Biden will be a one-term president and therefore could not be counted on to enforce any deal made. Or he might believe it is necessary to improve his leverage by establishing that he is not anxious for a deal. In any case, sanctions are likely to remain in place for the foreseeable future.

Completing the negative economic trifecta is North Korea’s response to the coronavirus. Last year the DPRK effectively sanctioned itself, resulting in greater isolation than caused by outside

restrictions. For instance, “North Korea seems to be rolling down the path of new unprecedented levels of isolationism,” according to [Daminov Ildar of Visionary Analytics](#).

That might seem like an extreme policy, but the North lacks a modern medical infrastructure. As a result, suggested Ildar, “hermetically sealing itself off from the outside world was the only rational choice the North Korean government had.” Even if so, it has had a devastating economic impact.

In April, [Kim told](#) yet another group of party leaders that “I made up my mind to ask the WPK organizations at all levels, including its Central Committee and the cell secretaries of the entire party, to wage another more difficult ‘arduous march’ in order to relieve our people of the difficulty, even a little.” His reference to an “arduous march” is ominous since that is most often used to describe the 1990s famine that is believed to have killed at least a half-million people. He called on the party to act.

On top of this was [an unspecified “great crisis”](#) involving the coronavirus pandemic, but apparently not an outbreak. Kim’s ire seemed concentrated on the military. Now comes [confirmation](#) that army marshal and Politburo member Ri Pyong-chol was dropped from the latter panel, though he retains some position or authority. A civilian member of the Politburo also was demoted. The interesting question is whether these moves were primarily personal or had a broader institutional purpose. Some experts, like CNA’s Ken Gause, believe that the military had been “pushed down the pecking order” and that “Kim has tightened his inner circle around a group of [technocrats](#) and internal security personnel.”

The North’s leadership seems to constantly churn—even Kim’s sister has been added to and dropped from the Politburo for reasons unknown. The “great crisis” also might have provided a good opportunity for Kim to do what he had previously intended to do, such as reinforce civilian control over the military. His father emphasized a policy of military first and enhanced the role of the National Defense Commission. Kim *films* changed both.

None of this indicates that Kim has suddenly become a peacenik. In his June party address, he presented his Christmas wish list six months early. [The New York Times reported](#) that Kim was “offering an unusually detailed list of weapons that the North was developing. They included ‘ultramodern tactical [nuclear weapons](#),’ ‘hypersonic gliding-flight warheads,’ ‘multi-warhead’ missiles, military reconnaissance satellites, a nuclear-powered submarine, and land- and submarine-launched intercontinental ballistic missiles that use solid fuel.” In January [the Rodong Sinmun](#) further explained this approach. “Reality shows that, in order to deter U.S. military threats and achieve peace and prosperity on the Korean Peninsula, we should strengthen our national defense capabilities without stopping for even a moment,” according to the *Rodong Sinmun*.

However, Kim may believe his continued support for the military’s desired armaments and surveillance of top officials is sufficient to ensure the armed forces’ loyalty without top representation in government. Perhaps Kim curbed the military’s political influence to more easily trim military outlays to help cope with the emerging economic emergency. Or perhaps he

simply believed that Ri Pyong-chol did a poor job and needed to be replaced. It is doubtful that anyone outside of a chosen few in Pyongyang know the answers.

Experience suggests that what we see is but a blip, that the North Korean state will survive even another “arduous march.” But maybe not. In February 1989 veteran West German politician Wolfgang Schaeuble proclaimed that belief in the potential for German reunification was “illusory.” Nine months later the Berlin Wall fell.

Winston Churchill once described Russia as “a riddle wrapped in a mystery inside an enigma; but perhaps there is a key.” The same could be said of North Korea, except there still is no key, even though the system has become slightly less mysterious in recent years.

There seems to be political movement within the North, most likely spurred by a worsening economy. However, anything could happen. Even if the Biden administration is not talking to Pyongyang, it should be watching Pyongyang.

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