



North Korean leadership: Kim Jong Il's balancing act in the ruling circle

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ABSTRACT *The unexpected durability of North Korea, the world's last unreformed Stalinist polity, is attributable to Kim Jong Il's prudent balancing act between political forces. His balancing act, which is embodied in inclusive politics, honour-power sharing arrangements, and divide-and-rule tactics, has turned out to be effective in clearing away potential cleavages built into the ruling circle and thus in concluding the prolonged succession plan. As long as the balancing act continues to work, the dynasty, albeit defective, could survive in adversity for a longer period than expected. However, once the delicate balance artificially designed by Kim Jong Il is broken down for any reason, Pyongyang's power circle will slip into a centrifugal spiral, followed by internecine power struggles and the collapse of the regime.*

The death of a totalitarian leader, as witnessed in Stalin's Soviet Union and Mao's China, has often touched off a naked power struggle, followed by bloody purges and a massive reshuffle of state apparatus. North Korea's 'Great Leader', Kim Il Sung, was, indeed, a totalitarian ruler no less absolutist than any other socialist leader. At the time of Kim Il Sung's death in July 1994, therefore, outside observers, with few exceptions, presupposed that Pyongyang would soon slip into factionalisation and power struggles. Surprisingly, the demise of the 'Great Leader' in Stalinist North Korea has not yet brought about any significant change. In appearances, Pyongyang's power elite remained calm and stable, without revealing any particular signs of factional infighting—as if their political passions had been totally emasculated. Herein lies the mystery of contemporary North Korean politics.

Are Pyongyang's power elites really like robots who lack political ambitions and give blind support and unconditional loyalty to their leader? Or have factional cleavages been nonexistent from the outset? If not, why did the ruling elite appear quiet and cohesive in spite of the sudden disappearance of its centre of gravity (Kim Il Sung) and the ensuing vacuum of the leadership post?

A key to the puzzle lies in Kim Jong Il's adroit 'balancing act' among political forces during the precarious 'transition' period (1994-97) involving power succession. The purpose of this study, therefore, is to explore Kim Jong Il's strategic actions towards the ruling circle in response to the internal rumblings that formed an undercurrent after the death of Kim Il Sung.

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Initial conditions: multiple cleavages

The critical challenge to the ‘fledgling’ new leadership in a highly centralised totalitarian polity, as in North Korea, is more likely to come ‘from within’ than from outside the ruling circle. Looking into the then political landscape, some necessary conditions for power struggles were ripening behind the scenes. After the death of the absolutist ruler Kim Il Sung, for example, the top leadership titles were left vacant for a prolonged period. Quite apart from the state presidency, the ruling Workers’ Party (KWP) had remained leaderless for more than three years. Such abnormal phenomena might have cast a false signal to the power elite that the ‘leadership vacuum’ should be filled by either Kim Jong Il or an alternative figure. A potential power contender, if any, might have been tempted to substitute for Kim Jong Il.

Factional cleavages, too, were not totally nonexistent, but were probably going on, coupled with the then political uncertainties. Most of all, Kim’s family itself could have been one of the most probable sources of power struggles. From its earliest days, the regime had practised nepotism, placing Kim’s relatives and close associates in key positions in the ruling troika—the party, the state and the army, as part of the father-to-son dynastic succession plan. Kim Jong Il’s political base was thus exclusively founded on a handful of trusted cronies, relatives and close associates.

On the surface the Kim clan appeared cohesive after the death of Kim Il Sung. However, nepotism could be the seedbed of internecine power struggles as well as the source of political support. Upon closer inspection the clan appeared far from monolithic. Allegedly it was divided into a few factions which had long been vying for influence over Kim Il Sung and for power after his death. Among the prominent factions, the first was Kim Jong Il’s own line, comprising the children and relatives of his mother Kim Jong Suk; the second was his step-mother Kim Song Ae’s clique, centring on his half-brother Kim Pyong Il; the third was his father Kim Il Sung’s relatives in his grandparents’ line, including his uncle Kim Young Ju; and the fourth was his father’s comrades-in-arms who had fought in the anti-Japanese struggles with Kim Il Sung.¹ Now, with the patriarch gone, the clan itself might turn into a battlefield among the immediate family members.

No less significant was a factional division within the military. Reportedly there were three military factions: the older-generation hardliners who had long served Kim Il Sung; the younger-generation officers, mainly composed of Kim Jong Il supporters; and the neutral faction indifferent to the old-young conflicts.² Among these, the older-generation revolutionaries did not respect Kim Jong Il in the same way they had respected Kim Il Sung. Nor would the military be happy with Kim Jong Il’s leadership succession, on the grounds that he had no military experience.³ Meanwhile, some signs of military rumblings were occasionally reported.⁴

A wider cleavage that had developed in the ruling circle was the intergenerational split, which had been underway along the two different leadership lines of Kim Il Sung and Kim Jong Il. As part of the father-to-son succession plan, the two Kims made every effort to build the junior Kim’s power base in the ruling

troika. In the meantime, North Korea's power structure became a kind of duopoly, with two semi-independent hierarchies of authority and two self-sustaining chains of command—one leading to Kim Il Sung and another leading to Kim Jong Il, with little interaction between the two.⁵ The old Kim's power structure was founded on the older-generation revolutionaries, whereas the young Kim's command line was built around the younger elites who were largely from the Three-Revolution Movement squads, the classmates of Mankyongdae Revolutionary Academy, and the graduates of Namsan School and Kimilsung University.

During the twilight years of Kim Il Sung's life, actual authority began to move towards the Kim Jong Il line, with the advent of a 'co-leadership', wherein the senior Kim reigned while the junior Kim actually ruled.⁶ Thus the sudden death of the senior Kim signalled a dramatic shift of power towards the junior Kim's line. A radical power shift from the old to the younger generation, however, could have touched off power struggles between the two generations.

Apart from these cleavages built into the inner circle, there was a deeper rift between this privileged inner circle and the alienated outer circle. In particular, the descendants of the former factionalists, who had been purged or put into political backyards during the earlier days of communist revolution, still remained as a potential reservoir of dissidents.⁷ Although they occupied the lower positions in the ruling hierarchy and were not strong enough to challenge the Kim Jong Il leadership, they would allegedly be considered to retain the right to take revenge. Therefore, if the political situation underwent a radical change, they would turn against the regime in collaboration with anti-Kim forces.

To make matters worse, the ruling machine appeared to be inefficient, plagued with bureaucratic ills and rampant corruption. Among the ruling troika, both the party and the cabinet no longer seemed reliable to Kim Jong Il. In his eyes, the party and the administration were seen as incapable, inefficient, irresponsible, indisciplined, corrupt, and lifeless, lacking revolutionary spirit.⁸ In particular, the ruling party, which should have played a leading role in the socialist revolution, deteriorated into a hotbed of power abuse, inefficiency and corruption. Its arrogance and irresponsibility had reached extremes while it was wielding formidable power under the Kim Il Sung leadership.

