

KEY FACTS

Official name: Chosun Minchu-chui Inmin Konghwa-guk (Democratic People's Republic of Korea) (DPRK)

Head of State: General Secretary of KWP Kim Jong-un (from 19 Dec 2011). In 1998, his grandfather, Kim Il-sung, who died in 1994, was named President of North Korea for Life.

Head of government: Premier Choe Yong-rim (from 7 Jun 2010)

Ruling party: Chosun Rodongdang (Korean Workers' Party) (KWP)

Area: 122,400 square km

Population: 24.45 million (2011)*

Capital: Pyongyang

Official language: Korean

Currency: Won (W) = 100 chon

Exchange rate: W1.30 per US\$ (Jul 2013)

GDP per capita: US\$508 (2010)

GDP real growth: 2.50% (2011)*

GDP: US\$12.30 billion (2010)

Annual FDI: US\$55.00 million (2011)

* estimated figure

North Korea



In June 2013 US President Obama and his Chinese counterpart President Xi Jinping met in California to discuss, *inter alia*, North Korea. In the decade after the end of Second World II the two countries had found themselves at war, each supporting the interests and objectives of its client state – the Democratic People's Republic of Korea (DPRK) (North Korea) of Kim il Sung for China, the Republic of Korea (ROK) (South Korea) of President Syngman Ree for the US. The inclusion of North Korea was by no means the first time that the 'rogue' communist state had been on the two countries' agenda. But in 2013, despite the existence of a demilitarised zone between the two Koreas the tenor of the discussions was a lot more worrying. Since the early 1950s, following the war between the two countries, the US has maintained an undeniably

powerful bargaining tool in Korea – the simple presence of some 30,000 US forces in Korea as well as the constant proximity of its massive Pacific Fleet. Two decades earlier, the International Atomic Energy Agency (IAEA) had caught North Korea 'in fragantis' violating its nuclear agreements. The then President Bill Clinton successfully negotiated a new, seminal, agreement with North Korea, but in no time at all North Korea reneged on the new agreement, expelled the IAEA inspectors and withdrew from the Nuclear Proliferation Treaty and cheerfully launched itself on a programme of nuclear detonation and various missile tests.

The Great Unknown

In mid-2013 North Korea's new leader Kim Jong-un remained an unknown quantity. It was unclear to what extent he relied

on his own reasoning (a probably unlikely hypothesis) and to what extent he depended on the advice of his inner circle of advisers (see Inner Circle below). What is for sure is that on his watch tensions on the Korean peninsula have risen to new peaks, as has the constant flow of warmongering threats against both the US and South Korea emanating from Pyongyang. In power since December 2011, the 30-year-old Mr Kim is certainly an inexperienced and untested leader. His intentions remain unclear, leaving the sixty-four thousand dollar question as to whether he is speaking out in a bid to strengthen his personal position or is doing so at the bidding of older, more experienced – but not necessarily more reasonable – figures.

The Inner Circle

Including the young leader himself, the inner circle's list of names has something of Gilbert and Sullivan about it: there are three Kims (two male and one – the only one – female). There are two Mr Chang, a Mr Choe and a Mr Hyon making seven in all.

Although not much is certain about who holds real power in Pyongyang, it seems to lie somewhere within this 'gang of six' that in 2013, alongside Kim Jong-un appeared to be calling the North Korean shots. Among the rather geriatric group that appear to be running the shop are:

- Kim Kyong-hui, the younger sister of Kim Jong-un's late father, Kim Jong-il (who was in turn the son of the 'Great' Kim-Il song). She and her husband, Chang Song-taek, have, according to a helpful in depth study prepared for the London BBC, have been central to North Korean politics for four decades and have held various government positions. They are believed to be in their mid-60s, although some photographs would seem to make them older. For a period in 2011 there were rumours that this reclusive couple were acting as the younger Kim's mentors. The couple were pictured alongside Kim Jong-un when he – rather naively – promised to keep nuclear weapons as 'the nation's life treasure'.
- Chang Song-taek was a trusted friend of Kim Jong-il's. He steadily rose through the ranks of the Korean Workers Party (KWP) after joining in the early 1970s and was elected to the Central Committee in 1992. But sometime in 2004 he disappeared from politics and was believed to have been arrested and despatched to a political 're-education' programme. Then in June 2010, South Korean news agency Yonhap described Mr Chang as 'guardian of Kim Jong-un'. North Korea watchers regularly considered him to be the real power behind the throne. Mrs Kim had also disappeared from public life at the same time as her husband, re-emerging in 2009.
- Hyon Yong-chol was promoted to vice marshal in the North Korean People's Army (KPA) in July 2012, one of several people holding the post concurrently. The KCNA news agency later confirmed his position as no less than the chief of the general staff of the KPA. This previously little-known general (a rank he had held since 2010) rose to sudden prominence, replacing the powerful former army chief, Ri Yong-ho. It was thought at the time that the reshuffle might be little more than a ploy by Kim Jong-un to stamp his authority on the army. As is so often the case in North Korea, not too much was known about Mr Hyon, but he was a member of the Central Committee of the KWP.
- Along with Chang Song-taek, Choe Ryong-hae is seen as the chief image-maker of Kim Jong-un as a military leader, probably responsible for the cosy images of the 30 year-old leader blankly staring at maps of the Korean peninsula. Mr Choe was known to be close to the ruling Kim family. He became a four-star general in September 2010. In April 2012, at the major KWP conference which followed Kim Jong-un's appointment, Mr Choe was inexplicably made a vice marshal despite having no military experience whatsoever. Not that he lacked titles, being a director of the KPA's politburo and vice chairman of the KWP's Central Military Commission.
- Of academic demeanour, Choe Yong-rim is an elder statesman figure in North Korea, described by one source as a 'long-time confidant of the late leader Kim Il-sung', who had managed to remain in favour with both his successors. He had served twice as vice premier under Kim Il-sung and in June 2010, he replaced Kim Jong-il as premier.
- Kim Yong-nam is the chairman of the presidium of the Supreme People's Assembly – the highest political machine in the country – and is in effect

the nominal head of state, although the position does not in practice exist in North Korea. The 85-year-old is technically responsible for foreign relations and is one of the few members of the North Korean hierarchy to have been on a number of official foreign visits.

