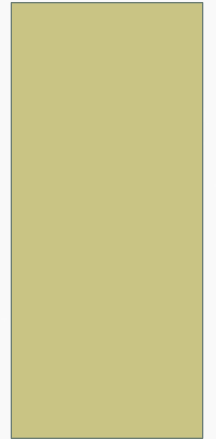


FAMINE AND AFTERMATH

MODERN KOREAN SOCIETY
PROFESSOR SORENSEN
NOVEMBER 17, 2022



STALINISM

- Cult of personality of paramount leader
- Collectivized agriculture based on factory model
 - High fertilizer input to get high output
- Rapid industrialization focusing on heavy industry (rather than consumer goods)
- Centralized command economy
- Public (state) Distribution System provided almost all consumer needs to citizens based on ration cards and money
- Heavily dependent on technical aid and raw material subsidies from the Soviet Union (who competed with China for influence)

NORTH KOREAN AGRICULTURE

- After collectivization and reorganization of the countryside into cooperative farms (one for each village) the DPRK concentrated on development of intensive, industrial agriculture
 - Self-sufficiency in agriculture a primary goal
 - Initially in the 1960s: irrigation, electrification, and mechanization
 - By the 1970s most land was being plowed by tractors run by county farm machinery stations 농기계 작업반
 - Production of grains grew rapidly in the fifties and early sixties, but leveled off as new land available for cultivation declined

ACHIEVEMENTS IN AGRICULTURE

- Emphasis on irrigation, mechanization, intensive use of agro-chemicals (“chemicalization”), development of hybrid seeds, and rural electrification
 - Rural investment in power, irrigation, and reclamation of new farmland
 - Rural electrification completed by 1974
 - By 1977 70% of plowing was being done by tractor
 - Irrigation increased 6-fold 1954-1988
 - Heavy inputs of fertilizer, herbicide, and insecticide
 - Agricultural infrastructure to develop hybrid seeds responsive to irrigation and fertilizer
 - By mid-1970s caloric intake per capita was adequate and comparable to South Korea

INTERDEPENDENCE OF AGRICULTURE, ENERGY, AND INDUSTRY

- Agriculture depended on industrial input
 - Production of fertilizers, herbicides, and pesticides required imported raw materials (especially petroleum and potash) and use of energy
 - Mechanization required continuous production of new machines and spare parts, as well as fuel to run the machinery
 - Irrigation was not gravity fed, but depended on electric pumping stations to lift water into the fields
 - Up to 1/3 of DPRK electricity went into irrigation systems
 - Inadequate production of coal led peasants to cut trees on the hillsides for fuel, after which KIS suggested in the seventies that steep slopes be planted in crops

VICIOUS CYCLE OF DECLINE OF INDUSTRY AND AGRICULTURE

- Lack of petroleum led to lack of coal (because couldn't run machinery)
- Lack of coal led to lack of electricity
- Lack of electricity led to lack of irrigation (and fertilizer)
- Lack of petroleum and potash led to lack of fertilizer and fuel for farm machinery
- Lack of fertilizer, machinery (and fuel), seed, irrigation led to falls in productivity
- Fall in natural soil productivity compounded problems

INITIAL POLICY REACTION TO AGRICULTURAL DECLINE

- 1993.12 DPRK admitted that the 3rd Seven-Year Plan had not achieved its goals
- Government reaction
 - Modest reforms
 - Increased scale of private plots from 80 to 120 square meters
 - Frequency and scope of farmer's markets expanded (allowed to trade grain)
 - Intensify traditional agricultural policies
 - Expand acreage seeded in grain (even if not suitable)
 - Shift into more high-yield rice and corn
 - Maximize industrial inputs (when possible)—more fertilizer
 - Intensify double-cropping and dense planting
 - Bring marginal and steeply sloped land into production

WEATHER DISASTERS COMBINED WITH ECOLOGICAL DECLINE

- 1994 Hail storms in No and So Hwanghae
- 1995-6 floods in July/August (monsoon season)
 - Aggravated to deforestation
 - Destroyed crops and irrigation facilities, roads and storage
 - Erosion of hillsides and silting of rivers and irrigation facilities hindering recovery
- 1997 drought
- 1998 weather improvement didn't lead to improved crops

Metric tons (millions)