In short, the post-Kim Il Sung political landscape was not conducive to the smooth advent of the new regime. Given the multiple sources of internal rumblings, there was no guarantee that Kim Jong Il would automatically succeed to power. If any of the potential cleavages were to flare up, the succession plan would evaporate at the final stage. In addition, the ruling machines were not reliable but likely to work against the inauguration of the new leadership. If their arrogant behaviour, corrupt practices and bureaucratic ills were left alone, the new regime would lose the hearts of the people in the long run.

Junior Kim's strategic options

At that critical juncture, the then successor-designate Kim Jong Il employed a dual set of balancing tactics while quietly sidelining the potential rivals within his family. There are shown in Table 1.

TABLE 1
Components of Kim Jong Il's balancing strategy

Tactics I: Intergenerational balancing

- Inclusive politics for the older generation revolutionaries
- Honour-power sharing arrangement for the younger-generation elite

Tactics II: Inter- and intra-agency balancing

- Party-army equalisation to keep a check and balance between the two powerful groups
- Intra-army self-balancing
- Departmental compartmentalisation

Intergenerational balancing

In response to the broad-based intergenerational cleavage, Kim Jong Il opted for a non-antagonistic appeasement policy, aiming to heal the generational rift and embrace all age groups into his own political territory. For the junior Kim, one of two strategic options could be taken towards the old guard: inclusion versus exclusion. A new leadership in a normal polity would prefer the 'exclusionary' option, in order to eliminate all potential rivals and unreliable elements once and for all. However, Kim Jong Il was not in a position to do away with the old guard. The aged revolutionaries, who had fought anti-Japanese guerrilla warfare together with Kim Il Sung, still dominated the leadership posts in the ruling troika. During the transition period, therefore, retaining the loyalty of the old guards would be of greater value than jettisoning them for the smooth conclusion of the succession plan. Should he choose the antagonistic option, it would be costly. Kim Jong Il's attempt to purge them would trigger a political backlash which might be fatal to the rise of the new regime. Also, given their advanced age the days of the octogenarians would soon be numbered. Hence, it was unnecessary for him to hurriedly remove them at the risk of political repercussions.

Based on such calculations, Kim Jong Il chose the 'inclusionary' option towards the old guard. However, he could not rely solely on the older-generation revolutionaries. For the longer-term viability of the new regime he badly needed to secure sustained support from the younger-generation elite as well.

To appease the younger hopefuls without displeasing the elders, he conducted a delicate balancing act between the two generations. His intergenerational balancing act culminated in 'honour-power' sharing practices: 'honours' were given to the elders while real 'power' went to the younger generation. This tactics proved to be effective in pleasing all age groups and healing the symptoms of intergenerational rupture.

Inter- and intra-agency balancing

Against a potential power-concentration on any political group or power elite, Kim Jong Il imposed a set of self-balancing devices on the ruling circle, by which powerful agencies or individuals could be checked and balanced among themselves. Should political power converge on any group or figure other than

the Leader, it/he might be tempted to take over power. Herein lay a strategic imperative for Kim Jong Il to stifle the potential seeds of such hyper-growth.

For that purpose, Kim Jong Il has used 'divide-and-rule' tactics. At first, he tried to outweigh the overgrown party with a strong army, elevating the army to a position equal to that of the party. However, as the army grew to be a formidable political force, he began to check the overgrowth of the army by using the party machine.

Nonetheless, the army became so strong that it might not have been sufficiently curbed by the downgraded party. Therefore Kim Jong Il, employed additional devices to dampen potential initiatives by the army. For instance, he institutionalised an overlapping command structure, activated an intra-military surveillance network and applied divide-and-rule tactics to the military commanders.

His divide-and-rule tactics were extended to all the state apparatus. He has highly compartmentalised the governmental structure and then facilitated competition among various departments. His strategic objective was two-pronged: on the one hand, it was to prevent the concentration of power in any particular agency; on the other, it was to induce competitive loyalty to the Leader.

Kim Jong Il's balancing strategy appeared systematic. For the balancing act to be effective, however, it required ample autonomy on the part of the balancer (Kim Jong Il) in dealing with the power elite. Aiming at creating total freedom from vested interests, therefore, he froze the key political institutions under the pretext of mourning for his deceased father. Key organs such as the Politburo, Party Central Committee, Central People's Committee and Supreme People's Assembly (SPA) ceased to function throughout the three-year mourning period (1994-97).

Having suspended all the key state apparatus, Kim Jong Il was able to manage the power elite as well as state affairs as he wished, free from any procedures and formalities. His status as an 'unofficial' head of state during the transition period also provided him with additional manoeuvrability. He did not take over the party secretary-generalship for almost three-and-a-half years after his father's death. Nor had he assumed the state presidency until it was abolished in 1998. As a result, there was no need for him to convene meetings of the party or the cabinet. He could thus be virtually free from anything else and evade responsibility for mismanagement.

Intergenerational balancing

With ample autonomy at hand, Kim Jong Il has skillfully mastered a balancing act between the older- and younger-generation elites for the purpose of assuring full support from all echelons of Pyongyang's power elite.

Care of the old guard: the inclusive politics

Kim Jong Il's intergenerational balancing act began with the appeasement of old-guard members whose unchanged loyalty was believed to be an indispensable building-block of the new regime. To ensure that the elders continued to

serve him faithfully as they had served his father, he took particular care of these revolutionaries during the transition period.

For the sake of the old guard, Kim Jong Il tried to curb the political passions of the younger elite who had thus far devoted their loyalty to him. He exemplified self-control of his own political ambition by refusing further honours for himself, thereby sending a message to younger hopefuls that patience and loyalty to him were the surest route to power in due time.⁹ By doing so, he was able effectively to calm down the aspirations of the younger hopefuls.

Having silenced the younger elite, Kim Jong Il declared that: 'to respect the revolutionary seniors is a noble moral obligation of all revolutionaries', and 'the revolutionary achievements of old guards must be inherited and protected'.¹⁰ Along this policy line, he retained all the elders employed by Kim Il Sung and kept intact the ruling machinery and policies devised by his father. Few old revolutionaries, unless incapacitated or dead, had ever been replaced by the younger elite during the three-year mourning period. Nor did he openly conduct political purges to do away with unreliable elders.¹¹ He did not carry out a cabinet reshuffle nor a formal reallocation of state/party posts for more than four years after his father's death. At best, changes in the ruling hierarchy, therefore, took place with the death of the old revolutionaries—for natural reasons rather than for political ones.