What next?

In an excellent paper, John Swenson-Wright a senior consulting Fellow of the Asia Programme at London's Chatham House and a senior lecturer at the Faculty of Asian and Middle Eastern Studies in the University of Cambridge, has looked into the development of North Korea's relationships with the rest of the world. Mr Swenson-Wright noted that in late 2012 and the first half of 2013 North Korea had managed to conduct its third nuclear test, threatened attacks on a number of regional targets, offered and then cancelled talks with South Korea, and concluded by proposing direct talks with the US. Following the cancellation of the talks in Seoul that would have been the first formal bilateral ministerial negotiations since 2007, observers were left guessing at the next possible step. The ostensible reason for the cancellation of the talks was the inability of the two sides to agree on the status of their respective delegation heads. Given the talks' potential importance, this seemed a bit far-fetched. Speculation abounded that in fact Pyongyang had never been serious about the talks, simply wanting to persuade China that it was now adopting a more moderate stance.

This may have been a serious miscalculation by Pyongyang, as the interests of Washington and Beijing had begun to converge on the issue of North Korea's troublesome behaviour. Both countries supported international sanctions aimed at preventing Pyongyang from proliferating nuclear weapons and made it quite clear that any nuclear weapons programme is incompatible with North Korea's much needed economic development. North Korea is now perceived by both China and Washington to be playing with fire, as it becomes clearer that Pyongyang – at least in terms of its weapons capabilities – represents a real threat to regional and international security. The more optimistic experts calculate that Pyongyang is between three and five years away from deploying a nuclear warhead on a medium-range missile which would be capable of reaching US bases in Japan, Guam and even the west coast of America.

The pessimists considered that the window needed for preparing short-range nuclear missiles to strike at Seoul might be as little as a year or two.

Whether Kim Jong-un's thinking (if it was indeed his thinking) sought to create a sense of national insecurity, or simply wanted to make his mark on North Korea's vast armed forces and reinforce his domestic control, was unclear. Alternatively, the game plan might be to frighten China into cutting him more slack – in the form of food, cash, arms – whatever he decided to ask for. A further theory was that North Korea was trying to drive a wedge between a war weary US and South Korea, with a new (female) president. However, in a remarkably calm South Korean President Park Geun-hye, Kim Jong-un appears to have met his match.

North Korea had hoped that the failed talks would have addressed a wider set of issues, not just the question of nuclear proliferation, but also the possibility of a formal peace treaty to end the Korean War (suspended by the armistice agreement of 1953), the establishment of formal diplomatic relations with the US, the provision of economic assistance and the advancement of formal trade and investment opportunities. The talks would have seemed to offer an opportunity for North Korea to obtain quite a lot. Certainly to obtain more than it could ever achieve from further pressure on China, or unthinkable, by declaring outright war on South Korea. The Obama administration remains opposed to any all-encompassing talks and has made it clear that any discussions are conditional on the North initially complying with its existing obligations to freeze and ultimately dismantle its nuclear programme.

In more practical terms, Beijing has closed the accounts of North Korea's key Foreign Trade Bank and used the visit to Beijing in May 2013 of Vice Marshal Choe Ryong-hae to indicate its growing anger at the North's obduracy on the nuclear issue. Any newly intensified pressure from China might help to persuade Pyongyang to change course, but it will depend on how much direct pain is felt by a North Korean leadership historically jealously protective of its diplomatic independence and often reluctant to follow Chinese instructions. Hopes may lie with South Korea, where the ministry of unification – the key government agency responsible for dialogue with the North – has maintained a moderate, pragmatic posture in the hope of keeping the door open for future talks.

Mr Swenson-Wright concluded his paper by noting that 'Looming in the background is the threat of another unanticipated provocation from the North, perhaps in the form of a missile launch or a border incident designed to raise regional anxieties and to reaffirm its historic success, notwithstanding its relative political and economic weakness, in determining the pace and timing of negotiations on the Korean peninsula.'

Outlook

Undoubtedly, change is in the air surrounding the two Koreas. Some of the signs are obvious – the cool reception granted by China to North Korean delegations, the unprecedented meeting between President Xi and South Korean President Park Geun-hye which was followed by a joint declaration on the importance of the United Nations' sanctions on North Korea, as well as a reaffirmation of the 2005 UN agreement that required North Korea to renounce its nuclear programme in return for continued food and other material aid. The two leaders also called for the reinstatement of the six-party nuclear talks, suspended in 2009. There has been some talk of undertakings from the US and South Korea that in the event of a complete social and economic collapse in North Korea, neither country would 'take advantage' of the situation to the detriment of China, particularly in terms of troop deployments. China, it appeared, was beginning to look for a way out of its North Korean dilemma – by talking to the two countries it had fought sixty years earlier to secure North Korean independence, or at least prevent a South Korean victory.

Risk assessment

Economy	Poor
Politics	Poor
Regional stability	Poor

COUNTRY PROFILE

Historical profile

1910 Japan formalised its annexation of Korea after gaining responsibility for its security following victory in the Russo-Japanese war of 1905.

1919 Japan suppressed the mass March First movement for self-determination.

1930s–1940s Japan imposed measures designed to assimilate the Korean population, including the outlawing of the Korean language and family names. Korea suffered under military occupation but gained the benefits of forced industrialisation.

