The Crisis in North Korea - Seeds of Hope

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Abstract
In recent years the Democratic People's Republic of Korea or DPRK (North Korea) has suffered calamitous food shortages. A recent consolidated appeal by UN agencies and NGOs (non-governmental organisations) called for US$376 million to meet the humanitarian needs of close to 5.5 million vulnerable people in 1999. The DPRK government has laid the blame for this state of affairs on a series of natural disasters, especially flooding, which has afflicted North Korea over the last three years, and on the United States sanctions which have been in place since the Korean War (1950-53). Valid as these factors are, however, they are only part of the story. As this paper makes clear, the DPRK has seen much of its foreign trade dry up since the collapse of the Soviet Union, and this has led to devastating shortages of imports. The most serious shortfall, in oil imports, has had a serious impact on industry, transportation, power generation and the production of fertilisers.

The paper points out that beyond this foreign trade problem lies a more fundamental issue. The DPRK has little arable land and a short growing season for agriculture. Its very successful development programmes of the 1950s-1970s were based on a policy of sharply growing inputs of fertiliser, agricultural mechanisation and expansion of irrigation. The policy achieved rapid growth and self-sufficiency, but even without the present crisis it is unlikely that it would have been sustainable because of diminishing returns.

This paper draws on recent studies by the World Food Programme (WFP), the Food and Agriculture Organization of the UN (FAO), UNICEF and the Red Cross (IFRC - see Glossary). As the paper notes, the DPRK faces a multitude of problems but the crucial one is its relationship with the outside world. This is a complex issue and goes to the heart of the DPRK's history and to its sustaining ideology, Juche, usually translated as 'self-reliance'. The driving force behind the DPRK is nationalism. Its founding myth is the struggle, led by Kim Il Sung, to expel the Japanese and to establish an independent and powerful state, even if on only part of the national territory, and to repulse American attempts to destroy that independence.

The paper argues that the search for self-reliance must now be reformulated. What worked in the past with powerful and committed allies such as the Soviet Union and China, both of them to some extent competing with aid and trade, is no longer effective, and the DPRK has to come to terms with the United States, Japan and the Republic of Korea (South Korea). It has to earn foreign exchange on world markets.

All this requires a lessening of tension in northeast Asia. That in turn demands growing mutual knowledge and understanding between the DPRK and the other states with which its future is interconnected. There are in fact a number of signs of such a trend emerging. The DPRK is in particular becoming much more confident and adept at dealing with foreign agencies. As the UN consolidated appeal noted, "[g]reat strides have been made building confidence with the [DPRK] Government since 1995", with increased access by foreign agencies to areas of North Korea formerly off-limits. It is this building up of mutual understanding, the disinterested provision of aid and expertise, and the acceptance of it with confidence that may plant the most fertile seeds of hope for the future.
Anatomy of a Crisis

An article in the *Guardian Weekly* in late 1998 headed 'South Koreans sink submarine from the North' ended by saying:

In recent years the North has been hit by floods and famine. Millions are believed to have starved to death. Pyongyang refuses to acknowledge the crisis. [2]

To say that the capital, Pyongyang, does not recognise the crisis is preposterous. The government has frequently publicised the damage caused by natural disasters, of which the floods are the main but not only component, and has frequently appealed for international aid. A number of church and other NGOs, [3] and United Nations agencies, such as the Food and Agriculture Organization and the World Food Programme, have all been involved. Aid has been received from a wide variety of countries and through various mechanisms. Aid from many European countries, Japan, North America, Australia and New Zealand tends to be funnelled through agencies such as the WFP. China has reportedly been a major supplier of bilateral aid, with a proportion going to the armed forces. Other bilateral aid has come from Indonesia, Iran, Libya, Pakistan, Syria, Taiwan and Vietnam, and also from the Republic of Korea. The distinction between humanitarian aid and supplies obtained through commercial or political negotiations is a hazy one, but it is clear that the DPRK has asked for, and has received in some measure, aid from the international community.

The existence of the crisis is not in doubt. Its origins, current state and solutions are more disputed. However, there have recently been published a number of reports which, perhaps for the first time, give an authoritative, if still constrained, picture of the current situation and what led up to it. Of particular importance are:

- the FAO/WFP crop and food supply assessment mission to the DPRK (November 1998); [4]
- the Nutrition Survey of the DPRK by the EU, UNICEF and WFP (November 1998); [5]
- DPR Korea: Health and Nutritional Support (November 1998); [6]

This paper will also draw on releases from the Korean Central News Agency (KCNA), the official DPRK agency, via the People's Korea website in Japan. [8] It will be supplemented by personal observations from a visit in April 1998. [9]

Origins of the Crisis

The government of the Democratic People's Republic of Korea lays the blame for the crisis on "unprecedented natural disasters":

The Democratic People's Republic of Korea has suffered from a series of natural disasters in the past three years including widespread flooding in 1995-96, devastating droughts and tidal waves in 1997. They caused a very serious food shortage in north Korea that is still going on.

This year, too, therefore, the shortage of food remains a difficult problem. An increasing numbers of households are running short of food. [10]

Apart from nature, the other cause mentioned is the American embargo, first imposed during the Korea War (1950-53) and yet to be lifted:

North Koreans are still short of food because of natural disasters and Washington's continued economic blockade.

Earlier, though giving no casualty figures, Pyongyang did admit some of its children are dying from starvation, and has urged Washington to lift sanctions to help boost international food aid. [11]
Both of these things are true, but they are not the whole story. And of them the embargo, and the geopolitical situation of which it is a part, are in many ways more important. The natural disasters, bad as they may have been, have only exacerbated and exposed the vulnerability of the declining DPRK economy. The predicament the DPRK faces is due to a complex interaction of internal causes, ranging from poor agricultural policies to flooding, and external ones, such as the collapse of the Soviet trading system and the American embargo. To attempt to go into these in any depth is beyond the scope of this paper. However, the decline of the economy has been inextricably linked to political factors, and its restoration is bedevilled by those same forces. Politics is thus the starting point to understanding the situation.