Kim Jong Il's action towards the old guard was prudent enough to recapture their loyalty to him. Even if the elders died, successors were appointed only after a dignified period had lapsed. For example, when his father's defence minister, Oh Jin-U, died in spring 1995, Kim Jong Il left the position vacant for more than seven months before naming the new minister, Choe Gwang. Two years later, minister Choe died, but the post was left vacant until September 1998, when Kim Il Chol was appointed. Many other ministerial posts, including those of electronics and automation, natural resources development, shipping, prosecutor-general, and central auditing, were left vacant for a long time after the deaths of the incumbents.¹²

Furthermore, successors to deceased old guards were not necessarily the younger-generation elite. Some of the new ministerial posts were awarded to those in the pool of aged revolutionaries.¹³ What is more, in promoting army generals, Kim Jong Il paid particular attention to the aged military leaders after 1994. In retrospect, before his father died, he had promoted mainly the younger military elite to substantiate his own power base in the Korean People's Army (KPA). But, after his father's death, by and large he promoted the first-generation revolutionaries to forge a cordial relationship with the old guard.¹⁴ Many of the newly promoted generals were also sons of the old revolutionaries.¹⁵ As a result, the steady rise of the younger elite up Pyongyang's power ladder did not result in resentment from the old guard.

More unusual was that some old high-ranking officials, whose relatives had defected to Seoul, remained in their posts without being stigmatised by treason. For example, although his son-in-law had defected to Seoul in 1994, Premier Kang Song-San continued to remain in the post until he was dropped at the 10th SPA election held in July 1998. Likewise, there was no sign of a purge on Hyon Chol-Gyu, who held top party and state posts in South Hamgyung province,

despite the fact that his son and daughter-in-law had defected to Seoul in 1996. Given that the families of defectors had been punished harshly in the past, such extraordinary treatment was enough to induce loyalty from the power elite.

Thanks to Kim Jong Il's prudent 'inclusive' politics, all the old revolutionaries were able to stay in their posts for a prolonged period. In return, they remained loyal to Kim Jong Il in the same way that they had done to Kim Il Sung. Kim Jong Il was thus able to smoothly inherit from his father not only the leadership titles but also the loyalty of the old guard.

Appeasing younger hopefuls: honour-power sharing

With no significant changes in the ruling elite and machinery, the post-Kim Il Sung North Korea looked like a 'land that time forgot', where nothing had changed for years after Kim Il Sung's death. Many key posts in the ruling troika were still occupied by the elders. If such phenomena continued indefinitely, this might trigger discontent among the younger hopefuls who had long been waiting for Kim Jong Il's day. Thus it was also important for Kim Jong Il to appease the younger-generation elite so that they would continuously remain loyal to him.

Once loyalty of the old guard had been assured, therefore, Kim Jong Il began quietly to realign political arrangements to please both the old and young elites. Above all, it was a balanced 'honour-power' arrangement that was effective in satisfying both generations and also in embracing all age groups within the new regime. Perhaps considering Korea's traditional value orientations varying across generation—the older people tend to seek honours while the younger seek power—¹⁶Kim Jong Il quietly moved the elders into the 'honourable' positions while assigning the younger elite to the 'powerful' posts in the ruling apparatus. Many old revolutionaries thus remained in the merely honourable, symbolic, prestigious positions, whereas the younger elite, mainly Kim Jong Il's cronies and close associates, were placed in the key posts with real power.¹⁷

This arrangement has been facilitated with the increasing mortality of the old guard. For example, during the three-year mourning period, about 50 of the older-generation power elite died, including deputy premier Kang Hi-Won and the two defence ministers Oh Jin-U and Choe Gwang. Taking advantage of this opportunity, Kim Jong Il silently placed his hand-picked junior elites in such key posts in the party, state and army. In the meantime, Pyongyang's ruling circle has undergone a 'quiet' generational power shift, without arousing any friction between the older and younger generations.

Kim Jong Il's prudent intergenerational balancing act bore rich fruits. First of all, a potential intergenerational conflict that might have flared up in the aftermath of Kim Il Sung's death has been diffused. No sign of power struggles, therefore, has ever surfaced. Nor has there been any particular symptom of internal cleavages over state policies. Second, based on the intergenerational harmony, Kim Jong Il's power base has been consistently consolidated and substantially broadened, encompassing all age groups, ranging from the elders in their 60s, 70s or even 80s, to the young hopefuls in their 30s and 40s. Third,

steered by Kim Jong Il's balancing act, a 'silent revolution' has been underway in Pyongyang's ruling hierarchy, opening a new window for a peaceful transition of power from one generation to another.

Inter- and intra-agency balancing: divide and rule

At the institutional level Kim Jong Il's balancing act was implemented by divide-and-rule tactics to keep a check and balance between the party and the army, among the key military units/commanders, and among the various departments.

Check the party by the army: party–army equilibrium

North Korea was born as a Stalinist one-party state in which all the state apparatus are subordinate to the ruling Korean Workers' Party (KWP). Along with the cabinet and the parliament, the KPA was under direct control of the party as well. Meanwhile, the party became increasingly imbued with arrogance and irresponsibility. Kim Jong Il thus had serious doubts about the revolutionary spirit of the party cadres. To him, the party appeared irresponsible, inefficient and lifeless, whereas the army was perceived as an exemplar of revolutionary spirit and loyalty to their leader.¹⁸ All that remained viable and reliable for him was the army.

After his father's death, therefore, Kim Jong Il picked the KPA as a multipurpose political instrument with which to counterbalance the party, to smooth his power succession and to secure the long-term survival of the new regime. For the successor-designate Kim Jong Il, the KPA would be like a 'double-edged sword', by which he could give a warning signal to any potential challengers at home and abroad and eliminate potential barriers on the road to his power succession to his father.

Based on such calculations, Kim Jong Il strongly pursued a military-first politics, fully capitalising on the quasi-emergency situation caused by the sudden death of Kim Il Sung. His military-first politics was embodied in exclusive favouritism to the army. A variety of political favours, privileges, honours and economic benefits were given to the army which no party cadres and state officials have ever received since Kim Jong Il assumed power.¹⁹

Feeding on special favours, the military leaders, who had stayed in the political backyard in the past, began to climb higher and higher on the power ladder, and eventually emerged as a real power holder in North Korea. At the same time, the political centre of gravity in the ruling troika has quietly moved towards the army and away from the party. From 1997 in particular, Kim Jong Il began formally to raise the relative status of the army *vis-à-vis* the party under a slogan that 'the party is the very army and the army is the very party'.²⁰ Furthermore, it was announced that 'the army is the people, the state, and the party', and that 'without the army, there will be no party, no state, and no people'.²¹ More recently, the regime reiterated the military-first principle, with a rationale that 'we cannot live without bullets, but we can live without candies'.²² Now the army is on a par with or even 'appears' stronger than the party.²³

In line with the ascendant position of the army, its visibility in the North Korean political economy has been increasingly evident. As more and more army elites encroach on the key party/state apparatus, such as the Politburo, the Party Central Committee and the SPC, major public policies are significantly affected by military interests. Pyongyang's diplomacy is no longer immune to military interference, as seen in the DPRK-US nuclear deal during 1993-94 and its food aid diplomacy after 1995. Some of the public security affairs have been taken over by the KPA from the Ministry of Public Security. Even the economy is increasingly under military influence as the army gets involved in a wide variety of economic activities such as construction, coal mining, manufacturing, tree planting, river embankments and even manure collection.²⁴

While the KPA has enjoyed more and more clout in North Korean sociopolitical life, the party has been increasingly marginalised over time. Sidelined by the rising army, the party appeared to retreat to the political back seat. At best, the party nowadays ensues a campaign of 'Learning from the People's Army', calling for party members to be armed with the revolutionary spirit of the army.