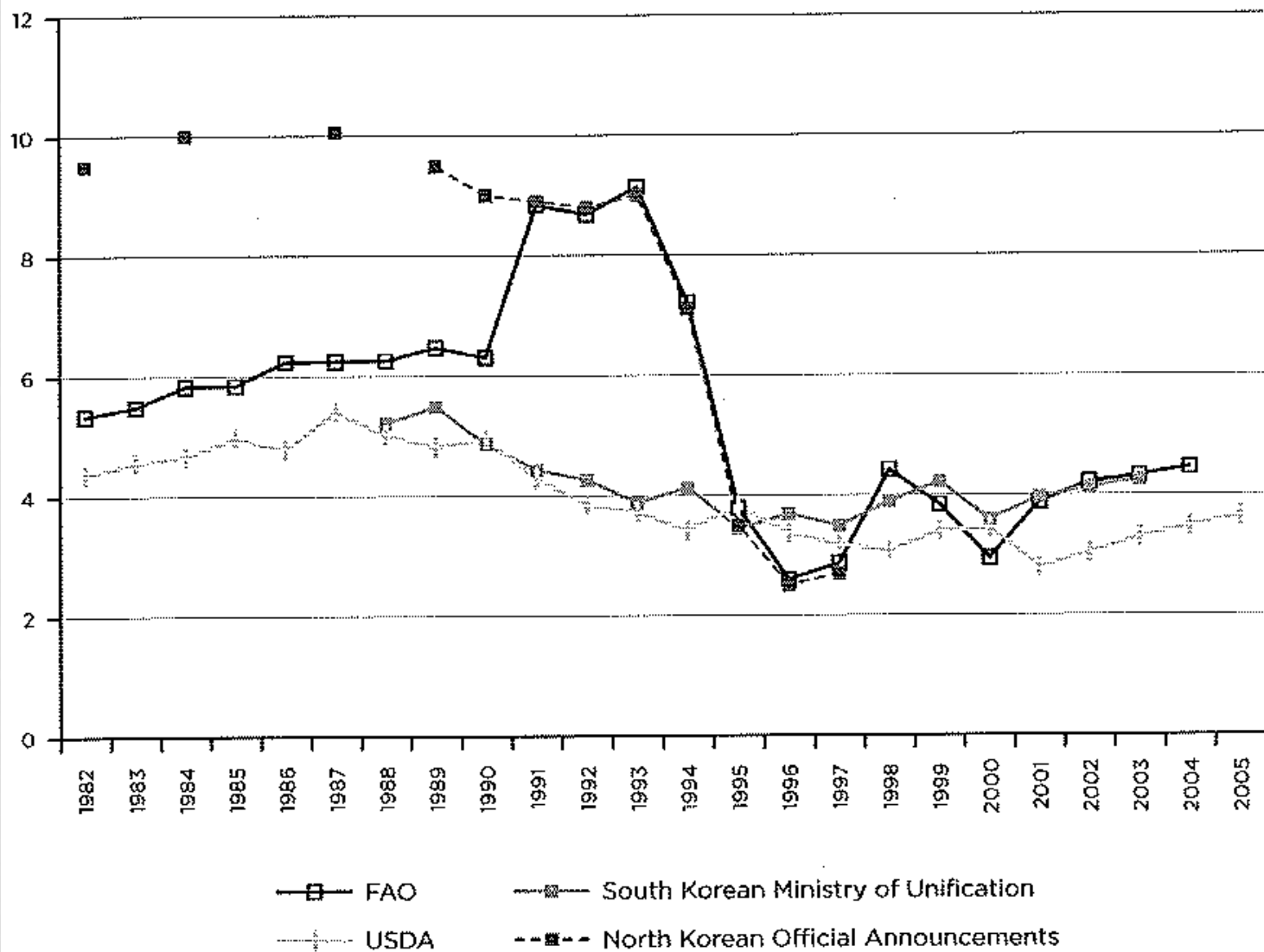


FIGURE 2.3. Estimates of North Korean Grain Production, 1982–2005

Sources: FAOSTAT; USDAFAS; Korean Ministry of Unification: Woo 2004.

WHAT CAUSES FAMINE?