**Juche and Nationalism**

To understand the DPRK and its actions, one must first grasp its guiding principles. The driving force behind the DPRK is nationalism. Its founding myth is the struggle, led by Kim Il Sung, to expel the Japanese after 38 years of hated colonial rule, to establish an independent and powerful state even if on only part of the national territory and to repulse American attempts to destroy that independence. As with all myths, there is a lot to be contested, but the important thing in this context is that it is a powerful motivating force. The central concept of the regime is Juche,[12] which is usually translated as ‘self-reliance’. [13] It owes more to Confucianism than to Marxism and was developed, it would appear, as a way of establishing distance from both Moscow and Beijing. [14]

From personal observation during my visit to the DPRK in April 1998, it seems clear that the regime sees itself as the natural inheritor of Korean history and the pre-eminent expression of the Korean nation. This was evident from visits to historical sites, to museums, both historical and contemporary, and from the discussions in which I was involved. The government of the Republic of Korea is seen as sullied by its past dependence on the United States, and continued subservience to and acceptance of the stationing of American troops.

**Dilemmas of Survival**

There is a cruel irony in some of the major donors to the DPRK being its major enemies - the United States and the Republic of Korea - and the main disburser of aid being agencies of the United Nations. It was the United Nations, in name at least, with which the DPRK was at war and which still has a military presence in the south. The government of the DPRK has been presented with a terrible dilemma. It has sought to preserve its sovereignty and freedom of action whilst asking for, and receiving, aid from the other side. In those circumstances it is not surprising that some of its actions seem contradictory and even capricious. However, allowing for the inefficiencies and internal wrangling that all organisations are prone to, and bearing in mind its virtual exclusion from normal diplomatic and international life, [15] in many ways it has done remarkably well. Predictions of the collapse of the DPRK have proved premature. It is a functioning system, and the launch of an artificial satellite in 199816 (see Figure 1) was clearly meant as a sign that it was a force to be reckoned with.

This tension between the DPRK’s desire for self-reliance and its need to accept aid, and the concomitant advice and obligations that flow from that, is manifested in many ways. One recent example was the decision of Médecins sans Frontières (MSF) to withdraw from the DPRK. [17] MSF wanted to continue its aid activities in its own way and the Flood Damage Rehabilitation Committee (FDRC), the government organ that liaises with foreign aid organisations, wanted it to shift to the local production of pharmaceuticals. However, the FDRC press release eschewed recriminations against the MSF and was a model of restraint and dignity, very different from the usual style. It is one of an increasing number of examples of the DPRK’s growing ability to interact with the international aid community, although the MSF withdrawal itself indicated the problems that remain: [18]

The MSF stayed in the DPRK for emergency offer of medical and pharmaceutical products to the DPRK in temporary difficulties caused by years of natural disasters.

Their assistance encouraged the Korean people in the effort to heal the after effect of natural disasters at an early date. We are grateful for their assistance.
The assistance from international agencies and donor nations is effectively used to help the DPRK not only overcome the present difficulties but also attain the objective of reaching the pre-disaster level at an early date. Recently, the government asked the international community for assistance aimed at increasing the DPRK’s capacity of agricultural production, decided to use the medical assistance to increase the local capacity as in the agricultural sector and asked international agencies and donor nations for assistance.

The international community favors this effort of the DPRK.

Under this policy of the government, the Flood Damage Rehabilitation Committee asked William Claus from the MSF in Brussels who visited the DPRK in early August for discussions on future assistance, to end the assistance that was underway and to offer raw material for pharmaceutical production in the next stage. That would markedly increase the effect of assistance funds in the economic aspect. He expressed understanding about that proposal and replied that as his organisation was to offer medical and pharmaceutical products in the form of emergency assistance, not raw material for medicines, his organisation would withdraw at the end of the assistance and that he would introduce another relief organisation which can offer raw material for medicines.

That was why the MSF withdrew from the DPRK. This being the fact, U.S., British and some other western mass media broadcast incoherent reports that the DPRK expelled the MSF and that the MSF suspended the assistance and withdrew because it was not allowed to treat cases of malnutrition and relief medicines and food were diverted to troops and specific quarters.

Now a certain donor agency calls for suspending food assistance to the DPRK, alleging that relief food is diverted to the army.

We consider this to be an act prompted by hostile forces hell-bent on frustrating humanitarian assistance to the DPRK. Humanitarian assistance agencies that stay in the DPRK are free to go to the areas under their concern, unless any special problem occurs, and relief materials are distributed to relevant areas. Humanitarian assistance should be given from the humanitarian point of view in the true sense of the word. If donor organisations give us humanitarian assistance, We will accept it gratefully, and if not, we will not beg for it. [19]

The FDRC was probably correct in saying that "The international community favors this effort of the DPRK" to raise local capacity in health as in agricultural production. Certainly one of the main conclusions of the FAO/WFP report is that whilst immediate emergency relief should not be neglected, it is important to increase the emphasis on "agricultural recovery, rehabilitation and development". [20] It would be reasonable to conclude that what holds for agriculture holds for other fields as well. Whilst the aid agencies might be conscious of the dangers of 'donor fatigue'on the one hand and of creating dependency on the other, from the DPRK side the overriding objective is clearly to reattain self-sufficiency as soon as possible. However, 'self-sufficiency', or at least previous definitions of it, could be considered to be at the root of the DPRK's crisis, and that the prime task at the moment is to re-define the concept in the light of present conditions and seek ways to make this revitalised concept work.

Success and Decline of the DPRK Economy

In many ways the DPRK is the victim of its own success. Its success in the civil war led to American intervention and a cruel, long-drawn-out conflict that claimed millions of lives, devastated the country and still evades formal resolution.[21] Similarly, early success in economic development lies at the root of some of today's problems. And both these aspects fit together in the sense that DPRK economic development took place within a specific historical and geopolitical context.

The Korean peninsula has been the victim, and in some aspects the beneficiary, of outside forces over which it had little control. The experience of Japanese colonialism led
to a fierce desire to create an economy free from foreign domination and exploitation. The Cold War turned the Korean civil war into a test case,[22] produced the American embargo and forced the DPRK to become overly linked to the Soviet economy. Had the global geopolitical environment been different, the same policies of self-reliance might have led to very different outcomes. To put it another way, one might consider that economic self-reliance lies somewhere on a continuum between full integration into the global economy on the one hand and autarky on the other. All countries have a concern with self-reliance, and actual policies vary with intellectual fashions, changes in technology (especially in transportation and communications) and the external environment. The less secure the environment is perceived to be, the more the country will favour self-reliance, and the perceptions are often greatly influenced by historical experience. Japan is a case in point. The policies of successive governments to preserve a high level of self-sufficiency in foodstuffs have come in for a lot of criticism but they have given ground very slowly.