Check the army by the party

Strongly backed by the new leader Kim Jong Il, indeed, the army has emerged as the most powerful group in North Korea today. By any standards—its size, coercive power, organisational strength and budget expenditures—the KPA has a clear superiority over other political groups. However, the military is like a dangerous 'tiger' which has its own physical power and means to eliminate its master whenever it decides to do so. If the KPA were left to its own devices, it might dare to challenge the Kim Jong Il leadership.

Aware of such potential dangers, Kim Jong Il has assiduously managed to curb the hyper-growth of the military. To begin with, he has fully utilised the party machine to dampen the political muscle of the army. By the very nature of the 'party state', the ruling KWP has its own command channel in the army. Every level of the military command, ranging from the Armed Forces Ministry to the company level, has been penetrated by party committees and political departments, as indicated in Figure 1. These party organs are responsible for monitoring the activities of respective military units and reporting back directly to the Party Central Committee. They also interfere extensively in the military operations, requiring the respective units to report all military activities. A military commander, therefore, cannot perform any kind of military exercises and/or military operations without prior approval from the political officer.

Aside from the regular party channel, there are certain less visible channels of command in the KPA. For instance, the Kimilsung Socialist Youth League has its own field offices at every level of the military units and carries out political works in the army. In addition, until very recently the Three-Revolution Movement squads allegedly kept an independent line of communication with Kim Jong Il. Trapped in these multiple channels of command, the regular military commanders have little room for independent military action.

Also, Kim Jong Il has fully capitalised on the party's extensive secret-police network in order to place the military commanders under his direct control.

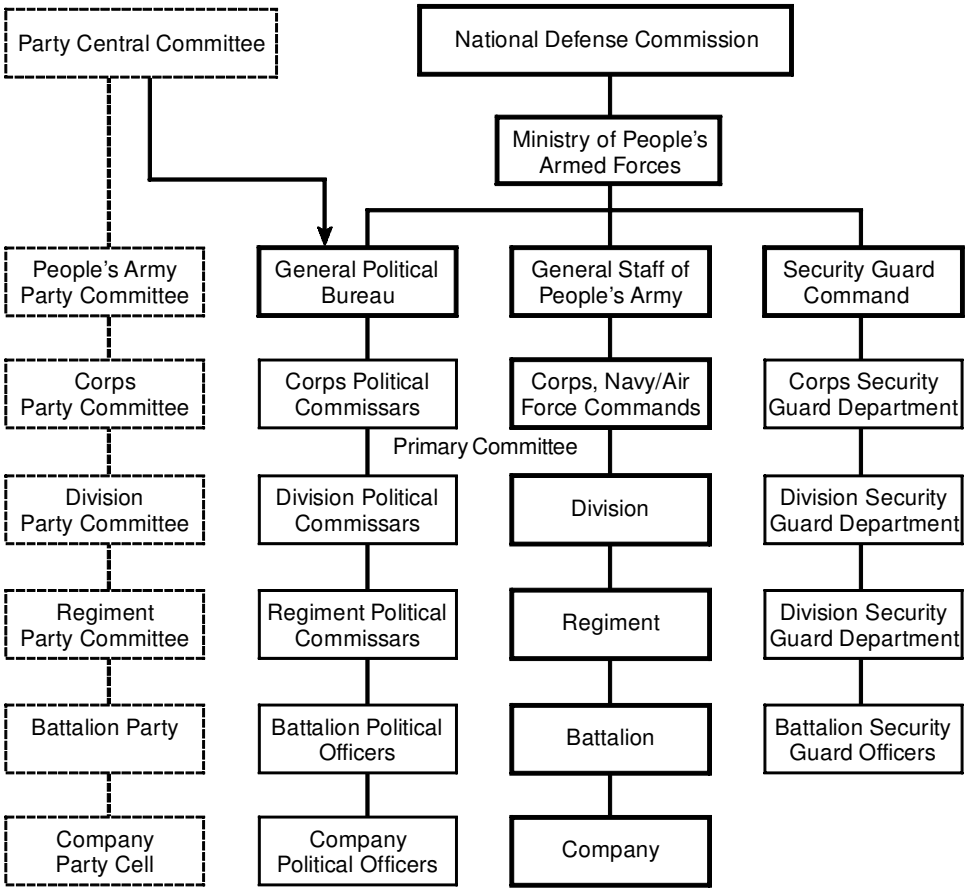


FIGURE 1
North Korea's military command structure.

Among others, the Organisation and Guidance Department (OGD) of the Party Central Committee is a notorious device that conducts round-the-clock surveillance of the behaviour of the military elite as well as of all party cadres and state officials.²⁵

Intra-army self-balancing

Nevertheless, it would not be enough to check the overgrown military only in the downgraded party. Therefore the regime has institutionalised a set of intra-military self-balancing mechanisms. For one thing, the Ministry of the People's Armed Forces and the General Staff of the Army have been devised to keep a balance of power.²⁶ For another, as seen in Figure 1, within the Armed Forces Ministry the three key organs—the General Staff of the Army, the General Political Bureau and the Security Guard Command—constitute an intra-ministry 'troika' based on a checks-and-balances relationship.²⁷

Kim Jong Il has also activated a 'cross-checking' mechanism to ensure his clear reign over all the military elites. Along with the party's OGD, for example, the General Political Bureau and the Security Guard Command within the Armed Forces Ministry conduct round-the-clock surveillance of the political behaviour and attitudes of all military personnel on a regular basis. In addition, the Operations Bureau in the General Staff of the Army separately undertakes strict surveillance of all military officers, generals in particular.²⁸ Kim Jong Il has also created a 'special mission group' within the State Security Agency to watch high-ranking officials in the party and the army. No individual, nor even the smallest unit in the army, therefore, can evade political surveillance conducted by intra- and extra-military police networks.

All intelligence and information on military activities are directly reported to Kim Jong Il. Based on such confidential reports, Kim Jong Il has the chance to take preventive measures against any potential dangers from the army. Sometimes he has purged potential opponents. At other times he has replaced them with his cronies.

In addition to such extensive use of institutional devices, Kim Jong Il has exercised 'divide-and-rule' tactics over top military leaders. By having contact with the powerful military leaders on an individual basis, he can pretend to give a particular favour to a particular military leader in order to secure loyalty from that commander. By doing so, he can induce military leaders to compete with each other, for example the Defence Minister versus the Chief of General Staff versus Corps Commanders, to get more favours from the Leader.²⁹

Thanks to Kim Jong Il's multiple devices, a delicate checks-and-balances mechanism has come into being between the party and the army, among the key organs in the Defence Ministry, and among the top military commanders. Therefore, despite its growing influences on overall state affairs, the army is not able to evade Kim Jong Il's direct control nor to overshadow his leadership.