- Famines are more common in authoritarian states than democracies (Amartya Sen)
 - Why? Because in democracies the plight of the foodless sets into motion government and non-governmental organizations that find food elsewhere and provide it to people
 - Commercial food import
 - International aid
 - Distribution to people who most need it
 - This usually means to people who lack the means to buy food on the market
 - In a centrally planned system with government distribution, however, certain groups may be favored over others

PUBLIC DISTRIBUTION SYSTEM

- Each province (plus P'yŏngyang, Namp'o, and Kaesŏng) has a Food Administration Department
 - Each county has a Food Administration Section and a warehouse that supplies a few institutions directly but otherwise distributes food to local Public Distribution Centers
 - Each PDC serves 1,500-3,000 families
 - County warehouses are controlled by the County People's Committee (Party functionaries and government staff)
 - Rations varied by occupation and position in the hierarchy
 - PDS prices were highly subsidized so that market prices (when even available) were 300x higher

DIFFERENTIAL PRIVILEGES

- Military, secret police, high ranking bureaucrats, and those engaged in heavy labor had higher rations
- Top ranks got their rations through the Party or special government supplies
- Military has its own, separate distribution system
- state and cooperative farmers retain part of their crop for personal consumption (and have access to private plots)
- PDS thus supplied about 60-70% of the population
 - Children, elderly and disabled had the lowest food priority
 - Prisoners (about 1% of the population) deliberately given little
 - *Sōngbun* affects one's success and thus indirectly access to food
 - -family social, political, and occupational background (29 distinct groups grouped into "core, wavering, and hostile classes")

BREAKDOWN OF PDS

- After 1987 when Soviet aid stopped rations cut by 10%
- 1991 “Let’s eat two meals a day” campaign as the Soviet Union demanded payment for raw materials in hard currency (especially oil and natural gas)
- 1992 rations cut another 10% and PDS food distributions began to get erratic
- By 1994 almost 64% of people reported erratic distributions and were getting less than half their food from the PDS

UNFOLDING OF FAMINE

- 1994—drop of imports of maize from China and poor harvest in northeast
 - Northeast highly urbanized and thus dependent on PDS (Hamhŭng, Ch' ŏngjin)
 - Initially tried to squeeze farmers for more grain, but this backfired
 - KJI saw “hoarding”
- Mortality
 - Highest among youngest and oldest
 - About 1/5 of the population elite enough to not be exposed to starvation
 - Most responsible total estimate 600,000 to 1 million deaths with urban areas in the northeast the hardest hit