The DPRK policy of self-sufficiency therefore is both understandable and in many respects prudent and sensible. However, changes in the geopolitical environment, particularly the collapse of the Soviet Union, necessitate a re-examination and re-formulation of the policy.

Data on the DPRK economy are scarce. Faced with powerful enemies the government has been loath to reveal too much. However, there tends to be a consensus that up to the mid-1970s the North outperformed the South. That was a considerable achievement given the vastly different levels of wealth of their respective sponsors and the huge damage that the northern part of the country especially had suffered in the war.[23] The WFP Report notes:

The economy of DPR Korea made vigorous strides from around the mid-1950s, with both agriculture and industry growing rapidly. Although the earlier high growth rates were not sustained since the mid-1970s, the per caput GDP of DPR Korea is reported to have reached US$1 250 by 1989. By then, manufacturing industry had made a substantial headway accounting for 27-30 percent of the GDP. Similar contributions were made by agriculture and services respectively, with the balance of 10 percent coming from utilities (electricity, gas, water supply, etc.) and construction. These figures indicate a diversified pattern of economic growth.[24]

However, development of the DPRK economy faced two major constraints - lack of arable land and lack of oil - and attempts to circumvent the first led to compounding of the second. Only 20% of the land area can be cultivated, the rest being mountainous.[25] The arable area amounts to about 2 million hectares, of which 1.4 million hectares is suitable for cereals and the rest is used mainly for fruit production and mulberry trees for sericulture.[26] We saw extensive plantings of fruit trees and were told of exports though no details were given.

Rice is the main crop and is grown on the better land, with maize being grown on poorer quality, hillier ground. The optimum way to grow rice is as paddy that is transplanted into irrigated fields during mid-May to early June and harvested from late September to October. Because of the harshness of the climate, the rice seedlings are cultivated under plastic sheeting and shortage of that has been a problem during the crisis. Maize is largely rainfed; its planting takes place from mid-April to early May and harvesting from end-August to mid-September. Figures for acreage are given in Table 1.

Suitable ground on which to extend the planting of cereals has long since been used up and the acreage under cultivation has remained fairly constant. There have been rapidly decreasing returns to the extension of cereal acreage. Because maize is rainfed the crops have been more susceptible to drought and at one point attempts were made to cultivate maize on steep hill slopes. However, according to the WFP, it was quickly recognised that apart from the negative environmental impact of such a practice (i.e. soil erosion and increased probability of flooding), productivity in such cases was very low and the contribution to domestic production insignificant. The government policy shifted to abandoning the cultivation of maize on slopes with gradients above 15 degrees and to putting these areas under pastures and forests.
If extension of the cultivated area was out, then the only way to raise production was through intensive cultivation and increased yields:

To attain food self-sufficiency, agricultural modernisation was pursued, emphasising four major growth augmenting factors - irrigation, electrification, chemicalisation (fertiliser, pesticide, herbicide, etc.) and mechanisation. A high level of success was achieved in the seventies and early eighties. Irrigation was extended (reaching 70 percent or more of the cultivated land by 1970); sufficient numbers of tractors (a total of 75,000 or more), transplanters, threshers, trucks and other farm machinery were provided; rural electrification was expanded rapidly (covering all rural areas by 1970 or so); and fertilisers and other chemicals were made available in large quantities.[27]

Whilst the policy of agricultural modernisation was very successful, it was predicated on high inputs. To a large extent this would be true of agriculture anywhere, but in the DPRK, because of the terrain and climate, these increased inputs were particularly crucial and output was very susceptible to diminished inputs. There also seems to have been over-reliance on mono-cropping, rather than diversified crops, and this put additional strain on the land.

This over-reliance, conducted as part of Kim Il-Sung’s agricultural policies for twenty years, was quietly abandoned in 1997-98. By 1999, local decisions prevailed on what could be planted where. Double cropping, especially involving potatoes and barley crops, has become more common. Considerable assistance was provided from China and by the UNDP and FAO for these new and so far successful experiments.

Hard data are scarce but index numbers for per capita food production, plotted in Figure 2, indicate that growth was faster in the North than the South for the years for which we have figures (1961-1991), and that progress was more stable, perhaps reflecting the effect of irrigation on outputs. Since these figures refer to index numbers, it should be noted that they do not tell us about yields in the respective parts of Korea, but merely change over time.

In parallel with this ‘arduous march’ of agricultural modernisation, the DPRK also embarked on an ambitious programme of broad industrialisation. Again the aim was self-reliance, and a wider range of industrial products was produced than was sensible on economic grounds for an economy of its size. It became a matter of pride that North Korea could make anything, and even in the current straitened circumstances this practice continues. It was claimed that the satellite launched last year, Kwangmyongsong No. 1, was 100% DPRK made.[28]

The problem was that this policy of self-sufficiency was based on a dependency - a particular relationship with the Soviet Union, China and the other centrally-planned economies. The WFP Report talks of “favorable economic relations”, others have suggested that there was a large measure of Soviet aid built into the arrangements. Whatever the truth of that, the arrangements have long since fallen apart. China’s move to a market economy and the collapse of the Soviet Union and the Eastern European bloc left the DPRK with no substantial export markets and a burgeoning trade deficit of uncertain dimensions.[29] Traditional socialist trading partners such as Vietnam which had bartered rice for steel now preferred to trade on the open market. The CIA estimated exports in 1995 at $805 million and imports at $1.24 billion,30 but observers suggest that these figures, relying extensively on South Korean-collected trade statistics, considerably underestimate actual foreign trade. This is due in part to the exclusion or unavailability (through delays in issuance of foreign trade data) of foreign trade statistics from countries which are known to be major trading partners of the DPRK - such as Iran, Iraq, Kazakhstan, Libya, Pakistan and other Middle Eastern and North African nations. Moreover, considerable fish exports, traded for cash, consumer products, second-hand cars, rice and oil, are believed to be undertaken at sea between Northern trawlers and Japanese ships, and to go unrecorded at Japanese ports.

The collapse of the trading relations was particularly catastrophic in respect of petroleum which is, of course, the foundation of a modern economy. It seems that the DPRK has been largely dependent on imports, especially from the Soviet Union. The fall in imports of petroleum led to a vicious cycle. Factories went on part-time hours or shut down...
completely. This impacted amongst other things on agricultural mechanisation. Successes of the past had made agriculture highly mechanised but now, according to the WFP, "about four-fifths of the motorised farm machinery and equipment is out of use due to obsolescence and lack of spare parts and fuel".[31] This in turn means that there are delays getting the harvest in, leading to large post-harvest losses.

