

# **North Korea as a Transformer: From a Fortress State to an Amphibious State**

---

Seongji Woo  
Kyung Hee University

**October 2010**



---

## Knowledge-Net for a Better World

---

The East Asia Institute(EAI) is a nonprofit and independent research organization in Korea, founded in May 2002. The EAI strives to transform East Asia into a society of nations based on liberal democracy, market economy, open society, and peace.

The EAI takes no institutional position on policy issues and has no affiliation with the Korean government. All statements of fact and expressions of opinion contained in its publications are the sole responsibility of the author or authors.

 EAI is a registered trademark.

© Copyright 2010 EAI

This electronic publication of EAI intellectual property is provided for non-commercial use only, as long as it is unaltered and complete. Copies may not be duplicated for commercial purposes. Unauthorized posting of EAI documents to a non-EAI website is prohibited. EAI documents are protected under copyright law.

**The East Asia Institute**  
909 Sampoong B/D, 310-68 Euljiro 4-ga  
Jung-gu, Seoul 100-786  
Republic of Korea  
Tel 82 2 2277 1683  
Fax 82 2 2277 1684



## North Korea as a Transformer: From a Fortress State to an Amphibious State

Seongji Woo  
Kyung Hee University  
October 2010

The division of the Korean nation into two separate political entities that came about with the defeat of Japanese imperialism continues after more than sixty years since it began. South Korea, or the Republic of Korea (ROK), has aligned with the United States and vigorously pursued a strategy of export-oriented development, which has resulted in remarkable economic growth and, in turn, laid the seeds for gradual democratization. South Korea is currently seeking to enter the rank of advanced-nation status.

Meanwhile, North Korea, or the Democratic People's Republic of Korea (DPRK), has allied with two continental powers, China and Russia, and has endeavored to build an autonomous planned economy with as little intervention from the outside as possible. Pyongyang's self-imposed isolation under the slogan of *Juche* (self-reliance) has brought about economic stagnation and persistent backwardness. In the era of globalization and interdependence, the Kim Jong Il regime is making little effort to remedy its malfunctioning economic system and, rather, is focusing on protecting its regime security through the development of nuclear weapons and long-range missiles. It will be difficult for the DPRK to escape its fragility and isolation so long as it sticks to its Military-First Politics and Military-First Economy.

In the early twenty-first century, the world is facing formidable challenges in the fields of human rights, environmental protection, climate change, the North-South divide, and so on. As a key member of the G20 Summit, South Korea is playing an active role in fighting and finding solutions to these problems. Seoul is beginning to transform itself from a rule-taker to a rule-setter as it has assumed a role as a link between the advanced states and the developing states on the global stage. It is making a positive wave to the creation of a new global economic order.

With the collapse of communism in the early 1990s, states are competing in a race for



peace and prosperity. North Korea, however, is one of the few exceptions in this race. It is doubtful whether North Korea will be able to achieve the goals of democracy, opening, and growth along with South Korea if it continues with the grand strategy of Military First and nuclear armament. Yet it is urgent that North Korea struggle hard to escape from its stagnant identity as a “fortress state” and transform itself into a state that can capture the merits of both sea powers and land powers and become a truly “amphibious” power.

North Korea under Kim Jong Il has shown some hints of change as it sought reconciliation with South Korea and dialogue with the United States and Japan with the goal of eventual diplomatic normalization, and it practiced partial reform measures in the early 2000s. Yet these efforts have fallen short of satisfactory political, economic, social, and diplomatic change. The basic problem lies in the calculation of the current leadership, which views reform and opening as detrimental to the core interests of Pyongyang’s ruling circle. As long as North Korea sticks to its inefficient planned economy and strengthens its authoritarian rule over the people, it will not be able to reach the paths to either democracy or prosperity.

What would be necessary for North Korea to escape its isolation and backwardness and join the ranks of advanced states? Advancement can be defined in two ways: one as a process and the other as a final destination. As a process, the term refers to efforts to adopt and implement global standards; as a final goal, advancement means a situation where the actor itself becomes a creator of global standards. Therefore, North Korea’s advancement can be summarized as the sum total of Pyongyang’s proactive efforts to narrow the gap with extant global standards and/or to create its own path-breaking standards.

My purpose here is not to predict a most likely scenario for North Korea’s future under today’s conditions but to design a gradual roadmap for North Korea’s transformation on the assumption that its development into an advanced state is a necessity. This essay is thus a policy proposal to the current and future ruling elites of North Korea for changes that include a series of incremental steps toward advancement. Once the ruling circle in Pyongyang comes to the conclusion that Military First is no longer sustainable and the normalization of state governance is necessary, what is a possible roadmap for that transformation? What steps and programs are necessary for Pyongyang to enter the ranks of advanced states? How can it prevent a tragic collapse of the state in the form of either an implosion or an explosion? Instead of a revolution or a state breakdown, I suggest a less painful and less dramatic, incremental reform process composed of three stages: a first stage (the short term), a second stage (the medium term), and a third stage (the long term).

The first stage belongs to the period of decay: the regime’s internal and external con-



traditions deepen as the policies of Military-First Politics persist. The Military-First regime will be unable to find an exit for development and democracy. The second stage will be a transitional period when a new leadership emerges with the aim to get rid of Military-First governance. In this period, North Korea will opt for a partial reform and opening. In the third and final stage, North Korea's unique *Suryong* (leader) system of governance will finally come to an end, and a tantalizing balance between the conservatives and the liberals, which characterizes stage 2, will be resolved by the victory of the latter. North Korea will enter a stage of fundamental transformation, following a motto of "wealth first" and "the people first."