Departmental compartmentalisation

Kim Jong Il's balancing act has been extended to the overall state apparatus as well. Once the party-army balance was institutionalised, Kim Jong Il upgraded the relative status of the cabinet and the people's committees of provincial governments *vis-à-vis* the Workers' Party in particular. In the past, the cabinet was always in the lowest position among the tripartite ruling apparatus, and the people's committee in a province remained subordinate to the KWP. However, through a constitutional amendment in September 1998, Kim Jong Il has given a freer hand to the cabinet and the provincial people's committees. Accordingly, the tripartite relationship of the ruling troika has become more balanced than ever, with relative autonomy of the cabinet from the two predominant power groups, the party and the army.

At the departmental level, Kim Jong Il's divide-and-rule tactics have been pursued in the form of compartmentalisation, aiming to facilitate the division and mutual competition of the ruling apparatus.

In retrospect, under the Kim Il Sung leadership, it was interdepartmental co-ordination rather than competition that had been strongly emphasised. Hence,

influential figures might be posted to top positions in two or more organisations in order to facilitate horizontal co-ordination among different agencies. However, as Kim Jong Il took power, the priority shifted towards inter-agency competition and away from co-ordination.³⁰ Different departments and cells, therefore, are played off against each other. Mutual exclusiveness and competition thus began to permeate the governmental structure. Seized by a sense of competition, state officials have become obsessed with their own institutional interests.

Meanwhile, Kim Jong Il has monopolised the whole decision-making process alone. Co-operation, bargaining and co-ordination among the various departments is possible only through Kim Jong Il. Therefore, if departments (or individuals) want to win favours and enjoy more power, they have to forge a close relationship with Kim Jong Il, competing among themselves to demonstrate their loyalty to the Leader.

Strategy effectiveness

Kim Jong Il's balancing strategy has proved to be the key instrument in propping up the world's last unreformed Stalinist regime. Yet, just as there is no panacea in the drug world, his balancing act itself contains inherent weaknesses that might undermine the very viability of the regime in the long run.

Tangible benefits

Kim Jong Il's balancing act has led not only to the clearance of potential cleavages built into the ruling circle but also to a 'loyalty competition' among the power elite. At the time when the three-year mourning period ended in July 1997, therefore, the political base of the new regime had even been strengthened.

Above all, the intergenerational balancing act turned out to be a 'win-win' formula for Kim Jong Il himself as well as for both the old and younger elites. While the older-generation revolutionaries remained comfortable with the junior Kim's inclusive politics, the younger-generation elites were pleased with his honour-power sharing arrangement. Kim Jong Il, too, succeeded in incorporating all age groups into his own political orbit. His prudent balancing act between the two incompatible generations was, indeed, effective in suturing the potential cleavages lying under the surface at Kim Il Sung's death. As a result, intergenerational harmony came into being in the ruling circle, and the political scene has been stabilised.

Another significant consequence was to pave a sound way for a generational power transfer. Steered by the junior Kim's balancing act, Pyongyang's power circle has undergone a silent power shift from one generation to another, without triggering intergenerational friction or substantial changes in the existing power structure. A positive dimension hidden behind the intergenerational change is that it might plant a seed of long-term change in the North Korean political economy, thus preparing for a new era.

Kim Jong Il's balancing act at the institutional level contributed to the maximisation of his manoeuvrability within the ruling circle. His inter-agency balancing act culminated in a party–army equilibrium. At first he curbed the arrogance of the party with the army, then he dampened the hyper-growth of the army using the party machine. Check and balances between the two powerful groups have thus created a new political order in the post-Kim Il Sung era.

Kim Jong Il's imposition of intra-military balancing and divide-and-rule tactics on the core military commanders has further reduced the possibility of a military revolt against the regime. After all, the strong People's Army has been converted into a 'private army', which functions as a prime lifeguard for the new Leader and the last bulwark of the regime, thereby contributing to the durability of the anachronistic Stalinist regime. All the KPA can do now is to pledge its total loyalty to the Leader Kim Jong Il, holding a 'rally of loyalty' at every opportunity.³¹ From this perspective, even though Kim Jong Il has thus far appeared to rely heavily on the army, it is Kim Jong Il, not the army, that has been in clear charge. For this reason, the military-based Kim Jong Il regime has not deteriorated into a pure form of 'military regime' or 'praetorian state' dominated by the military elite.

Kim's tactics of departmental compartmentalisation have heightened his own political autonomy from within. With compartmentalisation, power has been dispersed among varying agencies and inter-departmental competition has been intensified. At the apex of national authority, therefore, Kim Jong Il alone has final and absolute say on major policy issues.

Appeased and/or checked by such a multi-dimensional balancing act, Pyongyang's power elite thus far remains loyal to Kim Jong Il, competing with each other to gain the Leader's trust and favours.

Kim Jong Il's political initiatives

Having ensured such a solid leadership position, Kim Jong Il has initiated changes in the ruling hierarchy, economic policies and international relations.

As for institutional realignments, to begin with he has normalised the state apparatus frozen during the mourning period. Above all, the Supreme People's Assembly, which had been defunct after its ninth term expired in April 1995, was elected in July 1998 and has since functioned on a normal basis.³² Second, he has reshuffled the ruling machine in such a way as to concentrate all the real power in himself by mandating a constitutional amendment in September 1998. Among other things, he has elevated the National Defence Commission, which he has chaired since 1993, into virtually the highest organ of the state, instead of abolishing the state presidency.³³ Third, he has carried out a generational shift in the ruling circle. In the election of the tenth-term SPA, therefore, about two-thirds of the 687 representatives were replaced by younger-generation elites. Likewise, at the first session of the tenth-term SPA (September 1998), 24 younger elites out of a total of 31 ministers were appointed as cabinet ministers, whereas many older-generation elites were demoted to 'honorary' deputy chairmen of the newly established SPA Presidium.

At the same time Kim Jong Il began paying particular attention to the economy, recently introducing a new ruling philosophy of *Kangsongdaeguk*—a militarily strong and economically prosperous nation.³⁴ Not only did he resume on-the-spot guidance visits to various economic sectors by January 1998,³⁵ the regime has also carefully managed to change economic policies without endangering the existing *juche* system. First, to alleviate the food crisis, it allowed private farming on a limited scale, tolerated farmers' markets and introduced contract farming. Second, to spur foreign investments, it deregulated the rules over foreign investments and foreign exchange rates, and also created two more free trade zones outside the Rajin-Sonbong area. Third, to promote foreign trade it has begun actively to seek overseas markets in recent years, with a renewed emphasis on the trade-first policy.³⁶ Fourth, with a constitutional amendment in September 1998 it has eased the principle of state ownership, allowed some private businesses and introduced the capitalist concepts of prices, costs and profits.