Lack of fuel (and presumably parts) leads to a shortfall in electricity generation which in turn affects irrigation. Pumping stations and pipes have suffered from lack of spare parts and poor maintenance, and the WFP mission found that "the supply of irrigation water to crop fields have seriously declined".[32]

However, it is shortage of fertiliser that has had the greatest direct impact -

Domestic production of fertilisers is severely constrained by machinery obsolescence, lack of spare parts and a shortage of the main raw material, petroleum. Definitive figures are hard to come by but the availability of fertilisers has shown a further decline in 1998 from the already low volume in 1997. In terms of nutrient content, the availability in 1998 was only about 18 percent of the 1989 level.[33]

Pesticides have also been in short supply.

Livestock

Shortfall in cereal production also decreases the amount of grain available for livestock and there has been a great decrease in the number of most animals. As Table 2 shows, the only animals for which an increase was registered in 1996 to 1997 were goats. The general government policy for the livestock sector is now to discourage mono-gastric animals which require grains for feed and to encourage increased ruminant herds, particularly goats. The added advantage in the case of goats is that they can graze on pastures on hill slopes, which have a limited potential for crop production.[34] However, the government faces a further dilemma - because of the fuel shortage there has been a shift to draft animals (oxen) which do require higher energy grain. Although the government-supplied data only go to 1997 and may conceivably refer only to communal animals, the FAO/WFP mission found more chickens and rabbits being raised by private households than previously. These were either for family consumption or sold at farmers' markets.[35] How extensive these markets are is unclear, but there is anecdotal evidence at least that the DPRK has been much more flexible in this area, and in others, than is commonly believed.[36]

It has been suggested that these official statistics often underestimate numbers of livestock because they do not capture the increasing numbers that are raised by families. In particular the figure of 14,000 for cows probably refers only to those on state farms. More and more cows, like pigs, have in the last two or three years been allowed to be kept by households. The only animals that are easily visible are sheep and goats, which tend to be tethered near railway lines or roads or on steep hillsides and are almost all privately owned.

Other Foodcrops

With the production and availability of cereals drastically reduced in recent years, the importance of other foodcrops in the food economy of the DPRK has increased. Production of potatoes and green vegetables is receiving particular emphasis, but soybeans and sweet potatoes are also grown. Potatoes were specifically mentioned in the Joint Editorial published on 1 January 1999 by Rodong Sinmun, Joson Inmingun (the daily of the Korean People's Army, KPA) and Chongnyon Jonwi (the daily of the Kim Il Sung Socialist Youth League).[37]

Again, the WFP Mission found that "family plots have been utilised for growing these crops more and more intensively in recent years, with a view to improving household food security. Households also sell surplus vegetables that they may have in farmers' markets".[38]

The recent series of natural disasters thus came on top of a system under stress and decline, and less able to cope than previously. Efforts to extend cultivation to unsuitable
terrain led to the degradation of hillside slopes. This was further exacerbated by deforestation caused by exporting timber. Had the same rains and storms struck ten years earlier, the impact would have been much less.

**The Human Impact of the Crisis**

What has been the impact of these dual disasters in terms of loss of life? The short answer is that we do not know with any precision.[39] There have been horror stories reported from refugees but, exaggerated or not, they give little basis for quantification. An Agence France Press report filed from Beijing in January 1998 quoted Xinhua, the Chinese news agency, as quoting a DPRK official as saying 2.8 million have died of "natural calamities",[40] but this figure was not repeated through official DPRK channels.[41] The DPRK has not, as far as I know, issued any figures. This may be partly due to the continuing habit of secrecy, but it is also due to the difficulty of defining death from famine in the DPRK context. There have been reports of DPRK estimates of 280,000 deaths directly attributable to the crisis based on a comparison between current mortality rates and those of preceding years. Some informed observers, at least, regard this as a more accurate estimate.

A comparison is often made with Ethiopia:

Ethiopia, with a population of around 40 million, during famine years had food aid requirements of 750,000 to 1,500,000 MT [metric tonnes]. North Korea, with a population of 22 million, has food aid requirements of 1,840,000 MT. On a per capita basis, North Korea is more than twice as vulnerable as Ethiopia was in the 1980s. (There is one major difference between the two countries - in Ethiopia, approximately 5 million people in the highlands suffered the brunt of the country's shortage, whereas in North Korea the shortage has been spread out over most of the 22 million people.)[42]

Because the effects of the famine have been spread fairly equitably,[43] rather than concentrated geographically or on a class basis which is what usually happens elsewhere, it is difficult to ascribe deaths directly to the famine. The famine is less dramatic, and less quantifiable, than the Ethiopian famine but no less real for all that. A UNICEF report at the beginning of 1998 said that "The Government has estimated that the proportion of the population that is severely malnourished has been halved since a mid-1997 high point of 38 per cent".[44]

**Severe and Widespread Malnutrition**

Children, pregnant and lactating women, and sick people are the most vulnerable and are more likely to succumb to sickness than others. Children who suffer from malnutrition are permanently damaged, both physically and mentally.

The nutritional survey [45] undertaken in November 1998 in North Korea by the United Nations Children's Fund (UNICEF), WFP and the European Community Humanitarian Office (ECHO) revealed continuing wasting and stunting of growth among children under the age of seven, and malnutrition rates that were among the highest in the world. Serious nutritional problems were also observed among other vulnerable groups. The survey techniques were meticulous (and are documented in the report) and this was probably the first time such an authoritative picture of the situation had been obtained.

The survey found that -

Moderate and severe wasting, or acute malnutrition, affected approximately 16 percent of the children, including about three percent with oedema. Moderate and severe stunting, or chronic malnutrition, affected about 62 percent of all children surveyed, while the prevalence of moderate and severe underweight, or low weight for age, was approximately 61 percent. É the whole population of children seems to have been affected by the crisis.[46]

Again there are vicious cycles. Malnutrition weakens immunity to diseases, particularly in the young and the elderly. At the same time, diarrhoeal diseases from poor sanitary conditions contribute to malnutrition. Food insecurity at the household and national levels
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has led to foraging for and production of alternative foods, which have little nutritive value and actually contribute to malnutrition in the young and elderly because of their high fibre content and in digestibility.[47]

Food Distribution

In the DPRK, there are two basic food distribution systems for the civilian population, one for co-operative farmers and their dependants, the other for everybody else. The military appears to acquire food quite separately, growing much of its own needs. Reports suggest that the shortfall in the provision of food to the military is mainly covered by aid from China. The DPRK has frequently denied that any multilateral aid has been diverted to the military, and informed observers in the aid community seem to accept this.