## The Evolution of North Korean as a Fortress State

### The Fortress State

A state can assume the benign characteristics of a provider or a protector, or it can take the villainous role of a predator exploiting its own people. How should we characterize the nature of North Korea as it now stands? The notion of a fragile or failed state is helpful in characterizing, or making sense of, the North.

Fragile states are those that are incapable of performing their necessary functions, and under these states people's lives are heavily constrained. More specifically, such states do not (1) protect their people from violence, (2) provide the public goods that satisfy the basic needs of their people, or (3) possess a representative and unified government within a given territory (Lee J. 2008). Similarly, a failed state refers to a situation where the basic requirements for the provision of welfare, defense of national boundaries, and representation of the people are not met. Collapsed states and fragmented states are extreme cases (Chesterman, Ignatieff, and Thakur 2005; Vinci 2008).

North Korea can be categorized as both a failing state, if not a failed one, and a fragile state. North Korea's governance is not successful in that it fails to deliver goods and service that are basic to its people's lives. However, North Korea stands apart from other fragile states in that it is at once fragile but also able to sustain its monopoly of power and is seen as threatening by its neighbors. The duality of economic frailty and military resilience gives North Korea a special status.

I use the term, a fortress state, to capture the basic characteristics of North Korea



symbolically. The fortress state is defined as one that is isolated from the international community, considers regime security its top priority, is controlled by a single leader who is free of intervention by other actors or institutional constraints, and mobilizes its people for the accomplishment of state goals. In contrast, South Korea is dubbed a voyager state, which has sought to keep a pluralistic society and amplify interdependence with foreign markets through an export-oriented developmental strategy (Woo S. 2008).

The origins of Pyongyang's self-imposed isolation go back to the daunting experience of the Korean War (1950-1953), in which it had to face the military prowess of the United States, the superpower of the Cold War era. North Korea perceived that it was surrounded by great powers whose interests seldom coincided with those of minor powers. The fortress state has in part been made possible by topographic features: the Yellow Sea, the East Sea, the Yalu and Duman Rivers, Mt. Baektu and its surrounding high-elevation areas, and the DMZ function as the moat that protects the stronghold of North Korea. In addition, North Korea restricts the traffic of its own people and foreigners as well as commercial exchange and the transfer of information. North Korea and China have sixteen border entrances along the Yalu and Duman rivers. South and North Korea are connected through Panmunjom, the West Corridor linking Kaesung and Paju, and the East Corridor linking Mt. Kumgang and Kosung. The problem here is that, in general, isolation is historically associated with underdevelopment (Modelska 1987; Zakaria 2009). North Korea's seclusion contributes to its political, economic, and cultural backwardness.

The governance centered on *Suryong* has resulted in state failure. The policy of prioritizing regime security has contributed to a distorted distribution of material resources. Without any criticism from below in decision-making processes, the North Korean leadership has continued to make ill-fated decisions that have been detrimental to the welfare of the state and of society in general. Under this type of governance, the people have been forced to be mere objects of exploitation and mobilization. A cure for the problem of such a fortress state can only be found in redressing the imbalance of power between the state and society.

### **The Soviet Regime, the *Yuil* Regime, and the *Songun* Regime**

The North Korean fortress state has for the past sixty-plus years maintained its governance style through the monopoly of power and planned economy and yet has evolved through three different regimes: that is, the Soviet regime, the *Yuil* (the one and only) regime, and the *Songun* (Military-First) regime. Figure 1 shows the major events and characteristics of the three successive regimes.



**Table 1: Table 1. Regime Changes in North Korea**

	<b>Soviet regime</b>	<b><i>Yuil</i> regime</b>	<b><i>Songun</i> regime</b>
<b>Major events</b>	<p>February 1948: The KPA established</p> <p>September 1948: The DPRK established</p> <p>1950-53: The Korean War</p> <p>August 1956: The August Anti-Party Incident</p> <p>July 1961: Treaties of Cooperation and Mutual Aid with the Soviet Union and China</p> <p>December 1962: The KWP Central Committee adopts the Economy-Military Co-advance Line</p>	<p>January 1969: The military hardliners are purged</p> <p>December 1972: Constitutional revision</p> <p>February 1974: The KWP Central Committee appoints Kim Jong Il as an official successor</p> <p>1989-91: The Cold War ends</p> <p>July 1994: Kim Il Sung dies</p> <p>1995-97: The period of the “Arduous March”</p>	<p>October 1997: Kim Jong Il appointed as General Secretary of the KWP</p> <p>September 1998: Constitutional revision; Kim Jong Il renamed Chairman of the NDC</p> <p>June 2000: Kim Dae Jung–Kim Jong Il Summit</p> <p>July 2002: The July 1 Economic Restructuring Measures</p> <p>October 2006: The first nuclear test</p> <p>October 2007: Roh Moo Hyun–Kim Jong Il Summit</p> <p>May 2009: The second nuclear test</p>
<b>Regime orientation: revisionist vs. status-quo oriented</b>	1948-53: Revisionist; 1954-60: Status-quo oriented; 1961-68: Revisionist	1969-96: Status-quo oriented	1997-Present: Revisionist
<b>Major characteristics</b>	<p>A typical Soviet regime is born</p> <p>Collectivization of the means of production</p>	<p>The <i>Yuil</i> system is established</p> <p>The regime erodes due to inefficiencies of isolation and planning</p> <p>The world socialist system collapses</p>	<p><i>Songun</i> Politics emerges</p> <p>Efforts toward nuclear armament</p> <p>Coexistence of markets and planned economy</p>

