Acute Labor Shortages

- 1968.11.16 KIS speech to Central Committee
  - “most of our workers do not work for money, nor do they need any material incentive. They demand nothing more than the state’s guarantee of their livelihood, and they work conscientiously. We must not put material incentives first. We must give priority to political incentives.” SDS p242

- Discharged soldiers sometimes assigned to cooperatives to alleviate labor shortage

- By 1969, however, 7 year plan completed
Rural Sector

- **County (kun)—about 30,000 people**
  - People’s Committee governs
  - County Cooperative Farm Management Committee
    - Conduit for central agricultural policy, production, and planning
    - In ūp→agricultural machine stations, farm implement shops, irrigation administration for about 22 villages

- **Villages = Cooperative farms**
  - Work days—no taxation but fee for services provided by state (get to consume about 50% of production)
Urban Sector

- By 1970 DPRK 50% urban (ROK 40%)
- Housing assigned by work unit based on rank → rent nominal
- Basic necessities through PDS for minimal cost
- Family socializes mostly with various work teams → school for kids, work for men, *inminban* for women
- Workers day:
  - Twice a week military drill—may routinely march in and out of factory in military formation with uniforms
  - 2-3 times a week KWP “consciousness raising sessions”
  - Party activities for members (15-25%)
- To alleviate labor shortages attempts to recruit women into light industry in order to transfer men to heavy industry
Kim Ch’ ang-bong and 9 others (Kapsan) purged including partisans involved in operations against the south (200,000 troops)

Issues?

- Over-emphasis on sophisticated imported weapons
- Neglect of Red Worker-peasant militias
- Nepotism, refusal to carry out Party instructions

Did they form their own clique and operate regiments as if they were their own army?

Response: Military commissars appointed directly by the KWP within the military

Buzo KIS thought “not strategic miscalculation” but “fault of incompetent cadres” who were replaced p80 [my interpretation different]
5th Party Congress

- 1970.11.2-13
- Six Year Economic Plan 1971-76
  - Continue equalization policy
  - Mining and electric power bottlenecks
  - Need to increase quality of production
  - Ideological, technological, and cultural revolutions
  - Decision to import plants and machinery from Japan and Western Europe
- KIS admits military and economic difficulties related to high defense expenditures 1969-1973 (fear of Vietnam)
- New appointments seemed to point toward reemphasis on attaining non-military goals (Buzo “no new blood” but SDS differs about CC, though not Political Committee)
Changes in Factional Power in KWP Central Committee > Suh Dae-Sook 1976
Purges of military clique and failure of People’s Revolutionary Party (in the South) in 1960s seems to have led to new thinking in North

1971.3.21 KWP CC discussions

1971.3.12-14 SPA “8 point proposal on National Reunification”

“자주적 통일”

- US imperialism main problem so withdraw of US troops
- Reunify without outside interference

1971.7.9 Kissinger in China as was KIS (Nixon 1972 visit)

1971.8.6 KIS welcomes Sihanouk to P’yŏngyang and mentions 8-point unification policy

1971.8.12 Ch’oe Tu-sŏn of ROK Red Cross proposed talks on reuniting families

1971.11 Full scale N-S talks in P’yŏngyang & Seoul
Shanghai Communiqué

- 1972.2.27 Nixon + PRC
  - US & PRC move toward normalization (achieved 1979)
  - No power should “seek hegemony in the Asian Pacific Region”
  - US recognizes “one China” (but “constructive ambiguity” on what that means)

- 1972.5.4 Yi Hu-rak (director of ROK’s KCIA) meets KIS in P’yŏngyang

- 1972.7.4 DPRK Deputy Premier Pak Sung Chul visits Park Chung Hee in Seoul

- Significance: DPRK recognizes that ROK isn’t going away soon, and subversion isn’t working
"Unification shall be achieved through independent Korean efforts without being subject to external imposition of interference.

Unification shall be achieved through peaceful means, and not through the use of force against each other.

As a homogeneous people, a great national unity shall be sought above all, transcending difference in ideas, ideologies, and systems.

In order to ease tensions, and foster an atmosphere of mutual trust between the South and the North, the two sides have agreed not to slander or defame each other, not to undertake armed provocations whether on a large or small scale, and to take positive measures to prevent inadvertent military incidents.

The two sides, in order to restore severed national ties, promote mutual understanding, and expedite independent peaceful unification, have agreed to carry out various exchanges in many fields.

The two sides have agreed to cooperate positively with each other to seek early success of the North-South Red Cross talks, which are underway with the fervent expectations of the entire people.

The two sides, in order to prevent the outbreak of unexpected military incidents and to deal directly, promptly, and accurately with problems arising between the North and the South, have agreed to install a direct telephone line between Seoul and Pyongyang.

The two sides, in order to implement the aforementioned agreed upon items, to solve various problems existing between the North and the South, and to settle the unification problem on the basis of the agreed upon principles for unification of the Fatherland, have agreed to establish and operate a North-South Coordinating Committee co-chaired by Director Yi Hurak [representing the South] and Director Kim Yongju [representing the North].