The two civilian distribution systems have now been supplemented by a third, that of targeted aid from aid agencies, principally the World Food Programme.

Agriculture in the DPRK is organised in cooperative and state farms. In addition there are family plots of 95m² each in the rural areas and 30m² in urban areas (where available). The cooperative farmers and their dependants receive their allotted quotas of cereals from their respective cooperatives in one instalment after the main harvest in October. The quantity allocated to the farmers and dependants varies with age. Prior to 1995, the average cereal allocation per member was 260 kg/year. This still remains the aim, but the average allocation has, since 1995, been variable and much smaller. The government (Ministry of Food Administration) determines the allocation on the basis of production every year, which constitutes the floor. Depending upon the harvest, a cooperative may provide a larger amount than that. For example, in 1997-98 the average quantity per person was set at 135 kg; but the FAO/WFP Mission found that some cooperative farmers received between 150 kg and 180 kg per capita on average. The norm for 1998-99 is expected to be about the same as the previous year. Cooperative farmers are also allowed to retain prescribed quantities of cereals for seeds and livestock. Farmers supplement their food access by producing potatoes, green vegetables etc. on the family plots. Any surplus that a cooperative has after distribution to farmers and retention for seeds and livestock is sold to the state in exchange for cash at prescribed prices. This cash is distributed among the farmers on the basis of work points earned from various duties per formed in the cooperative farming process.

Rural people also have access to other food items, such as fish and forest products, depending on location. Those close to the Chinese border, according to the WFP Report, “enjoy the benefit of cross border trade“, though no details are given.

The entire civilian population other than cooperative farmers and their dependants (who include, for example, civil servants, industrial workers and technical people) is served by the Public Distribution System (PDS) through which they receive allocations of cereals (rice, maize, wheat flour, barley, pulses), determined for different categories of population (such as children, adults and elderly people), at highly subsidised prices.

Under the PDS, each of the 12 provinces and municipalities has a Food Administration Department. Each of the 211 counties and districts of the country has a Food Administration Section and a warehouse. The warehouse is the primary source of food supplies to the PDS Centres in the country. The county-level warehouse is also the distribution channel for food commodities specifically allocated to institutions such as nurseries, kindergartens and hospitals. The PDS Centres are the outlet for all cereal food distribution to the general public other than cooperative farmers. The Centres are also used for distributing cereals to those beneficiaries of food aid who cannot be catered for through institutions (e.g. pregnant and nursing women and food-for-work beneficiaries).[48] Each PDS Centre covers a specific geographical area with populations ranging from 1,500 to 3,000 families. Foodstuffs distributed by the PDS come from three sources: domestic agricultural production, commercial imports and aid. For commodities imported as food aid, detailed allocation plans are agreed upon between the government and the donor prior to the arrival of the shipments (see Figure 4).

The PDS appears to have been effective in distributing foodstuffs reasonably equitably, though it is often claimed abroad that the capital Pyongyang gets preferential treatment as the showpiece of the DPRK. Certainly, during my visit in April 1998 there seemed to
be no obvious signs of malnutrition in Pyongyang (or in other cities and towns we visited or passed through for that matter), though a more experienced observer may have been more able to identify the signs. The UNICEF/EU/WFP Nutrition Survey gives an age and sex [49] distribution of moderate and severe malnutrition but does not give a geographical distribution.

Geographically equitable or not, the PDS appears to have ceased functioning for much of 1998:

With availability of cereals precipitously declining in the marketing year 1997/98, allocations to PDS Centres dropped drastically as the year progressed. According to information provided by the Government, the per caput provision was 400 g/day during varying periods in November-December 1997. But it was reduced to 300 g/day in January 1998, and 200 g/day in February, 100g/day in March, and there was no distribution from around mid-March to August.[50]

Exactly what happened to the civilian, non-rural population during this period is unclear. The WFP Report goes on to say that -

In the absence of alternative sources of food supplies, the Mission believes that food rations would most probably have been supplied to Pyongyang and other main cities, albeit at reduced levels, to meet the minimum requirements of the population.[51]

The Report does not suggest how these rations were supplied, if not through the PDS. It has been suggested that purchases by work units themselves have gone some way to meeting the shortfall.

An important source of support, mentioned in passing by the WFP Report, is remittances from relatives abroad. How substantial these remittances are is unknown, but foreign currency shops visited in Pyongyang in April 1998 were comparatively well-stocked and well-patronised. The Korean diaspora numbers about four million. In the later 1980s, it was calculated that there were 1.7 million in China, one million in the United States, 680,000 in Japan, 389,000 in the former Soviet Union with the rest being spread around the world (including, of course, New Zealand).[52] Other estimates suggest a figure approaching five million now.

The rural population has more opportunities for coping outside the formal system, and the WFP Report found -

...households that have proved to be highly innovative and resilient in coping with their precarious food access situation. The various ways they have been endeavouring to cope include: intensive cultivation of potatoes, vegetables, etc. in the family plots; rearing of livestock such as rabbits, pigs, goats and chickens (although this activity has been substantially reduced due to grain shortages); purchases and exchanges at peasants’ markets; fishing, where possible; collecting wild forest food (especially in mountainous areas); eating alternative foods; saving from remittances from relatives abroad and possible small savings from previous rations.[53]

In the prevailing circumstances it would be expected that there would be a migration from the urban areas back to the country, at least during the summer period when the PDS was not distributing supplies and there would be work in the countryside as well as various other opportunities to obtain food. The WFP Report does not, however, mention this, and certainly there is a general restriction on movement and settlement in North Korea which would impede migration of this kind.