Following the defeat of Japanese imperialism, the Korean People’s Army (KPA) was established in February 1948 and the DPRK in September of that year. During this period, North Korea struggled to build a model socialist state under the guidance of the Korean Workers’ Party (KWP). A number of factions—the Manchurian faction, the Soviet faction, the Yen’an faction, and the Domestic faction—vied for control of state power. Be-



tween the establishment of the DPRK and the end of the Korean War, North Korea pursued a revisionist path, calling for unification of the fatherland under the red flag by force. Following the end of the Korean War, North Korea turned into a status-quo oriented power, focusing on the postwar rehabilitation of the national economy. In the 1960s, North Korea again turned revisionist as it resumed an interest in revolutionizing the whole peninsula by force.

As North Korea was building a *Yuil* regime, its revisionist tendencies went dormant from the late 1960s. The Manchurian faction seized total control of state power, effectively eliminating potential challenges to power, and the personal cult of Kim Il Sung rose to new heights in this period. Though masterful in tightly controlling its people, the *Yuil* regime proved to be quite unsuccessful in economic management. As it stuck to inefficient autarchy and central planning, its performance began deteriorating and falling behind. With the backdrop of the collapse of the Cold War era, Pyongyang was hit hard by an economic breakdown and mass starvation known as the “Arduous March” (Noland 1997).

Since 1997, as Kim Jong Il rose to power, Pyongyang has again ventured to become a revisionist power. *Songun* North Korea, spearheaded by the National Defense Commission (NDC), seeks to compensate for its inferiority in conventional forces with the development of asymmetrical weaponry such as missiles and nuclear weapons. The *Songun* regime is distinguishable from the *Yuil* regime in terms of the nature of state-society relations. Under the *Yuil* regime, the dominance of the state over society was maintained. Under the *Songun* regime, however, as the state is no longer capable of providing basic means of survival for its people, state authority is seriously eroding. The comprehensive surveillance system by the state is weakening as well due to the introduction high-tech communication tools and porous border control. State failure in economic governance has resulted in the sprouting of markets nationwide. As women are more responsible for supporting their families, traditional patriarchy is fast losing ground (Lankov 2009).

## What Is to Be Done?

Advancement comes from creating standards, and new standards are derived from innovation ahead of others. Innovation is the sum of invention and introduction (Nordfos 2009, 4). In order to achieve the status of an advanced nation, many requirements need to





be met on various levels. First of all, at the individual level, community members who are capable of critical, rational, and creative thinking are needed (Dyer, Gregersen, and Christensen 2009). At the societal level, there needs to be recognition of private property rights, fair competition among and multiple opportunities according to the merits of members, the rule of law, and good institutions of governance. These characteristics in coordination will create an environment where healthy and imaginative members are nurtured. Basically, advanced societies are open societies that freely import and export information and human and material resources. Freedom of transportation, communication, and commerce is the sine qua non of advancement. There needs to be a balance of power in state-society relations. The state needs to exercise leadership that facilitates the dynamism of society, and society needs to possess power that allows its freedom from the state and at the same time checks and balances the state. At the international level, competition and active trade with other states are also positive forces for social and economic development (Zakaria 2009, chap. 3).

When these conditions are met at the individual, state, societal, and international levels, there arises a dynamism that becomes the basis for multiple innovations. Creative individuals, state leadership, and internal and external competition become the foundation for innovation in social management and technology, and innovations function as the basic endowment for advancement. We can sum these factors as:

**creative individual + fair society + effective government + international competition**  
⇒ **innovation (technological breakthrough)** ⇒ **advancement**

North Korea today shows characteristics that are far from the general conditions of this formula for advancement. First of all, it seems that by and large the North Korean people, who have been accustomed to the teachings of state ideology, do not display critical and creative thinking and, rather, show passive and reactive thinking in order to survive. The closed nature of North Korean society severely restricts its people's opportunities for creative thinking through comparison and analogy. The movement of information, material goods, and the people is highly constrained. There is little room for fair competition among the members for upward social mobility.

The end point of all the North Korean deficits is the state itself. The monopoly of power as manifested in the *Suryong* system lies at the heart of all the problems. No political order is free from the classic governance dilemma of "who guards the guardians?" as raised by Plato (Keohane 2001). The North Korean case suffers from the issue of "who guards the *Suryong*?" as he is responsible for every aspect of people's concerns. The North



Korean governance system is devoid of mechanisms of checks and balances when the *Suryong* makes a mistake. North Korea seeks to face this problem with the belief that it never errs. Unfortunately, however, the *Suryong* does err, and the personalization and monopolization of power have created immense problems in North Korea's modern history. Therefore, a cure for North Korea's ills will be found in the transformation of malfunctioning mechanisms of governance and the installment of the normal operation of party apparatus (including the Politburo and the Central Committee) and of the Cabinet, institutionalization of the power succession, and the separation of the party and the state from the Kim family. In other words, normalizing the exercise of power in Pyongyang means finding a way to balance and check the *Suryong*'s absolute power.

The second dilemma that North Korea faces is that the fate of the fortress state and the advance of reform efforts are in a reverse relationship. As the pressure for reform deepens, the sustenance of the fortress state becomes increasingly more formidable, and therefore the state is quite unwilling to succumb to the pressure of opening and reforms.