1945 Liberation at the hands of Allied forces was a prelude to partition of the peninsula as the victorious powers encouraged friendly governments north and south of the 38th parallel. The US occupied the south while the north was taken over by the Soviet Union. As the two powers did not wish to give independence to Korea, feeling that the Korean people needed political and social re-education, a line of demarcation was established.

1947 The Chosun Rodongdang (Korean Workers' Party) (KWP) was established by Kim il-Sung (known as the 'Great Leader').

1948 The Democratic People's Republic of Korea (DPRK) was established as an independent communist state.

1950 North Korea, backed by Soviet and Chinese Communist forces, invaded South Korea after it had declared independence. War ensued.

1953 A cease-fire was signed on 27 July; a peace treaty was never signed.

1972 A constitution was laid down.

1990s Ten years of famine began after the fall of the Soviet Union, which had been supporting the DPRK regime. It lasted for most of the decade and due to lack of verifiable statistics it killed anywhere between 800,000 and 3.5 million people from starvation and hunger-related illness; deaths peak in 1997. At the height of the famine, the UN estimated one-third of the population received food aid and half the population were malnourished.

1994 Kim il-Sung, who spent his last two decades in power, died. He was succeeded by his son Kim Jong-il (he did not take the title of president but became known as the 'Dear Leader').

1995–96 Floods destroyed 16 per cent of arable land.

1997 Kim Jong-il formally assumed power. He was elected general secretary of the KWP.

1998 Kim il-Sung, who died in 1994, was named president of North Korea for life.

2000 Australia, the Philippines and Italy restored diplomatic ties with DPRK. South Korea President Kim Dae-Jung visited Pyongyang and met Kim Jong-il in an unprecedented and much fêted meeting of the two Korean leaders. The then US secretary of state, Madeleine Albright, visited Kim Jong-il. North Korea and the UK established diplomatic relations.

2001 An EU delegation held talks with Kim Jong-il. Talks started by the US administration in 2000 were suspended. Talks on opening the first land route between the Republic of Korea and Korea DPR broke down. After the worst winter in 50 years and a summer drought harvests were devastated, the UN WFP called for over US\$300 million in food aid.

2002 DPRK was included on the list of countries that were an 'axis of evil' due to their development of weapons of mass destruction (WMD). Inter-Korean relations progressed, as the two sides agreed to resume the engagement process after the South Korean envoy, Lim Dong-won visited DPRK. The accord included plans for economic co-operation, continuing family reunions and a revival of a cross-border railway project linking the two countries. 2003 China began talks in an effort to persuade North Korea to end its nuclear arms programme. All 687 KWP candidates, standing unopposed, won 100 per cent of the votes in elections to the National Assembly. Pak Pong Ju became premier. The Kaesong Industrial Complex (KIC) was launched in a free zone between the two countries. Largely financed by the South to increase co-operation North Koreans would be employed in manufacturing industries, with goods exported to the South. 2004 A train carrying volatile materials exploded killing at least 161 people and injuring over 1,000. South and North Korea temporarily opened their borders. The Gyeongui railway line was under refurbishment and a new line, Donghae Bukbu (Tonghae Pukpu), began construction. 2005 A short-range missile was test-fired in the general direction of Japan. International talks led to an agreement whereby the nuclear weapons programme would be terminated in return for aid and security guarantees. Further negotiations were vetoed due to international sanctions that had frozen DPRK assets in a Macau bank, which the US alleged was responsible for laundering millions of US dollars' worth of counterfeit and illegally earned money and which effectively denied DPRK access to the international banking system. 2006 The DPRK government listed its central bank on the London Stock exchange in an attempt to circumvent financial sanctions and sold an estimated US\$28 million in gold bullion on international markets. A limited nuclear explosion of less than one kiloton was detonated in DPRK, resulting in international financial sanctions. 2007 The UN suspended all aid until an audit was completed, following US accusation that the aid was 'perverted for the benefit of the Kim Jong Il regime' instead of being spent on the people of DPRK. An agreement was reached whereby two contentious nuclear reactors would be closed down, to be verified by international inspectors, in return for the supply of 50,000 tonnes of heavy fuel oil, plus food and other aid. It would also allow DPRK access to the international banking system and a formal end to the 1950–53 Korean War. North and South Korea resumed

ministerial meetings. Pak Pong Ju was replaced as prime minister by Kim Yong Il. UN inspectors confirmed that the Yongbyon nuclear reactor had been shut down. Floods killed over 100 people and left 300,000 people temporarily homeless. A summit of leaders of North and South Korea took place in Pyongyang. The South Korea delegation included industrialists, bureaucrats, poets and clerics. US technicians began the process of disabling the Yongbyon nuclear complex. The end-of-year deadline to disclose its nuclear programme was missed. 2008 International negotiations on the nuclear weapons programme ground to a halt, as verification of work cessation could not be agreed. 2009 All political and military agreements with South Korea were scrapped, due to what the DPRK saw as 'hostile intent' by South Korea. Legislative elections were announced, with the supreme leader picking one candidate for each constituency, to be voted on by the electorate. In the parliamentary elections, 687 candidates were elected unopposed; turnout was said to be 99.98 per cent. The US called the launch of a DPRK satellite rocket 'provocative', even though the US and South Korea said the launch had been unsuccessful. Contrary to all agreements a large nuclear test took place, estimated at 20 kilotons; the UN Security Council condemned the test. DPRK declared that it was 'no longer bound by the 'armistice' of 1953, following South Korea's participation in the Proliferation Security Initiative (PSI) that included measures to search ships suspected of carrying nuclear materials. North Korea considered such searches 'hostile' acts against its 'peaceful vessels' and an infringement of its sovereignty. New, UN sanctions were imposed on named DPRK citizens and businesses, as well as some foreign firms doing business with DPRK. A decree was issued ordering all bank notes be exchanged for new, lower re-valued bank notes. The re-valuation was reasoned to be a move by the government to counter black-market money traders. 2010 The finance official overseeing the re-valuation of the won in 2009, Pak Nam-ki, was sacked due to the chaotic process that wiped out many people's savings and caused food shortages; he was later executed. The report by an international investigation team, led by South Korea, concluded that DPRK had torpedoed a South Korean warship, with the loss of all 46 sailors aboard. DPRK denied the accusation, as condemnation by UN members followed. China, North Korea's principal ally, and Japan agreed to impose financial sanctions on DPRK. Choe Yong-Rim became premier (head of