**Current Food Requirements**

The WFP Report is the most substantial source of information on the current food situation in the DPRK and it is the basis for the Common Appeal (see Table 3). The FAO/WFP predicts a shortfall of 1,054,000 tonnes in the marketing year November 1998-October 1999. Some 360,000 tonnes were already pledged or in the pipeline by November 1998, leaving 694,000 tonnes uncovered. However, it seems that 300,000 tonnes of the pledged amount was American surplus wheat [54] and it is unclear how that will fit in with the prevailing diet.[55]
Alleviation and Resolution

Immediate Measures

Whilst the government has been taking various measures to cope with the crisis, the main source of immediate succour is foreign aid. Aid comes from various sources – bilateral, church and citizens groups, and through multilateral agencies such as the World Food Programme. On top of that there are remittances from Koreans abroad. Though not aid as such, there is also the Korean Peninsula Energy Development Organization, KEDO, under which the DPRK is due to be supplied with two light-water reactors and 500,000 tons of heavy fuel oil while the reactors are being built.[56]

Currently the major aid initiative is a Consolidated Appeal issued by United Nations agencies and non-governmental organisations on 15 December 1998. The appeal called for $376 million, of which $101 million had already been pledged, to meet the humanitarian needs of close to 5.5 million vulnerable people in DPRK in 1999.[57]

The bulk of the assistance required - almost 90% - is for food and the promotion of food security. Projects in the health sector account for approximately 10%, the remaining amount being to support education, capacity-building and coordination activities.

The food will be disbursed through a mixture of targeted aid to vulnerable groups and support via the PDS for the general population. The WFP recommended 480,000 tonnes in the first category and 574,000 tonnes in the second. The proposed allocation for targeted groups is shown in Table 4.

A Cry Unheard

It should be cautioned that the aid agencies propose but it is mainly governments that dispense. Investigation and surveys by the agencies make it clear that there is a continuing and desperate need for food, medical and other forms of aid.[58] Monitoring ensures that targeted aid goes to those it should, and assessments confirm that the aid does work. However, appeals are not answered in full, although the sums sought are, in relative terms, quite small. The American group National Network for North Korea Hunger Relief points out that the US government spends $3 billion a year stationing 37,000 troops in South Korea alone.[59] The Consolidated Appeal is for a mere $376 million. As of mid-November 1998 only half the amount has been pledged.[60]

The Consolidated Appeal spelt out some of the consequences of under-funding:

The overall impact of initial under-funding of the Appeal for food aid has been the exclusion of certain beneficiary groups which has led to an observed increase in nutritional problems among those groups. Up until the third quarter of 1998, 60.5 percent of food aid requirements had been pledged against the Appeal. As a result, the food availability was sufficient only for the most vulnerable of the originally identified beneficiary groups and food-for-work (FFW) rehabilitation activities. Within the food sector the size of the target group had to be reduced from 7.47 million to 4.3 million. Thus, food aid was primarily reserved for children aged 6 months to 6 years at nurseries and kindergartens. Observations indicate that this safety net has worked and that the well-being of these children has been preserved. Very little food aid was available for other target groups, including primary and secondary children, hospital patients, and nursing and lactating mothers. As a result, increased nutritional problems have been observed amongst children in the 7 to 12-year-age group and even amongst older children school attendance has decreased. Attendance at hospitals has decreased as the hospitals are unable to provide food to patients.

Inadequate availability of essential drugs, equipment at (ri) village, county and in the specialised hospitals has adverse effects on health delivery.

In addition, health surveillance, epidemic and tuberculosis control and prevention activities could be initiated only on a limited scale. Capacity-building of community-based doctors has been limited to nutritional rehabilitation.[61]
Rehabilitation

Aid supplies, however vital, are only part of the solution. Aid agencies recognise the need to work towards rehabilitation of the economy. With respect to agriculture, the WFP endorsed the Agricultural Recovery and Environmental Protection (AREP) programme proposed by a UNDP-led roundtable in May 1998:

The main objectives are: i) restoring food grain production to 6.2 million tonnes by the year 2000 and ii) strengthening a framework for sustainable food production. This Mission supports the following proposed interventions, which offer great potential for improving the food security in DPR Korea:

- Recovery of fertiliser production through rehabilitation of the fertiliser factories in the country.
- Rehabilitation and development of the irrigation system (pumps, pipes, drainage networks). The issue of flood management needs to be given due emphasis. Indeed, improved water management focusing on both irrigation and flood management should be the broader goal to be pursued.
- Crop diversification is needed to reduce the emphasis on mono-cropping. Such diversification would enhance soil productivity in the long run and reduce risk of crop losses in any one year due to adverse weather conditions.
- Research into effective crop rotation schemes including leguminous crops to promote soil fertility and productivity.
- Research on seed improvement, and early and short-maturing and less chemical fertiliser dependent crop varieties.
- Research and development of integrated crop and livestock systems.

However, as the WFP (and others) make clear, agricultural rehabilitation can only take place within a wider framework of economic rehabilitation.

The DPRK faces a multitude of problems but the crucial one is the relationship with the outside world. This is a complex issue and goes to the heart of the DPRK’s history and to its sustaining ideology, Juche. The search for self-reliance must be reformulated. What worked in the past with powerful and committed allies such as the Soviet Union and China to some extent competing with aid and trade no longer does. The collapse of the Soviet Union and the end of the Cold War have brought distress to the DPRK, but have also opened up opportunities for détente and reconciliation. The DPRK has to come to terms with the United States, Japan and the Republic of Korea and they, in their turn, have no reason to refuse to do so. The DPRK has to earn foreign exchange on world markets. There is no space here to go into the complicated relationship between the political and economic factors affecting North Korea’s status and position, or to trace the convoluted sparring between the DPRK and the US, Japan and South Korea. It is possible, however, to make a few brief observations.

By no means does all the blame for the current state of affairs lie with the DPRK. However, as by far the weakest and smallest player the DPRK needs to analyse and understand the motivations and procedures of the others. Statements from the DPRK have often in the past been inflammatory, risible and generally counter-productive. This can be traced partly at least to the lack of ongoing contact. Where DPRK officials do have extensive experience in dealing with foreigners, they seem to adapt well. It is a two-way process, of course, and foreigners need to respect the sensitivities and understand the concerns of the DPRK. The measured tone of US State Department statements over the last year or so perhaps indicate the effects of continued contacts between officials. Familiarity breeds ease of communication and the press release concerning Médecins sans Frontières quoted earlier is a good example of this process.