These two dilemmas need to be solved in a way that allows the *Suryong* and the fortress state gradually to fade away as reform and opening measures are gradually introduced. Just as some aspects of the state in North Korea are over-present, there are areas where the state is wanting. Where there needs to be state care, it simply does not exist, which constitutes a form of state failure. As it stands now, the North Korean fortress state is unable to solve the people's need for access to food as well as for education, health, and welfare that are needed for basic subsistence. It is urgent that the state resume its normal capacities in these areas. The North needs to produce multiple institutions that will ensure the normalization of state capacities and sustainable governance for its people. The final aim of those institutions should be the guarantee of security, liberty, welfare, and justice for the members of the community. The procedures for the operation of governance should be based on accountability, participation, and persuasion, not unaccountability, exclusion, and propaganda and coercion as manifested in the current North Korean style of governance (Keohane 2001).

In the end, there is no bright future for the fortress state, and, therefore, North Korea needs to shed its characteristics and proceed toward the amphibious state via the bridge state:

**Fortress State** ⇔ **Bridge State** ⇔ **Amphibious State**

The bridge state refers to one that connects one state to others that possess different characteristics. More specifically, the North Korean bridge state will connect continental



powers and maritime powers through railroads, highways, and energy pipelines and assume the role of boosting reconciliation and cooperation between them. The bridge state still bears the strong traits of a land power and yet is on the road toward a gradual transformation of shedding its authoritarian and closed characteristics and developing the liberal and open identities of a sea power. The concept of the bridge state was widely used under the Roh Moo Hyun administration to refer to the characteristics of the ROK. President Roh, under the slogan of the Northeast Asian Era Initiative, sought to build the Korean Peninsula Peace System and the Economic Community and the Security Community in Northeast Asia. He thought that South Korea needed to play the role of a bridge connecting continental powers and sea powers in the fields of security, economy, and culture. I use the term bridge state to refer to North Korea instead because Pyongyang needs to turn into a bridge state before it will ever become possible for Seoul to play the role of a link (Park J. et al. 2006).

At some point in the future, North Korea will transform from a bridge state into an amphibious state. The amphibious state possesses the strengths of both a land power and a sea power. North Korea needs to shed its exclusively continental orientation and acquire the merits of a sea power, which include an explorative maritime orientation, enmeshed interdependencies, and an externally-oriented economic development strategy. In order to solve its chronic problems, North Korea needs to produce governance devoid of a *Suryong*. The fortress state under his leadership has sought omnipresence, omniscience, and omnipotence. During the *Yuil* regime, Pyongyang had been somewhat successful in pursuing omnipresence, whereas the goals of omniscience and omnipotence had not been met. In the *Songun* regime, even omnipresence itself is increasingly eroding.

In the future, the North Korean state needs to curtail its overblown activities in politics and the military and to exert more energy into the realms of economy, environment, culture, human rights, and the information and knowledge sectors. North Korea needs a balanced strategy that seeks to strengthen both its hard power and soft power. North Korea needs to become attractive enough as a homeland to prevent the exodus of its own members and to invite more creative minds from abroad. Its enhanced soft power will function as a glue holding members of the society together. North Korea needs to overcome the distorted distribution of resources under the mandate of Military-First Politics and instead practice efficient distribution of resources under a new motto of Economy First.



## North Korea's Road to Advancement

Chairman Kim Jong Il is tenaciously standing by his Military-First Politics. It is highly unlikely that Military-First rhetoric and practice will be discarded while he is in office. Therefore, I start with the premise that as Kim fades away, a comprehensive restructuring of North Korea and its society will become feasible. The new leadership that replaces Kim Jong Il will be able to launch new programs of state management from a fresh angle. Then, North Korea is likely to undergo a process of decay, transition, and transformation. The following assumptions undergird a step-by-step transformation of the North Korean system:

- (1) The probability of an implosion or explosion of the North Korean system is not unusually high despite its contradictions, frailty, undesirability, and backwardness.
- (2) The sudden collapse of North Korea is not desirable, because such a development would most likely cause unbearable and excessive pains not only for the North Korean people but also for their neighbors, including South Korea.
- (3) The maintenance of North Korea as it now stands will become increasingly difficult due to the internal and external pressures on its system.
- (4) The transformation of North Korea will not follow a linear trajectory. It will reflect a learning process of trial and error. North Korea will muddle forward through progress, backpedaling, and stasis.
- (5) The primary agents of the North Korean transformation will be both North Korean elites and the North Korean people.
- (6) North Korean changes will be accelerated and facilitated as they are met by a favorable international environment. As such, they will assume the characteristics of coevolution from both inside (unit) and outside (system) (Porter 2006).
- (7) The momentum for North Korea's evolution will grow as the DPRK successfully accomplishes its initial tasks and copes with the risks associated with reforms.
- (8) The North Korean evolution will take place in parallel in the sectors of politics, economy, military, society, culture, human rights, and science and technology.
- (9) The rise of an effective government and proactive society will magnify the scope of the changes.
- (10) As time passes and the experience of evolution accumulates, North Korea will be able to approach the goal of achieving an advanced stage.



I believe that the incremental transformation of the North Korean fortress state is both desirable and feasible. In what follows, I will introduce the basic characteristics of each stage along the path of advancement.