government), replacing Kim Yong-il, who stepped down following the bungled currency reforms. South Korea staged five days of military drills off the peninsula's west coast. The move infuriated the North Koreans, who in retaliation fired off over 100 rounds of artillery close to the disputed sea border between the two countries. Kim Jong-il and his son, Kim Jong-un, travelled to China again. There was speculation that Kim Jong-il was looking for approval of Kim Jong-un as his successor. Four people, including two civilians, were killed after DPRK fired artillery shells at the island of Yeonpyeong in South Korea. 2011 An outbreak of foot and mouth struck livestock and weakened an already fragile food supply. In February, the government appealed for foreign aid to feed its people. The 'Elders' a group of four international statesmen, (former presidents Jimmy Carter (US), Martti Ahtisaari (Finland) and Mary Robinson (Ireland), with prime minister Gro Brundtland (Norway)) paid a three day visit in April, in an effort to revive the six-party talks on North Korea's nuclear programme, and to ease tensions with South Korea. In June the government closed all universities and sent students to factories, farms and construction sites in an attempt to rebuild the economy, but also to limit any opposition moves caused by uprisings elsewhere in the world. In August DPRK called for a resumption of the six-party nuclear negotiations 'without preconditions'. President Jong-il travelled by train to the Russian border town of Khasan in August. He held talks with the Russian president, Dmitry Medvedev and visited a dam north of Vladivostok. In September Kim Jong-un made a rare public appearance when he stood with his father at the national celebrations of DPRK's 63rd anniversary of its founding. The General Secretary of KWP (known as Dear Leader) Kim Jong-il, chairman of the National Defence Commission (*de facto* leader), died on 17 December. 2012 On 12 April, state media announced that Kim Jong-un had been named as chairman of the National Defence Commission (NDC), a standing member of the politburo of the KWP and Supreme Leader. A long-range missile, launched on 13 April, exploded over the Yellow Sea shortly after take-off. The US condemned the launch as provocative and suspended the shipment of 240,000 tonnes of food aid to DPRK. Other members of the UN Security Council condemned the launch as violating three UN resolutions banning the testing of ballistic missile technology. On 3 August, the UN announced that DPRK had requested immediate food aid to provide for the tens

of thousands of people, around the city of Anju and Songchon County, made homeless by severe flooding in July. A rare second sitting of parliament (within one year) was held in private on 25 September. The session endorsed an extension to compulsory education by one year. No announcements on other reforms, including to the economy, were made. On 9 October, DPRK announced that it had a missile that could reach the US mainland, two days after South Korea announced that it had upgraded its missile capabilities, with the agreement of the US. On 12 December, North Korea successfully launched a long-range rocket defying international warnings against continued development of intercontinental ballistic missile technology.

2013 On 11 June high level talks that had been agreed the day before to be held in Seoul were suspended by North Korea over the choice of delegates. Seoul attempted to call the North on the restored Red Cross hotline at 09.00 on 12 June but there was no answer. The two Koreas had spoken twice a day at 0900 and 1600 until the hotline had been cut by the North on 10 March. In mid-April the North effectively closed the KIC, which since its inception in 2003 had grown to include some 120 factories employing over 53,000 North Korean workers.

On 6 July officials from North and South Korea began talks on reopening the KIC. By 10 July the two sides had agreed in principle to restart operations. However, within days the talks fell through. On 7 August North Korea again offered talks, for 14 August, saying its workers would return to the joint complex and the safety of South Korean staff would be guaranteed. The offer came shortly after the South Korean government announced insurance payments to companies affected by the stoppage – a move seen as paving the way for a formal closure of the site. It was also a day after Seoul said it was providing US\$6 million in aid to North Korea. On 18 August the government announced they had agreed that reunions between families separated since the 1950–53 war will take place in a North Korean tourist resort on 19 September. Officials in Seoul announced on 23 August that reunions would take place on 25–30 September at the North's Mount Kumgang resort. Steam was seen rising from the Yongbyon nuclear facility on 11 September, suggesting that the government was preparing to re-start production of plutonium, which can be used in the production of nuclear weapons. On 21 September North Korea announced it was indefinitely postponing the scheduled family reunions. On 24 September China announced that it was banning the export of

technologies that could be used in the development of nuclear weapons.

Political structure

Constitution

Under the terms of the 1972 constitution, nominal political authority is held by a unicameral Supreme People's Assembly (SPA).

Local government is vested in nine provincial and three municipal elected people's assemblies.

Government at all levels is dominated by the Chosun Rodongdang (Korean Workers' Party) (KWP).

The executive

The head of state holds executive power and governs in conjunction with a Central People's Committee and an appointed Administrative Council (cabinet).

The head of state is no longer president since the title was given to Kim il-Sung, after he had died, for life.

Kim Jong-il was given administrative powers in 1994 and formally assumed power as head of state after being elected general secretary of the ruling KWP in 1997.

National legislature

A unicameral, Supreme People's Assembly (SPA) exercises nominal legislative power. Its 687 members are elected every four years from a single list of candidates, sanctioned by the General Secretary of the KWP.

The SPA, which elects a standing committee to represent it when not in session, also elects the head of government.