The economic crisis and the natural disasters of the last few years have been a traumatic experience for the people of the DPRK. There are signs that the situation is improving and some level of rehabilitation will be achieved over the next couple of years - the
government aims to achieve ‘pre-crisis self-sufficiency’ by 2001. However, that can only be a partial solution. The more substantial solution will be achieved when the DPRK can interact successfully with the outside world. That can only happen when it is not threatened and is not perceived as threatening. The definition of ‘successful interaction’ is difficult but perhaps one example can serve as an illustration. The DPRK has tried to achieve agricultural self-sufficiency but that is not desirable, however understandable. Because of the small amount of arable land and the short growing season there will be diminishing returns to investment in agriculture beyond a certain limit. The DPRK needs to generate foreign exchange earnings to allow it to import a certain proportion of its food requirements on an ongoing basis. However, there are a number of prerequisites for that to happen. The DPRK must feel secure enough to tolerate that degree of vulnerability.\[64\] It must have products of sufficient quality to export. It must ascertain what demand there is for existing and potential products and learn to operate in global markets. All that will take skills and experience. \[65\]

There are a number of promising indications of growing confidence and flexibility. The opening of the Rajin Business Institute in September 1998 is one such instance, and extended business dealings with the Hyundai Corporation are another.

Hyundai Group founder and honorary chairman, Chong Ju Yong, who was born in the North, made a donation of 1001 cows in October 1998. In November Hyundai sent the first cruise ship to the scenic Kumgang (Diamond) Mountains as the first part of a $906 million tourism development. There have been reports of Hyundai’s involvement in oil development in the western sea where it is claimed there is an estimated reserve of 155 million tons (12 million barrels). In December it was reported that Chong had unveiled a 10-year plan to develop an export industrial park in Haeju City to house small- and mid-sized firms from the south to produce footwear, stuffed toys and garments. Export shipments from the park are scheduled to reach 4.4 billion dollars per year, and the DPRK will receive 440 million dollars or 10% as wages.\[66\]

The growing number of personal contacts between the DPRK and the outside world are most promising and hold hope for the future. Despite the terrible afflictions resulting from the food crisis, there has been one great positive outcome. It has brought people in the DPRK into contact with foreigners not bearing guns. It has made many people around the world aware of their common humanity with the people of North Korea and has served, if only slightly, to demystify it.

There are indications that, despite the withdrawal of Médecins sans Frontières and some other NGOs during 1998, the DPRK is becoming more confident and adept at dealing with foreign agencies who in turn are becoming more sensitive to and concerned about the attitudes of their counterparts. The Consolidated Appeal draws attention to this promising situation, and there has been increased access to areas formerly off-limits. It is this building up of mutual understanding, the disinterested provision of aid and expertise, and the accepting of it with confidence, that may plant the most fertile seeds of hope for the future.

Tim Beal is a Senior lecturer in the School of Business and Public Management at Victoria University of Wellington and a Member of the Asian Studies Board.

Selected Bibliography

This short bibliography focuses on web resources. When a reference is given to a page number in a web document this refers to a printout. However, it should be remembered that pagination of printouts varies with printer settings.


Democratic People’s Republic of Korea Humanitarian Situation Report 15 July–15 August
The Crisis in North Korea - Seeds of Hope
Tim Beal


This report was published after this paper was written. It updates the report of 12 November 1998.


Readers may be interested in visiting a webpage on the DPRK which I intermittently maintain. This page also has links to the web version of the bimonthly newsletter Pyongyang Report, which was launched in 1999. The URL is http://www.vuw.ac.nz/~caplab/dprk_index.html.

Glossary of Terms and Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AREP</td>
<td>Agricultural Recovery and Environment Protection Programme following UNDP-led meeting in Geneva in May 1998</td>
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<tr>
<td>CAP</td>
<td>Consolidated Appeal Process</td>
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<tr>
<td>CHAP</td>
<td>Common Humanitarian Action Plan</td>
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<td></td>
<td>Drawn up by a working group consisting of the Office for Coordination of Humanitarian Affairs (OCHA), the United Nations Development Programme (UNDP) (also representing FAO, the International Fund for Agricultural Development [IFAD] and the United Nations Population Fund [UNFPA]), the WFP, UNICEF, the World Health Organization (WHO), the International Federation of Red Cross and Red Crescent Societies (IFRC), a representative of the donor community and a representative of the NGOs. In addition, there were observers serving in their personal capacity from the European Union (DG VIII and ECHO).</td>
</tr>
<tr>
<td>CIA</td>
<td>Central Intelligence Agency of the United States <a href="http://www.odci.gov/cia">http://www.odci.gov/cia</a> DG VIII Section of the European Union bureaucracy</td>
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<tr>
<td>DPRK</td>
<td>Democratic People’s Republic of Korea North Korea</td>
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<tr>
<td>ECHO</td>
<td>European Community Humanitarian Office</td>
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<td>EU</td>
<td>European Union</td>
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<tr>
<td>FALU</td>
<td>Food Aid Liaison Unit</td>
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<td>FAO</td>
<td>Food and Agricultural Organization of the United Nations</td>
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<td>Acronym</td>
<td>Full Name</td>
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<tr>
<td>FDRC</td>
<td>Flood Damage Rehabilitation Committee</td>
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<td>FFW</td>
<td>Food-for-work rehabilitation programme</td>
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<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<tr>
<td>IFRC</td>
<td>International Federation of Red Cross and Red Crescent Societies</td>
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<tr>
<td>KCNA</td>
<td>Korean Central News Agency</td>
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<tr>
<td>KEDO</td>
<td>Korean Peninsula Energy Development Organization</td>
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<tr>
<td>MICS</td>
<td>Multiple Indicator Cluster Survey (statistical techniques used in nutrition survey)</td>
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<tr>
<td>MSF</td>
<td>Médecins sans Frontières</td>
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<td>NCC</td>
<td>National Coordinating Committee</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<tr>
<td>OCHA</td>
<td>United Nations Office for Coordination of Humanitarian Affairs</td>
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<tr>
<td>RI</td>
<td>(Korean for) Village</td>
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<tr>
<td>ROK</td>
<td>Republic of Korea</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>UNFPA</td>
<td>United Nations Population Fund</td>
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<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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<td>WFP</td>
<td>World Food Programme of the United Nations</td>
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<td>Reports can also be found on the FAO site</td>
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<td>or Reliefweb (<a href="http://www.reliefweb.int">http://www.reliefweb.int</a>)</td>
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<td>WHO</td>
<td>World Health Organization</td>
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**Endnotes**

I am grateful for comments and suggestions on this paper and associated research on the DPRK from a number of people including Sallie Yea, Stephen Epstein, Mark Pearson and Don Borrie. I owe a special debt to the referee, Ian Davis. He was United Nations Industrial Development Country Director for China and DPR Korea from 1992-95, and subsequently Officer-in-Charge of the Tumen Secretariat in Beijing from 1996-98. His intimate knowledge has added so much to my understanding of the DPRK and its predicament. Thanks are also due to Peter Harris and Ginny Sullivan for bringing this paper to publication.
2 Jonathan Watts (27 December 1998) ‘South Koreans sink submarine from the North’, 
*Guardian Weekly*, p. 4. My response to the article was published 17 January, p. 2 (Letters: 
‘Building bridges across Korea’).