However, Kim Jong Il has been cautious enough to stop economic concessions from going too far. Along with these 'reform-like' measures, the regime has taken counter-measures. For example, it launched a new 'self-reliance' campaign, based on the so-called 'mosquito-net theory', to prevent the harmful capitalist culture and alien ideology from coming into its territory.³⁷

On the external front, Kim's self-confidence in ruling the country has been evident in his management of international relations as well. Once domestic politics had been stabilised, Kim Jong Il began actively to engage in the international community to create a break-through in the diplomatic impasse. Not only has Pyongyang tried to warm up its ties with its old allies, it has also made attempts to improve its relations with its old foes. As reported, North Korea has recently signed a new 'treaty of friendship, good-neighbourliness, and co-operation' with Russia, made reciprocal visits of high-level officials to China, established diplomatic relations with Italy and the Philippines, and restored its ties with Australia. Also, North Korea is trying to normalise its relations with Germany and the Philippines, while renewing its efforts to approach the non-aligned Third World countries.

Among other things, the Kim regime has employed all its diplomatic arsenal in improving relations with Washington, fully exploiting its development of nuclear weapons and the long-range ballistic missile card. It has also made every effort to normalise diplomatic relations with Tokyo since the early 1990s, aiming at gaining the latter's compensation for colonial rule over Korea. As a result, after a nine-year recess (1991–99), Pyongyang–Tokyo normalisation talks were resumed in April 2000.

North Korea's diplomatic offensive culminated in the first-ever inter-Korean summit held in Pyongyang during 13–15 June, 2000. The summit was successful, thus opening a new window for active co-operation and exchanges between the two Koreas. Also the summit has offered a golden opportunity for Kim Jong Il to change his image from that of a reclusive, erratic, quirky and dangerous dictator to that of a rational and pragmatic leader. Based on the Leader's new image, Pyongyang is stepping up its diplomatic contacts with the outside world to put an end to its economic crisis and international isolation.

No doubt Pyongyang's pragmatic diplomacy in recent years is seen as a reflection of Kim Jong Il's confidence in dealing with external forces, based on his unassailable position at home. Without total support from the ruling circle, he could not take diplomatic initiatives on his own. Fortunately, steered by his proactive balancing act, all the ruling elites in Pyongyang unanimously support the regime's diplomatic actions, without any political debates over or outright opposition to the new diplomacy.

Potential risks

As long as the balancer (Kim Jong Il) remains well, and as long as the checks-and-balances mechanism continues in effect, the current ruling machine and public policies will continue to work, thus buttressing the post-Kim II Sung regime. However, a delicate intergenerational balance and an uneasy truce among the power elite and the groups which were artificially crafted by Kim Jong Il will not last indefinitely.

On closer examination, the potential seeds of internal cleavages are still alive behind the scenes. For one thing, thanks to Kim Jong Il's inclusive politics, some unreliable elements continue to survive in the ruling circle. For another, boosted by Kim Jong Il's deliberate 'divide-and-rule' tactics, the political rivalry between the party and the army is tending to become intense, the governing apparatus has been highly compartmentalised and the key military leaders are divided against one another. Thus, inter-elite, inter-agency and inter-departmental competition has become a new reality in post-Kim II Sung political life. A new pattern of 'miniaturised' cleavages is likely to emerge in the power circle.

Should the balancer (Kim Jong Il) disappear from the political scene—perhaps because of an accident, illness or for any other reason—the delicate balance will sooner or later be broken down. Once that happens, Pyongyang's power circle may slide into a centrifugal spiral. Not only would all the latent cleavages come to the surface, new factions might arise as well, feeding on the renewed political uncertainties. Factionalisation would eventually lead to intense power struggles among the various rivalries, followed by anarchy and even the collapse of the regime. In particular, a clash between the party and the army or among military commanders could result in bloody consequences fatal to the regime.

Even though Kim Jong Il continues to maintain his political health, the divide-and-rule tactics might be self-defeating in the long run. Among other things, his leadership capacity could be overloaded as he tries to manage all the power elites/groups for himself. His father Kim II Sung was able efficiently to control the ruling circle through a 'vertical' division of labour—the Leader ruled the party, and the party controlled the state and the army. Yet Kim Jong Il dismantled this practice and has been trying to 'directly' control all the ruling troika and the individual power elites. So far he has been effective at tightening his grip on the power circle. But, given the increasing number of miniaturised cleavages, it will be more and more difficult for him to manage all the power groups/elites efficiently. His leadership capacity will eventually be exhausted, which might in turn lead to internal fragmentation and power struggles.

Also, the built-in tendency of mutual exclusiveness among the ruling apparatus might steadily erode the legitimacy of the regime, stifling policy co-ordination and thus effacing strategy effectiveness. Inter-agency co-operation and co-ordination have been choked by Kim Jong II's divide-and-rule tactics. Instead, mutual competition has become a new norm of the decision-making process. Lacking close co-ordination among the concerned parties, however, public policies would be deprived of coherence, continuity and directionality. At best, this might produce self-contradictory policies.³⁸ Should such practices accumulate, the overall effectiveness of state policies will be substantially eroded, thus eventually undermining the legitimacy of the regime.

The ailing economy, too, could make it increasingly difficult for Kim Jong II to keep a delicate balance by depriving him of political leverages that are indispensable to his balancing act. Thanks to the availability of a huge amount of political funds, he has thus far been able to manage the power elites as he wishes. However, without substantial reform and opening, the ailing economy will not be revived, and his private slush funds will be depleted over time. If he can no longer provide sustained favours for all the ruling elites/groups, his political leverage and manoeuvrability over the power circle will come to an end. His leadership position will subsequently be weakened, and the seams of his balancing act will be loosened.

Although some signs of reform and opening have appeared in recent years, upon closer inspection there are not true reforms to remedy structural ills, but 'controlled reforms', or expedient measures, at best tinkering to temporarily alleviate the current economic difficulties. Kim Jong II's balancing act has rather erected an unexpected barrier to genuine reform, keeping intact the older-generation revolutionaries who prefer the status quo to substantial changes. Among others, the KPA, which has long enjoyed a privileged position and vested interests thanks to Kim Jong II's military-first politics, is more likely than others to oppose a substantial restructuring of the existing system. As long as these conservative elements have leverage in politics, meaningful reform is unlikely to be put into practice in the near future. Meanwhile, the economic pain will become deeper and deeper, which might eventually be translated into sociopolitical unrest.³⁹

Conclusion: strategic implications

At least one secret to the longevity of the post-Kim II Sung North Korea lies in Kim Jong II's adroit balancing act among political forces. Manipulated by his balancing tactics, Pyongyang's power elite remains cohesive and loyal to him. The Kim Jong II regime thus enjoys a high degree of stability even in a state of economic crisis.

However, upon closer inspection, the regime's stability is based at best, on a 'fragile balance' or an 'uneasy truce' among political forces that could easily be broken down. No matter how tactful and prudent, the balancing act is not a cure-all. The seemingly shrewd tactics, too, have their own inherent limits and self-contradictions, which might undermine the very foundation of the regime in the long run. Already, because of the country's innate problems, the

effectiveness of the balancing act might have passed the point of increasing return and entered the phase of diminishing return.