Legal system

The legal system is based on the German civil law system with Japanese influences and Communist legal theory.

Last elections

8 March 2009 (parliamentary)

Results: All 687 candidates, chosen by the ruling Chosun Rodongdang (Korean Workers' Party) (KWP), were elected unopposed; turnout was 99.98 per cent.

Next elections

March 2013 (national legislature)

Political parties

No political parties, other than the KWP, are permitted to operate.

Ruling party

Chosun Rodongdang (Korean Workers' Party) (KWP)

Population

24.45 million (2011)*

Approximately 68 per cent of the population is aged between 15 and 64 years.

Unicef estimates that around 16 per cent of the population suffer from acute malnutrition, with hardship concentrated in urban areas. The government encourages the urban population to leave the cities. In South Korea, there is a growing number

of refugees who have escaped from the harsh conditions of North Korea.

Last census: 1 October 2008:

24,051,403 (provisional)

Population density: 186 inhabitants per square km. Urban population 60 per cent (2010 Unicef).

Annual growth rate: 0.9 per cent, 1990–2010 (Unicef).

Ethnic make-up

The Korean DPR (DPRK) has a highly homogeneous population descended from migratory groups who entered the Korean Peninsula from Siberia, Manchuria and inner Asia. There is a small Chinese community and a few ethnic Japanese.

Religions

The constitution provides for 'freedom of religious belief' but, in practice, organised religious activity is discouraged, except for certain government-sponsored religious groups. Traditional religions are Buddhism, Confucianism, Daoism, Shamanism and Chondogyo.

Education

There is a national Education for All Forum (EFA) that organises consultations with organisations such as the Youth League, the Women's Union and the Academy of Educational Science.

Education in Korea consists of six years of elementary education, three years of junior high school, three years of senior high school, and four years of college education. The government has established a free educational system and plans to extend this to the remote areas of the country. However, school attendance in some areas has reportedly dropped to between 60–80 per cent, due to extreme economic hardship not only, in families through lack of food, but also in school facilities with inadequately trained teachers, poor heating and scarce learning materials.

Competition for college entry is fierce.

There are three universities. These are the Kim Il-Sung, Kim Chaek Polytechnic and Koryo-Songgyungwan. There are also around 280 colleges.

It is common for students to opt for military service after graduation. This is not compulsory, but can positively affect an individual's future career.

Literacy rate: 95–99 per cent, adult rate.

Health

There is an extensive, free medical care system, but the quality of care has declined.

Water and sanitation sector, one of the key priority areas, remains poorly funded at only 18 per cent of the requirement. A nutrition survey conducted by Unicef, in 2002, indicated that 40 per cent of children under five were chronically malnourished or stunted (a fall from the previous

high of 45 per cent in 2000) and in 2003 nationwide, 5 million people, especially children, the elderly and pregnant females were dependent on foreign food aid. The mortality rate for those aged under 5 was 55 per 1,000 children; maternal mortality continues to increase as estimates show that the nutritional status of some 480,000 pregnant and nursing women is poor.

Life expectancy: 66 years, 2004 (WHO 2006)

Fertility rate/Maternal mortality rate: 2.0 births per woman, 2010 (Unicef)

Birth rate/Death rate: 17.6 births per 1,000 population; seven deaths per 1,000 population (World Bank 2003).

Child (under 5 years) mortality rate (per 1,000): 29 per 1,000 live births (WHO 2012)

Welfare

A large segment of the civilian population rely on the government-run public distribution system. In 2003 the meagre food ration was further reduced to 250–380 grammes per person daily – half the minimum daily energy requirement. People are required to rely on independently procured supplements; families in urban, industrial areas have fared worst.

Main cities

Pyeongyang (capital, estimated population 3.4 million (m) in 2012), Hamhung (597,037), Namp'o (478,999m), Hungnam (369,594), Kaesong (361,338m), Wonsan (348,092), Ch'ongjin (331,552), Sunch'on (283,552).

Languages spoken

English, among other international languages, is used in business.

Official language/s

Korean

Media

Despite a constitution that guarantees freedom of the press, media is a severely restricted as the government prohibits and controls information and the means of distribution. In 2008 the Paris-based Reporters Without Borders condemned North Korea as isolating its population from the world and subjecting it to 'propaganda worthy of a bygone age'. Criticism of the state leader and government is not tolerated as news is heavily censored; typically all media reinforces the personal-cult of the leader, Kim Jong-il.

Press

All publications are state-owned or controlled, including *Rodong Shinmun* (Labour Daily), *Minju Choson* (Democratic Korea), *Joson Inmingun* (Korean People's Army Daily) and *Rodongja Sinmum* (Worker's Newspaper). In English,

People's Korea (www.korea-np.co.jp/pk) is a government online publication.

Dailies: These include *Rodong Shinmun*, *Minju Choson*, *Rodong Chongnyon* and *Pyeongyang Times*. The Korean News Service in Tokyo also provides an internet service *Korean News* at www.kcna.co.jp/index-e.htm.

Business: The Foreign Trade Publishing House publishes a monthly journal, *Foreign Trade of the DPRK*, which includes listings of specialised corporations, giving telegraphic and telex addresses.

Periodicals: A semimonthly, Tokyo-based unofficial mouthpiece of the Korea DPR government, *The People's Korea*, reports on Korean affairs.

Broadcasting

All radios and television sets are pre-tuned to state-run stations and there are heavy penalties for anyone caught listening to a foreign broadcast.

There are two radio stations, the Korean Central Broadcasting Station and the external service Voice of Korea, both are state-run. The Korean Workers' Party operates Korean Central TV; Mansudae TV is a cultural service.

Radio: National and locally-produced programmes are widely disseminated (factory, outdoor loudspeakers); there are external services in several languages.

Television: There are two stations, plus a third channel at weekends. Viewing foreign channels is illegal for Korean DPR nationals.