3 For list of terms and acronyms, see Glossary.

4 Hereafter it is referred to as *WFP Report*; details in Selected Bibliography. A subsequent 
report was issued in June 1999 after this paper was written.

5 Hereafter *Nutrition Survey*.

6 Hereafter *IFRC Report*.

7 Full text available http://wwwnotes.reliefweb.int/. This is referred to as Consolidated 
Appeal.

8

9 Tim Beal (1998) ‘Journey to a far away place: personal observations of a visit to North 
Korea’, *New Zealand Journal of East Asian Studies*, VI (1).

10 Korean Central News Agency report 9 June 1998 via the People’s Korea website at 
http://www.korea-nc.co.jp/pk/. Unless otherwise noted, all KCNA and People’s Korea 
references are from this website.

11 *Peoples Korea*, 26 August 1998, ‘DPRK details damage to crops’.

12 Also transliterated as *chuch’e*.

13 “As the leader said, the Juche idea is based on the philosophical principle that man is 

14 The Library of Congress Country report on North Korea quotes Kim Il Sung as giving 
the definition “the independent stance of rejecting dependence on others and of using 
one’s own powers, believing in one’s own strength and displaying the revolutionary spirit of 
self-reliance”.
(http://lcweb2.loc.gov/frd/cs/kptoc.html under ‘Political ideology: the role of chuch’e’)

15 It has membership of a fair number of international bodies, including having a 
Permanent Mission to the United Nations which seems to serve as its de facto embassy to 
the United States (and other countries including New Zealand), but it has very limited 
diplomatic relations.

16 See People’s Korea website archives for September 1998.

17 See http://www.vuw.ac.nz/~caplab/dprk_info.html for the press releases and an article. 
It should be noted that many aid agencies are privately critical of the MSF style.

18 The visit of the President of the IFRC in November 1998 ended with a “well attended 
press conference in Pyongyang at the end of the visit D the first to be held in DPRK for an 
international organisation”, IFRC Report, p. 3.

19 KCNA release, 5 October 1998 via People’s Korea website. Errors in original.

20 WFP Report, Mission Highlight 5.

21 It is commonly supposed in the West that the war was an unprovoked act of aggression 
by the North against the South. The reality, as Bruce Cumings and others have pointed out, 
is less clear cut; both sides were spoiling for a fight. See Bruce Cumings (1997) *Korea’s 
Place in the Sun: A Modern History*, New York and London: Norton, p. 264. For further 
comments on these issues, see Tim Beal (Nov/Dec 1998) ‘North Korea: From confrontation 
to communication’, *New Zealand International Review*, XXIII (6), pp. 14-18.

22 It is instructive to compare the Korean case to the recent Yemeni civil war which met 
with complete indifference.

23 We saw very few old buildings in the DPRK; even the temples and shrines were 
reconstructions. It was claimed that virtually all buildings were destroyed by American 
bombing. We were told that Pyongyang received more bombs than its population at the 
time.

24 WFP Report, p. 4. ‘Per caput’ means the same as ‘per capita’.
The Crisis in North Korea - Seeds of Hope

Tim Beal

The mountain areas I saw were superb and offered great scope for tourism. One of the Hyundai initiatives, mentioned below, is tourist development in the Kumgang (Diamond) Mountains. However, international tourism requires peace.

Unless otherwise noted, the data that follow come from the WFP Report.

"The rocket and satellite which our scientists and technicians correctly put into orbit at the launch are a fruition of our wisdom and technology 100 percent", KCNA, 4 September 1998 (via People's Korea website).

Paradoxically, it has been suggested that a major cause of the crisis was the Chinese State Council’s administrative suspension of Chinese grain and petroleum exports during 1995-97 because of domestic shortfalls.

"The rocket and satellite which our scientists and technicians correctly put into orbit at the launch are a fruition of our wisdom and technology 100 percent", KCNA, 4 September 1998 (via People's Korea website).

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55 The wheat was only pledged after a political campaign by the National Advocacy Campaign by The American Council on Wheat for Reconciliation for 500,000 tonnes (http://www.kysu.org/nkfamine/activities/campaigns/Wheat_Campaign/wheathome.htm).

56 Following the Agreed Framework of 1994, KEDO signed an agreement on 15 December 1995 to provide the reactors and oil. Pyongyang has charged in recent moves that KEDO has not been living up to its side of the bargain and US Representative to KEDO, Charles Kartman, admitted that the Administration was having difficulties raising the money.

57 United Nations Consolidated Inter-Agency Appeal for Democratic People’s Republic of Korea, UN Office for the Coordination of Humanitarian Affairs, Geneva, 16 December 1998,

58 Items such as washing detergents for kindergartens to give just one example.

59 National Network for North Korea Hunger Relief at

60 Consolidated Appeal, pp. 3-4. The appeal noted, however, that food assistance "... amounted to 99.6 percent of the total requirements in that sector in tonnage terms, due to the fact that a substantial amount of lower value commodities were pledged in lieu of the foreseen high value commodities. Towards the latter part of the year, a very substantial new food aid contribution resulted in full resourcing of the cereal component of the food appeal". This presumably referred to the American surplus wheat.

61 Consolidated Appeal, p. 4.


63 It is worth noting in this context that since this paper was written, there have been two major developments in DPRK-US relations - the agreement on inspecting the Kumchang-ri site, and the Berlin talks of September 1999 which led to a suspension of DPRK rocket and satellite testing in exchange for a partial lifting of US sanctions. See Pyongyang Report V1 N1, April 1999. For the DPRK statement, see People’s Korea website at http://www.korea-np.co.jp/pk/113th issue/99092201.html and US State Department Transcript, 'Albright, Perry on North Korea', available from Washington File at

64 The Japanese example shows how difficult that is even for a much larger and stronger country.

65 And is an area where New Zealand could make such a valuable contribution, and one which would produce benefit for us in the future.

66 People’s Korea website