The two sides, firmly convinced that the aforementioned agreed upon items correspond with the common aspirations of the entire people, who are anxious to see an early unification of the Fatherland, hereby solemnly pledge before the entire Korean people that they will faithfully carry out these agreed upon items."
The 1972 Constitutions N&S

- Hotline established between Seoul and P’yŏngyang

- 1972.10.16 Martial Law in ROK
  - National Assembly dissolved, universities closed
  - 1972.10.27 New State Council
  - 1972.11.21 Yusin Constitution adopted by referendum

- 1972.12.28 First Session of 5th SPA adopts new “Socialist Constitution
  - Had been discussed in KWP Central Committee in October
Content of 1972 Socialist Constitution

- DPRK defined as “independent socialist state” guided by “chuch’ e*” and “democratic centralism”
  - *the creative application of Marxism-Leninism to the conditions of our country
- Ch’ ŏngsalli Spirit, Ch’ ŏllima Movement, Taean Work Method, state-led central planning all mentioned
- Means of production owned by state or cooperatives, but people have personal property (including produce of private plots)
- Chuch’ e in literature and science will transform socialist man
Government Structure

- SPA ‘elected’ every 4 years with elected Presidium (Standing Committee)
  - ‘elects’ pres, vp,
  - On rec of pres ‘elects’ Central People’s Committee, Premier of President’s Council, VC of Nat’l Defense Commission

- President (chusŏk)
  - Guides CPC, Administration Council
  - Ratifies or abrogates treaties
More structure

- SPA “highest organ of state”
- CPC “highest leadership organ of state”
  - Draws up domestic and foreign policies
  - Directs work of peoples assemblies and committees and administration
  - Directs judicial, prosecutorial, and military issues
  - Appoints and removes cabinet
- Administrative council = cabinet
- Local people’s committees
- Courts and Procurator’s Office
- Capital P’yŏngyang
in his capacity as chairman of the CPC. The chief executive is elected every four years by the SPA, to which he is formally “accountable” for his activities. Actually, however, there are no provisions in the Constitution that allow for the removal, recall, or impeachment of...
KWP Organization from 1970

- Party Congress 당대회
- Party Delegates Conference 당대표회
- Central Committee 중앙위원회
- Political Committee 정책위원회 → 정치국
  - Secretariat 비서국
  - Organization and Guidance Department 조직지도부
  - Propaganda and Agitation Department 선전선동부
- Military Affairs Committee 군사위원회
- Inspection Committee 검열위원회
- Auditing Committee 검사위원회
- 5-15 Person Party Cells in administration and production units most basic level
KWP Org Chart
Western Imports 1971-6

- Imports from non-communist countries shot up
  - 1971 11% of imports, 1974 60% of imports
  - Imports done using Western credits

- Exports to non-communist countries grew, but not as quickly
  - 1971 20% of exports, 1973 38% of exports

- First Oil shock 1973
  - World-wide recession led to drop in commodity prices for DPRK exported metals and mineral

- 1974 DPRK began to default on debts (though growth still fairly quick)
Increased Mobilization Efforts

- 1973 Three Revolutions Work Team Movement
  - Work teams sent into factories and businesses to implement the three revolutions: technical, cultural, and ideological

- 1974 Seventy-day Speed Battle 속도전 (70일 전투)
  - Speed battle adopted by 1974.2 8th Plenum of 5th Party Congress
  - “Spurring on the galloping Ch’ŏllima to rush along like a gale at a new Ch’ŏllima speed, a new P’yŏngyang speed, we can finish the 6-year plan (1971-1976) early by the 30th anniversary of the party’s founding.”
  - First use of the term “speed battle” though “P’yŏngyang speed” and “Ch’ŏllima speed” had been used before
Consequences

- By 1976 DPRK had accumulated $1.4 billion hard currency debt, and another $1 billion to socialist countries
- From 1976 DPRK unable to make Western purchases with credit
- Aging Soviet technology and machinery hard to replace
- South now growing more quickly
Foreign Dependence

- Rebuilding of the 1950s based on help from socialist block (80% of capital 1954-6)
- Later continued loans (many not repaid) and resources at “friendship” prices from socialist block
- Soviet sources claim Soviet help accounted for:
  - 60% of electricity output
  - 45% of oil products
  - 40% of iron ore
  - 34% of rolled steel
  - 30% of raw steel
  - 20% of fabrics (>Clough p89)
Analysis

- High defense expenditures and over-emphasis on heavy industry hindered efficient investment
- Unable to import needed technology and machinery
  - Official explanation for non-repayment: Oil shocks of 1970s, but:
  - Inexperience in trading on world markets
  - Inability (or lack of desire) to modify autarkic industrial orientation to produce for world markets
  - Command economy responded to commands rather than competition to meet world market prices and quality standards
- Lack of bankruptcy and lay-offs means inefficient plants cannot close and redundant labor cannot be redirected to more efficient use
  - this hinders new investment (because what do you do with the old?)
- Lack of money accounting meant efficiency difficult to measure (thus, for example, inefficient use of energy)
DPRK Response to Stagnation

- Response ideological and mobilizational (mobilize more labor and raw materials to get more output)
- Chuch’ e or autarky did not prohibit needed imports, but it did inhibit introduction of structural changes
  - Ch’öllima, Ch’ongsalli & Taean WM put Party at center of each business, and Party focused more on ideology and political orthodoxy than efficient production
- Fear of outside contamination if open to extensive and growing foreign economic interaction
- Fear that foreign interaction=foreign dependence=loss of sovereignty