National news agency: Korean Central News Agency (KCNA): www.kcna.co.jp

Economy

North Korea has probably the world's most highly centralised planned economy; the regime is highly secretive and does not publish national accounts, which might reflect poorly on its dogmatic political philosophy. The concentration of economic policy on the development of heavy industry reflects the continued implementation of outdated Soviet-style priorities, wholly unsuited to present conditions which are characterised as under-invested and outmoded and which have led to a moribund industrial sector that is considered beyond rescue. Energy output is, likewise, declining. Industry accounts over 45 per cent of GDP, services over 20 per cent and agricultural and fisheries the remainder.

GDP growth in 2007 was -1.2 per cent due to severe flooding that devastated harvests and forced North Korea to petition for food aid. However, following a rapprochement with South Korea in 2008 the economy grew by an estimated 3.1 per cent largely due to the inter-Korean economic co-operation, whereby South Korea provided investment and

collaboration in setting up the Kaesong Industrial Region, in the border region of North Korea. By 2009 there were 117 South Korean companies manufacturing goods in North Korea and employing over 42,000 local workers. However, when KPRK's leader, Kim Jong-il, became unwell all political and military agreements were scrapped, also ending business ties by the end of 2009. This caused the economy to return to recessionary growth of -0.9 per cent. There was a slight improvement in 2010 with growth of 0.7 per cent.

Foreign investment in industry, construction, technology and tourism is officially encouraged, but there have been few firms willing to invest in North Korea. Without investment in infrastructure, North Korea, with its low-cost, relatively educated workforce, cannot become the centre for competitively-priced exports to Russia and China that its geographic location could provide.

The death in December 2011 of Kim Jong-il, and the subsequent succession of his son, Kim Jong-un, is unlikely to make any immediate difference to the state of North Korea's economy.

The Kaesong Industrial Complex (KIC), launched in 2003 and financed mostly by the South to increase co-operation, is an industrial free zone of manufacturing industries just over the border from South Korea. By 2013 there were more than 120 factories employing some 53,000 North Koreans, earning over US\$80 million a year in wages from South Korean companies. Goods are mostly exported to the South. In 2012 around US\$470 million worth of goods were produced, the biggest contributor to inter-Korean trade.

External trade

North Korea's foreign trade accounts for less than 10 per cent of GDP. There is a special economic zone, Rajin-Sonbong, near Rason on the north-eastern border with China and Russia, allowing free trade access in return for investment.

The Kaesong Industrial Region is an economic development zone where South Korean companies have set up manufacturing facilities. The zone is expected to be completed by 2012 and employing around 700,000 people.

Two-way trade between the two countries amounted to US\$1.68 billion in 2009. The trade in illicit drugs is thought to be an important source of foreign currency within the grey economy.

Imports

Vital supplies of food aid are still required. Main imports are petroleum and coking coal, crude rubber, alloying elements, sulphur, halite, grain, cotton, sugar and palm oil.

Main sources: China (68.2 per cent of total in 2011), India (6.9 per cent), Egypt (6.4 per cent).

Exports

Commodity exports are clothing, iron and steel, armaments, machinery and equipment, non-ferrous metals, manufactured goods, fireproof bricks, anthracite, magnetite cakes, cement, magnesia clinker and machine tools.

Main destinations: China (68.4 per cent of total in 2011), Dominican republic (4.6 per cent), The Netherlands (3.1 per cent).

Agriculture

The agriculture sector accounts for an estimated 30 per cent of GDP and is thought to employ 43 per cent of the workforce.

Agriculture is mostly practised on large-scale collective and state farms, which have been fatally mismanaged. Main crops are rice, maize and potatoes. Other crops include wheat, barley, rape, sugar, millet, sorghum, pulses, sweet potatoes, vegetables, tobacco and silkworms. Extra grain supplies are necessary. Since the mid-1990s, North Korea has been affected by adverse climatic conditions, with a series of floods and droughts destroying crops. Other problems affecting the sector include severe deforestation, which has caused silting of rivers, a lack of fertilisers and pesticides and low levels of mechanisation. This has led to a serious food deficit at a time when North Korea's increasing political isolation has affected aid flows.

Industry and manufacturing

The industrial sector accounts for an estimated 20 per cent of GDP and is thought to employ a similar percentage of the workforce.

Major manufacturing activities have been diversified to include production of steel, iron, non-ferrous metals, machinery and equipment, fertilisers, plastics and cement. Light industrial products include silk, cotton and rayon textiles, chemicals, processed food, machine tools, hardware and machinery.

Development projects in western and eastern industrial zones have included a vinylon factory in Suncheon with productive capacity of 100,000 tonnes per annum, a potash fertiliser complex in Sariwon, a coal mining complex in Anju, steel complexes in Nampo and Chongjin and synthetic rubber plants in Hamhung and Namhung.

Two production centres are planned at the port cities of Nampo and Wonsan to supplement a free-trade zone in the Rajin-Sonbong area bordering China and Russia, which has little infrastructure to support its industry. The new centres will specialise in consumer product exports by

foreign companies and will be located near population centres.

Hyundai, South Korea's largest conglomerate, has developed DPRK's largest industrial complex, costing US\$5 billion and located in Kaesong.

The Korean Friendship Association organises business trips to DPRK (see internet sites)

Tourism

North Korea is a closed, insular country that only allows limited access to a limited number of non-Korean visitors, who are tightly chaperoned during specified tours, either in groups or singly. The historic Koguryo Tombs, in the Pyongyang region, are included on Unesco's World Heritage List.

Around 3,000 people, excluding Chinese nationals, are allowed to visit each year, for up to nine days per trip. Tours often begin in Beijing and include either a train journey or connecting flight into North Korea. There are three- and four-star tourist hotels in major cities.