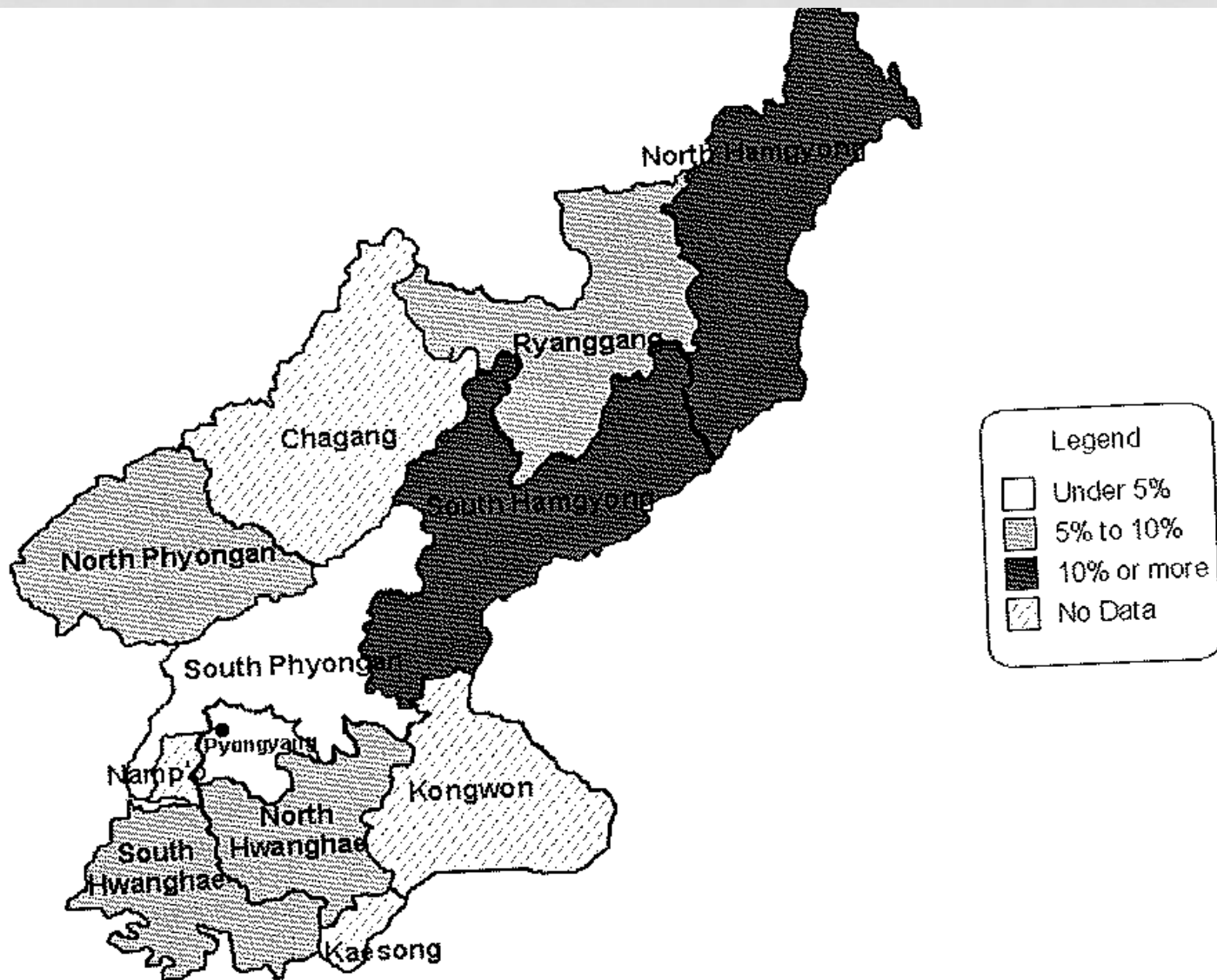
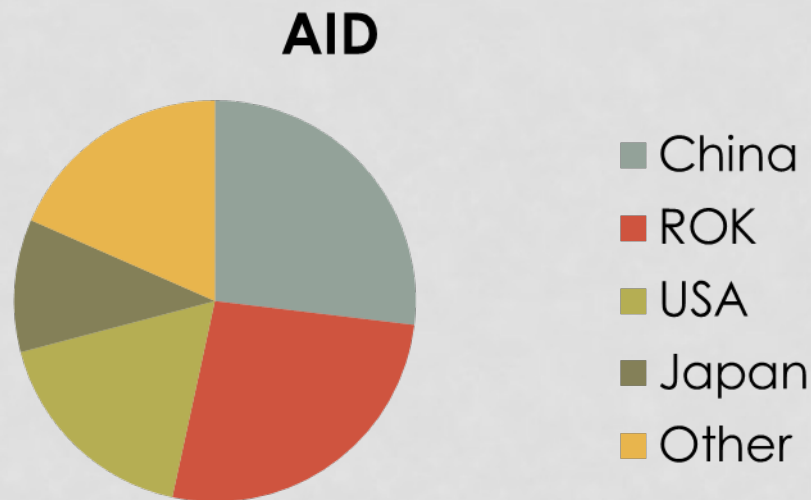


FIGURE 7.7. Wasting
 Source: Central Bureau of Statistics, 2005.

FOREIGN AID

- 1995.8 DPRK made an official request for humanitarian assistance
- Massive aid 1995-2008



WHY DELAYED DPRK RESPONSE?

- Hypothesis 1: US and ROK didn't understand DPRK's nuclear program as “call for help”?
 - Yet DPRK continuously tried to hide the problem
- Hypothesis 2: hardliners and softliners in DPRK couldn't agree
 - Selig Harrison evidence, and KJI's Kimdae speech
- Hypothesis 3: during 1991-2 both KIS and KJI were shielded from knowledge by bureaucrats
 - Oberdorfer says KJI didn't know until Kang Sŏng-san went to him directly in 1993
 - KJI did complain about *yoryŏngjuŭi* (using rough estimates to protect your back)

MARKETIZATION BY DEFAULT

- 1990s economic collapse
 - 70% of factories shut down for lack of fuel and raw materials
- When the PDS became unable to provide people's needs, those who survived learned to cope
 - Buy extra food on the market
 - Many workers paid in product, or sold off machinery or personal possessions to survive
 - Those with access to hard currency invested and prospered (with small-scale enterprises)—many with China or Japan connections
- By end of famine in 1996-7 most people got most of their food from markets