## The Decline of the *Songun* Regime

As long as Kim Jong Il stays in power, North Korea will follow the *Songun* line. During this period, the *Suryong* governance as it is currently practiced is likely to be maintained, and, hence the contradictions of the *Songun* system will mount and the people will keep suffering. The dictator, agitated by his double (i.e., achievement and legitimacy) deficits and his longing for tightening control of the people, will keep making enemies from within and outside, and provocations, as manifested by untimely and flagrant attacks on a South Korean warship and an island off the coast of Incheon in 2010. Pyongyang's intermittent attacks serve the purposes of gaining the upper hand over South Korea and the United States in future nuclear negotiations and consolidating the regime security as it undergoes power transfer.

Following the breakdown of socialism in the Soviet Union and the Eastern European countries, North Korea has been struggling to revive its ailing economy but is unwilling to engage in full-scale reform and opening. Between 2000 and 2004, it adopted some reform-oriented measures. In 2002, North Korea promulgated the so-called July 1 Economic Restructuring Measures and, in 2003, allowed opening of general markets nationwide. Under Premier Park Bong-ju, appointed in September 2003, reformist efforts were consolidated as markets and planning coexisted. Starting from early 2005, however, conservatives, unhappy with a series of liberal policy measures, began expressing their reservations and discomfort and fought to contain and roll back the spread of markets and reimpose state control (Park S. 2002; Shin J. 2002; Park H. 2009).

For a long time, the state has been unable to provide the fruits it has promised to its people. As the gaps widen between the lofty goals of *Juche* and *Songun* on the one hand and dire realities of economic backwardness on the other, room for potential conflict between the rulers who promote Military First and the people who desire Economy First is growing. Currently, in North Korea, people's basic needs for survival are not met, the gaps between the rich and the poor are increasing, and, as people acquire additional information about life outside the walls of the fortress state, the legitimacy of the North Korean regime keeps falling. The state and the people are drifting apart as they respectively pursue different goals.



The power succession issue is indeed the most important issue for the first stage and its outcome will greatly affect the future of not only North Korea but also the Northeast Asian regional order. When a leader himself has created the ruling party and the process of power transfer is not fully institutionalized, the elites often rely on hereditary succession, which reduces uncertainties and prevents the development of a power vacuum. Between 1946 and 2006, nine cases of hereditary succession have been reported within autocracies. In the case when a son inherits power from his father, both the power-holder and his designate are motivated by a desire for safety. The supportive elites tend to favor a smooth transfer of power over an unpredictable power struggle. Hereditary succession can be seen as more attractive than a regime collapse or a power vacuum. It can be interpreted as a rational choice that brings benefits to both the successor and the elites (Brownlee 2007).

It has been reported that Chairman Kim Jong Il handed down an instruction naming Kim Jong Un as his heir on January 8, 2009, to the KWP's Department of Organization and Guidance. The KWP's Department of Organization and Guidance and Department of Propaganda and Agitation, the KPA's General Political Department, and the NDC are spearheading the succession process. It seems that the North Korean leadership has come to the conclusion that the next leader should come from the Baekdu bloodline (i.e., Kim Il Sung family) to ensure the survival of North Korea's unique *Yuil*-style socialism (Koh Y. 2008; Cheong S. 2009). The Workers' Party Convention in late September 2010, which was the first to be held in decades, became a coming-out party for heir apparent, Kim Jong Un. He was named a four-star general of the Korean People's Army and Vice Chairman of the Workers' Party's Central Military Commission (*JoongAng Daily*, October 12, 2010). The success of this attempt at hereditary succession may hinge on the unity of the elites of Pyongyang and the direction of the North's nuclear standoff with the outside world.

During this period, North Korea will be unable to find a solution for its system deficiencies and will stick to the conservative policy of ensuring regime survival under the Military-First slogan. Externally, a tug of war between North Korea and other powers involving denuclearization and economic assistance will continue. The speed and depth of denuclearization will seriously affect the process of North Korea's efforts for advancement. The resolution of the nuclear issue should be dealt with in stages 1 and 2. If the nuclear issue is resolved in these stages, then in stage 3, the North Korean leadership will be relatively free to pursue the goal of Economy First and the People First.



### *The Coming of the “Enlightened Suryong”*

Stage 2 will be a transitional period, in which an “enlightened *Suryong*” emerges. As Chairman Kim Jong Il “retires,” a new leadership will take over and seek to find solutions to the problems of the Military-First period and to present a grand strategy for the nation’s future. In this stage, it is unlikely that Pyongyang will completely undo its past *Juche* traditions. But at the same time, the new leadership will strive to introduce more pragmatic programs that are distinguishable from those of the past leadership to win the hearts of the people and to earn legitimacy. The regime in this period will bear a hybrid nature sharing both the *Juche* tradition and reform-minded orientation. A leadership change that replaces Kim Jong Il will be accompanied by the regime change as well as the generation change in the elite membership. The enlightened *Suryong* is likely to be the “last *Suryong*,” who no longer passes on power to a descendant from the Baekdu family.

The new leadership will embark on relatively mild and limited reform and opening that is not as drastic as that of the next stage but notably different from the previous stage. A new *Suryong* will be unable to wield the absolute power of his predecessors due to his youth and lack of experience, as well as the changed international environment. He will be more interested in propagating new political thinking that includes experiments for economic growth. The enlightened *Suryong*, perched between the conservatives and the reformists, will play the role of a balancer who coordinates the interests and policies of both sides. The nature of governance will change drastically as a leader who presides over the people and yet does not assume any responsibility for his choice is no longer viable. The enlightened *Suryong* will spearhead the reform from above and, yet, make a man of contradictions as he is at once a promoter of partial reforms and a bulwark against full-swing restructuring efforts of the North Korean system.