In 2010 it was announced that an increased number of US visitors would be allowed to visit throughout the year, instead of only at the time of the Arirang mass games (when thousands of performers create slogans and mosaics with colourful cards).

Mining

The mining sector is thought to account for some 10 per cent of GDP and to employ 5 per cent of the workforce. North Korea is well-endowed with mineral resources, including refractory clays, phosphates, sulphur and graphite and ores of iron, magnesium, tungsten, copper, lead, zinc, silver, gold, magnesite and nickel. Non-ferrous metals are an important foreign exchange earner, with 70 per cent of zinc, lead and copper production in the Hamhung district.

Hydrocarbons

There are no known oil or natural gas reserves. North Korea relies entirely on imports of oil for its requirements, which were 16,000 barrels per day in 2008; it does not import natural gas.

Coal reserves are conservatively estimated at around 1.0 billion tonnes, with annual production at over 100 million tonnes, and small amounts imported. Coal provides over 85 per cent of domestic primary energy.

Energy

Total installed generating capacity was 9.5GW, two-thirds of which is provided by hydropower and the rest by coal-fired plants. Capacity is under-utilised and consumption has declined over the years. Infrastructures, including power plants and the transmission grid, have deteriorated

due to lack of investment causing frequent outages and falls in transmissions (brownouts).

North Korea's first nuclear power plant, producing a maximum 5MW at peak periods, but which produced fissile material in 2006, has been a cause of intense negotiations in bringing North Korea under the regulation of the International Atomic Energy Agency. There was international condemnation when North Korea disregarded agreements made for its closure.

Banking and insurance

There are no private banks in North Korea. The euro replaced the US dollar as the official foreign exchange currency in 2002; the Japanese yen is an unofficial exchange currency.

Central bank

Central Bank of the Peoples' Republic of Korea

Main financial centre

Pyongyang

Time

GMT plus nine hours

Geography

North Korea occupies the northern part of the Korean peninsula, bordered to the north by the People's Republic of China and to the south by South Korea. It has a series of mountain ranges, covering up to 80 per cent of the land, across the Korean peninsula and includes all the tallest peaks of over 2,000 metres. A ridge of mountains, the Nangnim Range, runs north-south and makes communication between the east and west coast difficult. Most of the habitable areas are either in the lowlands or the coastal plains, which are, in turn, limited; the two largest plains – P'yongyang and Chaeryng – are only 500 square kilometres each. Most rivers run in a westerly direction due to the lie of the mountains. The Yalu River is the longest at 790km and flows west into Korea Bay in the Yellow Sea.

Hemisphere

Northern

Climate

Winters are cold, with temperatures ranging from minus 3 degrees Celsius (C) to minus 8 degrees C in January and falling as low as minus 20 degrees C at night. Summers are warm and humid, with an average temperature in August of 25 degrees C. Most rainfall is from June–September.

Entry requirements

Passports

Required by all.

Visa

Required by all. Applications for visas should be made well in advance. It is impossible to visit Korea DPR except by

official invitation or by joining group tours from certain countries. Contact the nearest embassy for further details.

Currency advice/regulations

Import and export of local currency is prohibited. Import and export of foreign currency is unlimited, but must be declared. The euro has replaced the US dollar as the official foreign exchange currency; all other currencies will be exchanged at unfavourable rates.

Customs

Single shot cameras, laptop computers (without internet connections) and personal electronic music players are allowed but must be declared.

Prohibited imports

Illegal drugs, firearms and explosives, animals, plants, video cameras, camera lens over 150mm and pornography. Any mass printed documents, literature, audio and videotapes, compact discs and letters deemed political or intended for religious proselytising are also prohibited. Mobile telephones and global positioning satellite systems and radios are not permitted and must be deposited on entry and collected on departure at the Customs checkpoint.

Health (for visitors)

Mandatory precautions

No compulsory vaccinations.

Advisable precautions

Malaria and cholera are a risk and precautions are essential. Vaccinations against diphtheria, hepatitis A and B, Japanese B encephalitis, polio, tuberculosis, tetanus and typhoid are recommended. Rabies is a risk.

There is a foreigners' hospital in Pyongyang, with higher standards than elsewhere in North Korea where hospitals often lack heat, medicine and supplies and suffer from frequent power loss and outbreaks of infection. In these hospitals one should avoid any invasive surgery. It is strongly recommend that visitors obtain comprehensive health insurance before travelling to DPRK, including emergency medical evacuation as necessary.

All medication necessary should be taken (in their original packaging) in sufficient quantities, as it is not possible to purchase supplies locally.

Drink only bottled or sterilised water, avoid dairy products, which are probably unpasturised. Eat only hot, cooked meat, fish and vegetables, or peeled fruit, and avoid pork, salads and mayonnaise.

Hotels

Pyongyang has *deluxe* hotels that are equivalent to Western 3 stars hotels. Hotels outside Pyongyang are not as well developed but include the traditional Korean hotel *Minsok*.

Credit cards

The main hotels in Pyongyang will take credit and debit cards (Visa and Mastercard but not American Express). Travellers' cheques are not accepted. Hotels generally insist on full payment in advance when checking-in.

Tipping is officially frowned upon, but is increasingly expected by some hotel staff.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 16–17 Feb (Kim Jong-il's Birthday), 15 Apr (Kim il-Sung's Birthday), 25 Apr (Army Day), 1 May (Labour Day), 27 Jul (Victory Day), 15 Aug (Liberation Day), 9 Sep (Independence Day), 10 Oct (Foundation of the Korean Workers' Party), 27 Dec (Constitution Day).

Working hours

Banking

0900–1700. The Trade Bank of the DPRK situated near Kim Il-Sung Square in Sungni Street, Pyongyang, is open in the morning every day except Sunday.

Business

0800–1200, 1300–1700.

Government

0800–1200, 1300–1700.