GENDERED DAILY LIFE

- Men assigned to full-time work when they finish school
 - After 10th grade for most men
 - After college for elites
 - Workers must join the Workers Federation or Peasants Federation that institutionalized life
- Women not automatically assigned to full-time work any more
 - Most join the Women's Federation, and often participate in neighborhood meetings (inminban)

GENDERED MARKETIZATION

- Showing up at workplaces mandatory for men even if no work to do, but women given more leeway
- Trading (“taking care of the domestic economy”) more readily tolerated as “women’s work”
 - Women’s petty trading markets sprang up (메뚜기장사), Everard’s “frog markets” 개구리 장마당
- Private enterprise illegal, but . . .
 - Private plots in rural areas (both legal and clandestine)
 - Household handicrafts, cooperative services
 - Professionals get gifts from patients or clients
 - Unevenness of distribution of goods gave opportunities to those able to move goods to meet scarcity

1998 CONSTITUTION

- “The DPRK is based on socialist relations of production and an autarkic national economy”
- The state and cooperative organizations own the means of production. There is no limit to state ownership.
 - natural resources, railways, ports, transportation, communications are listed in the constitution as state-owned
 - *De facto* social organizations and Party organization could buy and sell goods outside the state plan, and trading between state enterprises allowed
- Private ownership is for the purpose of citizen’s individual consumption
 - That which is produced by one’s own effort (including peasants’ private plots) is privately owned and can be inherited
- The state can enter into joint ventures with *foreign* corporations and individually owned enterprises
- Such concepts as “efficiency” and “profitability” recognized

JULY 2002 ECONOMIC MEASURES

- 경제관리 개선조치 (Measures to Improve Economic Management)
 - Firm autonomy with independent accounting system
 - Firms can sell surpluses
 - Legalization of trade between firms and of consumer markets
 - Adjustment of state-set prices to more closely approximate market prices
 - People asked to pay rent on houses, and for garden plots
 - Opening of General Marketplaces 총합시장 in cities
 - Moving ahead on special economic zones
- PDS effectively abolished

P'yöngyang and Kūmgang 2004-5



BACKSLIDING ON REFORMS?

- PDS abandoned in 2002 (formally in 2003), but began to be reinstated after 2005
 - August 2005 banned trade in grain
 - However production shortages have prevented the full reinstatement of PDS grain distributions (except for elites) so most people continue to rely on markets for food
- **서비스차** Ssöbich'a since the mid-1990s
 - Vehicles owned legally by a state office 기관 or enterprise 기업소 might transport individuals or goods for a fee in order to earn money for the unit
 - Vehicles that are privately owned might be registered to an office or enterprise, but then be used by the owner to earn money

SERVICE VEHICLES



FIGHT OVER SERVICE VEHICLE



2009 CURRENCY EXCHANGE

- Issue: hyperinflation since 2002 Reform measures
 - Reason for hyperinflation—economy not productive enough to provide for people's needs so prices kept rising
 - Rise of new class of rich, big market traders
- 2009 “solution” (November 2009)
 - Print new currency with 2 fewer 0s, force people to exchange, but limit the amount to exchange to 100,000 won (about \$40 at black market exchange rates)
 - (DPRK theory; shortages are a result of hoarding, and by confiscating money wealthy traders will be curtailed & more goods will enter the market)
 - Crack down on markets

DPRK Authority's Response

- Actual effect of currency exchange
 - Elite continued as usual using hard currencies
 - Riots as ordinary people who had saved currency now found it worthless (“collective panic” according to Chinese)
 - Traders deprived of capital (but the smart ones had saved in dollars, Japanese yen, or Chinese yuan)
 - Hyperinflation worsened as system of trading broke down
- Initial response to population's unhappiness was to raise the exchange limits to 150,000 and then 500,000
- This did not mollify people because outside the top elite most people are dependent on markets for their daily necessities
- Loosened crackdown on markets February 2010
- Executed Pak Nam-gi, director of the Planning and Finance Department of the KWP

TODAY

- Most people get most of their daily needs from markets
- Thumbs drives with foreign media easy to obtain
- Some cell phone service
- Elites shop in foreign currency markets

SINCE KIM JONG UN

- National Military Commission was developing a bureaucracy parallel to KWP, so this curbed and party rebuilt
- Kim Jong Un's uncle Jang Song Thaek executed 2013 (probably for building a "state-within-a-state" with his cronies
- Markets continue in importance