During this stage, the generation change in and the diversification of the core elites will take place. A new generation of elites, recruited from various quarters of society, will replace the old ones. Technocrats will overwhelm old-hat ideologues. As the functions of party apparatus normalize, the focus of power will increasingly move from the *Suryong* to the party. The Supreme People’s Assembly (SPA), a legislative organ of the DPRK, will increase its power of supervision over state apparatuses and the Cabinet will be able to exert power more independently from the KWP. The primary task for stage 2 is to find a formula for economic growth. The state needs to shift its orientation from regime survival to economic development. North Korea will embark on a reform and opening on a par with that of China and Vietnam. It will try to achieve a balance between markets and planning and prioritize light industry, tourism, and information technology.



The nature of North Korea will change from a fortress state to a bridge state. Pyongyang will play the role of a connector linking the South's maritime states and the North's continental states through energy pipelines, transportation, and communication. North Korea will open wide its doors to international society. In addition to Najin, Sinuiju, Kaesung, and Mt. Kumgang, North Korea is likely to open Wonsan, Heungnam, Haeju, and Nampo to international investment. As North Korea expands international exchanges, it needs to abide by global standards and stop engaging in illicit activities. To compensate for the income lost from unlawful businesses, Pyongyang will lean on passage rent in the form of transit fees over the railroad, highways, and energy pipelines that run through North Korea's territory.

State-society relations will be transformed in stage 2. The state will endorse private economic activities including family farming, cottage industry, and other commercial activities, and individual accumulation of wealth though the collective ownership of the means of production will remain the norm. State intervention in people's private activities will decrease relatively as well. The effectiveness of state propaganda will also fall as people are exposed to additional external information. The state needs to resort to material incentives to influence its people as its official ideology cannot easily sway people's minds. Therefore, the success of this period will depend on the quality and quantity of material resources the state can deliver for its population.

The North Korean leadership in this stage needs to be mindful of a number of daunting challenges. There exists the possibility that the elites may split into two quarreling groups of reformists and conservatives. As noted previously, the enlightened *Suryong's* primary role is to seek a balance between the two. He needs to ensure that the policy debates do not flame into bloody power struggles. A split between the civilian elite and the military elite is another possibility. The military elite may be divided between the central military of the National Defense Commission and the Ministry of People's Armed Forces on the one hand and the field armies of the countryside on the other. The enlightened *Suryong* needs to be a compass guiding the reform efforts and at the same time block the rise of resistance from the enemies of reform.

The drifting apart of the regime and the masses may intensify in stage 2. The people will be armed with more information as society opens up and people's demands will increase accordingly. If social safety nets such as pensions, healthcare, welfare, and education are not properly instituted and managed, and the supply of the goods and services that will satisfy people's needs is insufficiently provided, social stability may be put under danger. The state and the masses will both be novices regarding the liberalization of society. The state has so far been indifferent to the demands from below. The masses are not





accustomed to turning their discomfort into political action. When individuals are equipped with the internet, mobile phones, and copying machines, the state will find it more difficult to control them effectively. As the nature of state-society relations changes, the need will arise for the introduction of new institutional knots that tie the state and its people together.

When initial economic growth hits a wall and starts reversing, and the income gap between the poor and the rich widens, one cannot rule out the eruption of violence among the masses as a sense of relative deprivation escalates (Gurr 1970). As control over the people loosens, the chances for 'voice' and 'exit' will rise (Hirschman 1970). In stage 1, exit was the only option as voice was tightly suppressed by the state surveillance machinery. In stage 2, the possibility exists for voice and exit to mount simultaneously. To prevent this from happening, the North Korean leadership should produce a number of qualified programs to appeal to the loyalty of the people. The success of the enlightened *Suryong* will depend on whether he is able to control the eruption of diverse demands during the transitional period and to manage the conflict of interests among different quarters of society.

For stage 2 to become a stepping stone linking stage 1 and stage 3, it is imperative that the nuclear problem be resolved once and for all during this period. As Pyongyang declares its resolution to undo its nuclear weapons programs at the end of stage 1, stage 2 will entail the process of executing actual denuclearization. North Korea's denuclearization is the sine qua non of its advance to developed-nation status. The faster Pyongyang gets rid of its nuclear ambitions, the faster it will be able to truly advance. North Korea's denuclearization will require the joint operation of bilateral bargaining between South Korea and North Korea and between the United States and North Korea and the multilateral efforts of the Six Party Talks. North Korea's denuclearization will proceed along with changes in the regime type of North Korea and in the nature of the international environment. As denuclearization proceeds, North Korea's relations with neighboring powers will begin to improve and efforts for building a Korean Peninsula peace system will take off.

## Transformation

On the basis of the trial-and-error experience of the second stage of transition, North Korea will be able to launch a full-scale transformation in the third stage. In stage 3, North Korea will undergo a systemic transformation, and adopt democracy and liberalism,



which will bear the imprints of its past, elite choices, and external influences.

In the early phase of stage 3, North Korea's unique *Suryong* governance will finally come to an end as the next leader will no longer be selected from the Baekdu bloodline base. The rule of law will be established, effectively replacing rule by the *Suryong*, and the Politburo and the Central Committee will take center stage as democratization of party politics sets in. Even though the monopoly of power by the KWP is sustained, the spread of democratization within the party will make room for more transparent decision making. Collective leadership will replace the *Suryong*, and power succession will be institutionalized as a new leader is selected by elite consensus. The institutionalization of the power succession will have the effect of decreasing unnecessary political transaction costs in times of leadership change.