Shops

1000–1800.

Telecommunications

Mobile/cell phones

A basic network has been in operation since 2002, but only available to senior party members. In 2004, the use of mobile phones was banned. A new G3 (third generation) mobile/cell phone network was launched by Egyptian telecom firm, Orascom in December. Despite plans to build a network of 22 million customers, handsets are expected to remain withheld from the general public by being overpriced.

Electricity supply

The electric current on the national grid is 220V AC and 60Hz. 220V and 110V power points are available in hotels.

Weights and measures

Metric system

Social customs/useful tips

Koreans give a short bow or nod as a sign of respect when greeting or departing, although foreigners are usually greeted with a handshake.

When anything is handed over to or received from another person, including business cards, it is polite to use both hands. The card should be read and not immediately put away.

The surname precedes the given name in Korean, but may be transposed for the benefit of foreigners.

Chopsticks should never be placed upright in rice: this is only done at funerals. In homes and traditional restaurants, shoes are removed and slippers worn.

The Korean word for 'four' is similar to that for death and considered unlucky.

Many public buildings and all hospitals omit the fourth floor.

Names should never be written in red ink, a traditional symbol of death.

Security

Government agencies closely supervise visitors to North Korea. Hotel rooms, telephones and fax machines may be monitored, and personal possessions in hotel rooms may be searched. Photographing roads, bridges, airports, railway stations, or anything other than designated public tourist sites may be perceived as espionage and could result in confiscation of cameras and film or even detention.

Getting there

Air

It is essential to reconfirm ticket bookings for a journey some days in advance, as an issued air ticket does not guarantee a seat, unless it has been confirmed and endorsed prior to travel. For most travellers this will be done by their travel agents or inviting organisation in the DPRK.

National airline: Air Koryo

International airport/s: Sunan (FNJ), 24 km from Pyongyang.

Airport tax: None.

Surface

Rail: Rail services operate to/from Beijing and Moscow. Cargo trains started running between North and South Korea on 11 December 2007.

Main port/s: Chongjin, Haeju, Hungnam, Najin, Nampo, Wonsan. The two Koreas are discussing expansion of shipping routes. Nampo and Wonsan may become special import-export zones.

Getting about

National transport

It can be difficult to reach many areas of the interior, although the system is developing.

Air: Air Koryo operates domestic services.

Road: The road network (75,112km) includes motorways between Pyongyang and Wonsan and Pyongyang and Nampo.

Rail: The rail network is estimated at 8,533km, 89 per cent of which is electrified, with two classes of accommodation. Rail travel is slow.

Water: Rivers, canals and sea transport provide important internal links.

City transport

Taxis: Taxis are available and should be booked through the hotel.

Buses, trams & metro: There is a four-line underground system in Pyongyang with a hub at Jonu Station.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling (IDD) code for PDR Korea is +850, followed by area code and subscriber's number.
Pyongyang 2 Hamchon 9

Banking

Changgwang Credit Bank Chukzen 1-dong, Mangyongdae District, Pyongyang (fax: 381-4793).

Credit Bank of Korea, Chongryu 1-Dong, Munsu Street, Otan-dong, Central District, Pyongyang (tel: 381-8285; fax: 381-7806).

Foreign Trade Bank of the Democratic People's Republic of Korea, FTB Building, Jungsong dong, Central District, Pyongyang (tel: 381-5270; fax: 381-4467).

The International Industrial Development Bank, Mansu-dong, Central District, Pyongyang (tel: 381-8610).

Korea Daesong Bank, Segori-dong, Gyongheung Street, Pyongyang.

Korea Joint Bank, Ryugyong 1 dong, Pothonggang District, Pyongyang (tel: 381-8151; fax: 381-4410).

Koryo Bank, Pong-Hwa Dong, Potonggang District, Pyongyang (tel: 381-8168; fax: 381-4033).

Central bank

Central Bank of the Democratic People's Republic of Korea, Mansu-dong, 58-1 Sungri Street, Central District, Pyongyang, (fax: 381-4624).

Travel information

Air Koryo, Sunan Airport, Sunan District, Pyongyang (fax: 381-4410 ext 4625).

Kumgangsan International Tourist Company, Central District, Pyongyang (fax: 381-2100).

Tourist Advertisement and Information Agency, Songuja-dong, Mangyongdae District, Pyongyang

National tourist organisation offices

State General Bureau of Tourism of the DPRK, Central District, Pyongyang.

Other useful addresses

Committee for the Promotion of International Trade of the Democratic People's Republic of Korea, Central District, Pyongyang.

Foreign Languages Publishing House, Sosong District, Pyongyang.

Foreign Trade Publishing House, Pyongyang District, Pyongyang.

Korea-Europe Technology & Economy Services, 15 Sojae-chon, Konguk-dong, Potonggang District, Pyongyang (e-mail: ketes@ketes.org).

Korean Central News Agency (KCNA), Potonggang District, Pyongyang.

Korean Committee for Solidarity with World People, 8-120 Yonggwang Street, Central District, Pyongyang.

Korean General Company for Economic Co-operation, Central District, Pyongyang.

Korean General Merchandise Export and Import Corporation, Central District, Pyongyang.

Korean Publications Exchange Association, PO Box 222, Pyongyang 20691.

Korean Publications Export and Import Corporation, Central District, Pyongyang.

Permanent Representative of the DPRK to the United Nations, 515 East 72nd Street, 38-F, New York, NY 10021 (tel: (+1-212) 972-3106; fax: (+1-212) 972-3154; email: prkun@undp.org).

National news agency: Korean Central News Agency (KCNA): www.kcna.co.jp

Internet sites

Korean Friendship Association (for business trips): www.korea-dpr.com

Koryo Group, British company in Beijing, China, arranging tourism to North Korea: www.koryogroup.com