Among the various components of the balancing strategy, the 'divide-and-rule' tactics are seen as a more problematic ploy that is likely to bring about long-term instability in return for short-term stability. Encouraged by Kim Jong II's tactics, the internal divisiveness has become a built-in tendency in the ruling circle. Now Pyongyang's power elites are preoccupied with 'unproductive' competition for loyalty to the Leader. As long as the junior Kim tries to manage the ruling circle with those tactics, they will just reproduce bitter competition and mutual exclusiveness, thus eventually undermining internal solidarity and regime security.

From now on, therefore the utmost critical task of the Kim Jong II regime will be how to harmonise 'competition' with 'co-operation' among power elites/groups. As elsewhere, both sound competition and close co-operation are indispensable for policy effectiveness and the long-term viability of the regime. To attain this, Kim Jong II must be able to command a higher level of 'statecraft', orientated towards the long-term survival and development of the state and away from his short-sighted 'divide-and-rule' tactics obsessed with regime survival. He should also liberate the power elites from their obsession with 'loyalty competition' and thus redirect their political concerns and energies towards the development of state policies through productive competition and creative co-ordination.

Notes

All views expressed in this paper are solely the author's and do not necessarily represent the views of any institution with which he is affiliated.

¹ A Zhebin, 'North Korea after Kim II Sung: hard choices', *Korean Journal of Defense Analysis*, 7 (1), 1995, pp 211–232. For the intra-clan split particularly between Kim Jong II and Kim Yong Ju, and between Kim Jong II and Kim Pyong II, see K E Gause, 'Kim Chong-il's first year in power', *Jane's Intelligence Review*, 7 (9–10), 1995, pp 420–423 (Part I), 464–467 (Part II).

² EIU, *Country Report: South Korea North Korea 3rd Quarter 1994*, London: Economist Intelligence Unit, 1994, p 47.

³ See B Bridges, 'North Korea after Kim II-Sung', *The World Today*, 51, June 1995, pp 103–107; Pan Suk Kim, 'Will North Korea blink? Matters of grave danger', *Asian Survey*, 34(3), 1994, pp 258–272; C K Armstrong, 'The politics of transition in North and South Korea', in D McCann (ed), *Korea Briefing: Toward Reunification*, New York: ME Sharpe, 1997, p 20.

⁴ There has been a series of unconfirmed reports on military revolts against the regime. For example, there were two military disturbances in 1986: one was to boost Kim Pyong II's standing in the military; another was to oppose Kim Jong II's succession to Kim II Sung. Likewise, in autumn 1991 a group of regimental commanders moved to unseat Kim Jong II from his successor-designate. In 1993 two coup attempts were reported. In 1994 some 100 army officers in the 6th Corps were reportedly arrested on charges of anti-regime activities. Another military revolt occurred in August 1996, triggered by dissatisfaction with food distribution.

⁵ A Y Mansourov, 'DPRK after Kim II Sung: is a second republic possible?', paper prepared for an international conference on 'North Korea after Kim II Sung' held in Melbourne, Australia, 26–27 September 1994.

⁶ B C Koh, 'Recent political developments in North Korea', in T H Henriksen & J Mo (eds), *North Korea After Kim II Sung: Continuity or Change?* Stanford, CT: Hoover Institution Press, 1997, pp 1–12.

⁷ A large number of the former factionalists, including the Soviet faction, China's Yanan faction, South Korea's Workers' Party faction and the domestic faction, were purged by Kim II Sung in the process of power struggles during his early days. Like his father, Kim Jong II has never trusted the children of these factionalists and has not placed them in high positions.

- ⁸ Kim Jong II once harshly rebuked the party and the administration, pinpointing the lack of revolutionary spirit and responsibility on the party cadres and government officials. For Kim Jong II's perceptions of the party and the state, see his address at the 50th anniversary of Kimilsung University on 7 December 1996, which was reported in 'Remarks made December 7, 1996 by Great General Kim Jong II', *Vantage Point*, 20 (4), 1997, pp 1-4, <http://www.cowin.kois.go.kr/hkorea/monca/vpoint9704/2.html>.
- ⁹ S W Linton, 'North Korea under the son', *Washington Quarterly*, 19, 1996, pp 3-17.
- ¹⁰ Quoted in Chung Kyu-Sup, 'A reshuffle in the power hierarchy under Kim Jong-II's leadership, and an analytic study on its stability', *Vantage Point*, 20(7), July 1997, p 3.
- ¹¹ After the three-year mourning period ended, however, he reportedly conducted a public execution of nine high-ranking officials in September 1997 on charges of treason and espionage. They included the Party secretary So Gwan-Hi, a four-star general Li Bong-Won, and seven leaders of the Kimilsung Socialist Youth League. See Agence France Presse news reports 20 January 1998.
- ¹² EIU, *Country Report: South Korea North Korea 4th Quarter 1997*, p 44.
- ¹³ For instance, the new defence minister, Choe Gwang, who had succeeded Oh Jin-U, was not a younger general but rather a 77-year old revolutionary who had served Kim II Sung from the beginning.
- ¹⁴ The 763 military leaders promoted in 1992-93 included 140 second-generation general officers. Advancement also reached out to third-generation military leaders with the promotion of 524 colonels to major-generals. Nevertheless, 63.6% (7/11) of vice-marshals, 62.5% (10/16) of generals and 32.4% (11/34) of colonel generals were promoted after Kim Jong II's father's death. For more details, see Kim Pan Suk, 'Will North Korea blink?', p 261; H Takesada, 'The North Korean military threat under Kim Jong II', in Henriksen & Mo, *North Korea After Kim II Sung*, pp 72-73; and 'Solving economic woes and easing military pressure, key to survival of Kim Jong II regime', *Vantage Point*, 20 (11), 1997.
- ¹⁵ A A Jordan & J H Ku, 'Coping with North Korea', *Washington Quarterly*, 21 (1), 1998, pp 33-46.
- ¹⁶ Traditionally it is 'honour' that has really been respected among Koreans far more than money or power. Thus the North Korean older generation, which is still imbued with traditional values, is more likely to respect honours than power, compared with the younger generation.
- ¹⁷ Interview with North Korean army colonel defector Choe Ju-Whal, 25 March 1997. See also Chung Kyu-Sup, 'A reshuffle in the power hierarchy under Kim Jong-II's leadership'; and Chon Hyon-Joon, 'Structure of the power elite of north Korea', *Korean Journal of National Unification*, Special Edition 1994, pp 5-52.
- ¹⁸ See 'Remarks made December 7, 1996 by Great General Kim Jong II'.
- ¹⁹ Kim Jong II has greatly elevated the relative status of military figures *vis-à-vis* the party cadres. For example, vice-marshals, who used to be ranked outside the top 30 or even the top 50, are now placed above Party Central Committee secretaries and vice premiers but just below Politburo members at major ceremonies. Kim gave honours to the army by conducting a series of massive promotions of military generals—19 generals in October 1995, six generals in February 1997, 123 generals in April 1997, 22 generals in April 1998, 79 generals in April 1999. He also provided the KPA with various economic benefits and advantages, and military personnel get the highest material rewards—salaries, food rations, apartments, cars, etc.
- ²⁰ 'Fresh policies unlikely from Kim Jong II as Party General Secretary', *Vantage Point*, 20 (10), 1997; EIU, *Country Report: South Korea North Korea 4th Quarter 1997*, p 43.
- ²¹ 'Ceremony held to mark Kim's becoming NDC Chairman 4 years ago', *Vantage Point*, 20 (4), 1997; *North Korea This Week*, 75, 2000, p 2, at <http://www.yonhapnews.co.kr/services>.
- ²² *North Korea This Week*, 79, 2000, p 4.
- ²³ However, this does not necessarily mean a total reversal of the party-army relationship and a downgrading of the party below the army.
- ²⁴ For more details, see EIU, *Country Report: South Korea North Korea 3rd Quarter 1997*, p 43; and 'Military's increased role in the economy', *Vantage Point*, 21 (2), 1998.
- ²⁵ Among the 27 specialised departments and the secretariat offices in the Party Secretariat Bureau, the Organisation and Guidance Department is the *de facto* highest organ and a core office for the maintenance of power. Not only is the OGD responsible for the guidance of party activities and control of the private lives of cadres, it also gets involved in a wide variety of state activities and military affairs. See Korea Herald, *A Handbook on North Korea*, Seoul: Naewoe Press, 1996; Chung Kyu-sup, 'A reshuffle in the power hierarchy under Kim Jong II's leadership'; and Chon Hyun-Joon, 'Structure of the power elite of North Korea', pp 16-17.
- ²⁶ Organisationally the General Staff is under control of the Armed Forces Ministry, but functionally it is separated from the latter. In peacetime the ministry takes charge of military administration, while the General Staff takes the military operational command. In wartime the Supreme Commander takes over both military administration and operational command directly through the General Staff, bypassing the Armed Forces Ministry. Thanks to such an idiosyncratic dual chain of command, the two maintain a delicate balance. See Jei Guk Jeon, 'Kim Jong II's ride on the tiger KPA: a two pronged strategy towards the military', *Korean Journal of Defense Analysis*, 11 (1), 1999, pp 127-146.