During this period, reformists will outnumber conservatives among the elite, and the reform-oriented leadership will proactively pursue reform and opening on the principle of Economy First. During this period, North Koreans will enjoy a level of economic freedom similar to that in Vietnam and China, and with time liberty will expand and liberalism will prevail. The balance between markets and planning will incrementally change in favor of the markets. Private farming will expand at the expense of collective farming and state-owned farming, both of which will finally be abolished in due course in stage 3. The numbers of state-owned enterprises will diminish.

In the second phase of stage 3, one-party rule by the KWP will come to an end. Multiple political parties besides the KWP will coexist and compete with one another to become the ruling party. These parties will develop different worldviews and programs to persuade the hearts of the North Korean people. Each party will present different programs regarding its relationship to the traditions of North Korean socialism and the outside world. Parties will also present different ideas about how society is to be managed and how the economy is to be operated.

The main task of North Korea in stage 3 is to create its future proactively and aggressively. In addition to being a compass for the nation's future, the state needs to create an environment where the dynamism of society is sustained. Society needs to possess veto power over the state's undue intervention. Along with the entrenchment of the rule of law, the legislative, the executive, and the judiciary branches will be able to check and balance one another, and none will dominate the others decisively. Lawmakers will be chosen in free and competitive elections. They will wield real lawmaking authority and will be able to oversee the activities of the state. The judiciary will conduct fair trials without political considerations or fear of reprisal.



In order for North Korea to enter the ranks of the advanced states, individuals' property rights and the right of relocation and freedom of travel should be protected. Citizens need to have the freedom to choose their leaders without external interference and to be able to monitor their leaders' public activities. The guarantee of the basic rights of the people and the consolidation of procedural democracy should be firmly planted so that the people have ample motivation to work, their creativity is fully realized, and a just society is realized (Diamond 2008). The spread of the market economy combined with the consolidation of democracy will have an upward spiral effect in transforming the basic characteristics of the North Korean system.

During its race for transformation, North Korea is likely to face multiple challenges from both inside and out. As time passes, external challenges will become more formidable. In the last phase of stage 3, the forces pushing North and South Korea closer toward union will become difficult to ignore. The DPRK's primary sponsor as well its latent challenger will be none other than the ROK itself. To compete with the ROK, which will have long maintained an open society by that time, will be a daunting task for the DPRK, which will be barely beginning to embrace the international community. After all, South Korea has successfully achieved the goals of democracy and industrialization and is about to cross the line into advanced-nation status. North Korea is yet to turn into a reform tyro, with little achievement. It is urgent for Pyongyang to acquire sector-specific superiorities over Seoul and create the centripetal force needed in order to tie the people to its side.

In stage 3, cooperation between the DPRK and the international community will blossom. As the thorny nuclear issue is resolved near the end of stage 2, diplomatic normalization between Pyongyang and Washington and between Pyongyang and Tokyo will be realized and assistance from international financial organizations and neighboring countries will burgeon. Foreign investment will not be restricted to the Special Economic Zones but will be spread all over the North Korean countryside. North Korea, as it takes off its identity as a fortress state and transforms into an amphibious state through a bridge state, will become more and more intimately connected with the international community.

As North Korea strengthens its ties with South Korea as well as with other regional powers, the politics of the Korean Peninsula will assume more complex and dynamic features. In East Asia, competition will intensify as great powers want to expand their zones of influence and small and middle powers struggle to counter them. In this space, for the first time since the end of Japanese colonial rule, North and South Korean diplomatic collusion, in which the two Koreas cooperate with each other against other regional powers with an aim to advance the interests of the Korean nation, can emerge. Seoul and Pyon-



gyang, so far, have been engulfed in zero-sum diplomatic struggles in which each has sought to cooperate with other regional powers at the expense of the other party. As the experience of South-North Korean diplomatic coordination accumulates, the two Koreas will reach the stage of diplomatic union in which each maintains its separate political, economic, and social system but the duo pursues a unified diplomacy. The experiment of diplomatic collusion will function as a catalyst for inner social and political integration between the two Koreas and pave the way for a final unification. That is, following stage 2, the politics of the Korean Peninsula will be realized as follows: deepening of economic cooperation -> diplomatic union -> economic integration -> social integration -> political unity.

## Conclusion

North Korea needs to escape from its isolation and rise to the status of an advanced state. What would it take for Pyongyang to turn into an advanced state through its own efforts? With Military-First Politics, North Korea will be unable to meet the challenges posed by the trends of the globalization plus information era.

I have proposed that North Korea's development as an advanced state will occur in three stages. In stage 1, North Korea will be unable to make a turn toward democracy as it sticks to its *Songun* lines. In stage 2, the advance of the enlightened *Suryong* will pave the way for partial reform and opening. Stage 3 is set for the demise of *Suryong* governance and the victory of the reformists over the conservatives. With the development of innovation-friendly individuals, society, institutions, and the state, North Korea's competitiveness as a whole will rise and Pyongyang will draw nearer to the goal of advancement. ■

## References

---

Brownless, Jason. 2007. "Hereditary Succession in Modern Autocracies." *World Politics* 59, 4 (July): 595-628.