- ²⁷ The General Staff is in charge of 'pure' military affairs such as military strategy, operations, training and exercises. On the other hand, the General Political Bureau is a party agent implanted into the army. Following directives from the Party Central Committee, it supervises military activities, collects information on the behaviour of officers and reports directly to the Party Central Committee and Kim Jong Il. However, it is not a totally free agent. There is a third party, the Security Guard Command, which allegedly exercises indirect control over the General Political Bureau. The Security Guard Command is a core military intelligence and surveillance agency under the direct control of Kim Jong Il and connected with the State Security Agency. Like the General Political Bureau, the Security Command has its own agencies at every level of the military units down to battalion level in the Armed Forces Ministry and the General Staff Department. Through these agencies it detects and arrests anti-Kim, anti-revolutionary and anti-system elements within the KPA, investigates all kinds of crimes among military personnel, and conducts extensive political surveillance over high-ranking officers. Hence, even political officers in the General Political Bureau may not be immune from its activities. For more details, see Jei Guk Jeon, 'Kim Jong Il's ride on the Tiger KPA', pp 140-141; and Choe Ju-Hwal, 'The KPA's Security Guard Command: its organizations and activities', mimeo, 1999.
- ²⁸ Chung Kyu-Sup, 'A reshuffle in the power hierarchy under Kim Jong-Il's Leadership'.
- ²⁹ Interview with North Korean defectors Choe Young-Ho and Cha Sung-Keun, 29 April 1997.
- ³⁰ Ryoo Kihl-jae, 'North Korean regime under Kim Jong-il leadership: changes in systems and politics', *Vantage Point*, 20 (5), 1997.
- ³¹ For example, celebrating Kim's 58th birthday in February 2000, the KPA held a 'rally of loyalty', where vice-marshal Cho Myong Rok, chief of the General Political Bureau in the Armed Forces Ministry, emphasised: 'All servicemen are required to become heroes and self-sacrificial warriors to safeguard the command post of revolution [Kim Jong Il] even at the cost of their lives, faithfully following the Supreme Commander [Kim Jong Il] at any circumstances'. Also, on 26 February, 2000, the KPA held a meeting of political officers from all companies to make them unconditionally loyal to the top military commander Kim Jong Il. See *North Korea This Week*, 73/75, 17 February/2 March 2000.
- ³² After the election the SPA has held its session every year. At the first session of the tenth-term SPA held in September 1998, it amended the constitution, reshuffled the state apparatus and appointed key political figures. At the second session in April 1999 it approved the governmental budget for FY 1999 and enacted the People's Economic Planning Act. At the third session in April 2000 it approved the governmental budget for FY 2000, enacted the Education Act, External Economy Arbitration Act and Civil Aviation Law, and ratified the new treaty with Russia.
- ³³ For more details on the institutional restructuring, see Ministry of Unification, 'The Results of the First Session of the Tenth-Term SPA', internal document, 6 September 1998.
- ³⁴ According to Pyongyang's rhetoric, the three pillars of *Kangsongdaeguk* are the *juche* (self-reliance) ideology, the gun and science and technology. Among the three, 'the gun' has been strongly emphasised. In this respect, North Korea's approach to *Kangsongdaeguk* is based on the 'military first, economy later' formula, obsessed with its own style of socialism. The regime called for a struggle to revive the 'economic structure of our own style' based on the 'self-reliant heavy industry'.
- ³⁵ Kim Jong Il never visited North Korea's economic zones during the three-year mourning period. Yet he made an on-the-spot guidance tour to Jagang Province in January 1998 for the first time since his father's death. Thereafter, he has often made visits for economic guidance, for example, eight trips in 1998 and 18 trips in 1999. See 'North Korea in 1998', *Vantage Point*, 21, 1998; and 'Assessment on prospect of the North Korean economy', *Korean Unification Bulletin*, 12, 1999, p 6.
- ³⁶ *North Korea This Week*, 71; 3 February 2000, p 3. As part of this, the External Economy Arbitration Law was enacted at the third session of the tenth-term Supreme People's Assembly in April 2000.
- ³⁷ In origin, its mosquito-net theory emerged at a summit between Kim Il Sung and Deng Xiao Ping, where Deng urged Kim to 'open the windows to get some fresh air', noting that the Chinese economy was booming because of a 'small window opening to the West', but Kim Il Sung reportedly replied that 'flies come in when you open the window to the West'. Based on this analogy, North Korea has pursued a two-pronged strategy of 'controlled reform': on the one hand, it has tried to open a window to the West in order to get some 'fresh air'—foreign capital and technology; on the other hand, it has assiduously installed mosquito nets to prevent 'harmful insets'—capitalist ideology and culture—from coming in with the fresh air.
- ³⁸ For example, in September 1996 a North Korean heavily-armed submarine penetrated the South at the very time when a business forum was being held in the Rajin-Sonbong free-trade zone to attract foreign investments. The net result was not merely to discourage foreign investment into the North but also to sharply reduce food aid from the international community.
- ³⁹ Although the economic hardship alone might not be automatically translated into political unrest, it could be a catalyst leading to internal disputes and political instability.