- Chesterman, Simon, Michael Ignatieff, and Ramesh Thakur, eds. 2005. *Making States Work: State Failure and the Crisis of Governance*. Tokyo: United Nations University Press.
- Cheong, Sung-jang. 2009. "Post Kim Jong-il Si-dae Bug-han Gwon-lyeog-che-gye-ui Byeon-hwa Jeon-mang." [Prospect of Changes in North Korea's Power System in the Post-Kim Jong-il Era] *Sejong Policy Studies* 5, 1.
- Diamond, Larry. 2008. "The Democratic Rollback: The Resurgence of the Predatory State." *Foreign Affairs* 87, 2 (March/April): 36-48.
- Dyer, Jeffrey H., Hal B. Gregersen, and Clayton M. Christensen. 2009. "The Innovator's DNA." *Harvard Business Review* (December): 61-67.
- Gurr, Ted Robert. 1970. *Why Men Rebel*. Princeton: Princeton University Press.
- Hirshman, Albert O. 1970. *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*. Cambridge, MA: Harvard University Press.
- JoongAng Daily, October 12, 2010.
- Keohane, Robert O. 2001. "Governance in a Partially Globalized World." *American Political Science Review* 95, 1 (March): 1-13.
- Koh, Yu-hwan. 2008. "Kim Jong-il Geon-gangbyeon-su-wa Hu-gye-gu-chug-ui Scenario." [The Scenario Concerning the Health of Kim Jong-il and the Succession Issue] *KDI Review of the North Korean Economy* (September).
- Lankov, Andrei. 2009. "Changes to North Korea's System of Social Control." *North Korea Newsletter* 77 (October 22).
- Lee, Cho-won. 2008. "Chwi-yag-gug-ga Model-gwa Bug-han-e Dae-han Gae-bal-hyeob-lyeog Yeon-gu." [A Study on the Fragile State Model and Development Assistance for North Korea] *North Korean Studies Review* 12, 2: 289-320.
- Modelski, George. 1987. *Long Cycles in World Politics*. London: Macmillan Press.



- Noland, Marcus. 1997. "Why North Korea Will Muddle Through." *Foreign Affairs* 76, 4 (July/August): 105-118.
- Nordfos, David. 2009. "What Is Innovation?" *eJournal USA* 14, 11: 4-7.
- Park, Hyung-joong. 2009. "Hwa-pye-gyo-hwan-jo-chi-ui Pa-janggwa Jeon-mang: Jeongchi-gyeongje-hag-jeog Bun-seog." [The Impact and Prospect of Currency Reform: Political Economic Analysis] *KINU Online Series* (December 10).
- Park, Jong-chul et al. 2006. *Han-gug-ui Dongbug-a-si-dae Gu-sang: I-lon-jeog Gi-cho-wa Che-gye* [Korea's Plan for the Era of Northeast Asia: Theoretical Foundation and System] Seoul: Oruem.
- Park, Sun-won. 2002. "Kim Jong-il Si-dae Bug-han-ui Byeon-hwa: Jin-hwa-lon-jeog Jeob-geun." [North Korean Reform in the Kim Jong Il Era from the Perspective of 'Change within the System,' 1997-2001.] *Korean Political Science Review* 36, 3: 155-173.
- Porter, Terry B. 2006. "Coevolution as a Research Framework for Organizations and the Natural Environment." *Organization and Environment* 19, 4 (December): 479-504.
- Shin, Ji-ho. 2002. "Bug-han-che-je-byeon-hwa 3 Dan-gye-lon: Dae-bug-jeongchaeg-e-ui Si-sa." [3 Steps of Change in the North Korean Regime: Implications for North Korea Policy.] *Korean Political Science Review* 36, 4: 103-119.
- Vinci, Anthony. 2008. "Anarchy, Failed States, and Armed Groups: Reconsidering Conventional Analysis." *International Studies Quarterly* 52, 2 (June): 295-314.
- Woo, Seongji. 2008. "Nambug-han Gwan-gye 60 Nyeon Bun-seog: 1948-2008." [Analysis of 60 Years of Inter-Korean Relations: 1948-2008.] *Review of International and Area Studies* 17, 2: 121-156.
- Zakaria, Fareed. 2009. *The Post-American World*. New York: W. W. Norton & Company.



*Author's Biography*

**Seongji Woo**  
Kyung Hee University

Woo Seongji is currently an Associate Professor at the College of International Studies, Kyung Hee University. Before joining Kyung Hee, he worked as an Assistant Professor at the Institute of Foreign Affairs and National Security (IFANS) from March 2003 to February 2005. Dr. Woo received his Ph.D. from Indiana University, Bloomington. His English articles include “The Park Chung-hee Administration amid Inter-Korean Reconciliation in the Détente Period: Changes in the Threat Perception, Regime Characteristics, and the Distribution of Power” (Summer 2009, *Korea Journal*), “Triangle Research and Understanding Northeast Asian Politics” (Summer 2003, *Asian Perspective*), “South Korea’s Search for a Unification Strategy” (Summer 2003, *Orbis*), and “Adversarial Engagement and Alliance Relations: Triangular Politics on the Korean Peninsula, 1988-94” (March 2001, *Issues & Studies*). His research interests include North Korean Politics, Inter-Korean Relations and International Relations Theory.



---

## Knowledge-Net for a Better World

- This article is the result of the East Asia Institute's research activity of the Asia Security Initiative Research Center.
- Any citation or quotation is prohibited without prior permission of the author.
- The contents of this article do not necessarily reflect the views of the EAI.
- The East Asia institute, an Asia Security Initiative core institution, acknowledges the MacArthur Foundation for its generous grant and continued support.



