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North Korea’s Nuclear Weapons Program: 
The Futility of Denuclearisation Negotiations

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Refereed Submission for the Australasian Political Studies Association Conference
Macquarie University, Sydney, Australia
September 28-30, 2009

Abstract
North Korea is unlikely to willingly relinquish its nuclear program because of its importance to the political economy of the DPRK state and the perpetuation of the Kim regime. Two observations give rise to this conclusion: First, the development of North Korea’s nuclear program has been a long-term project spanning several decades. At no stage has Pyongyang shown a commitment to its dismantlement. Second, denuclearisation negotiations have followed a cyclical pattern in which the North has provoked crises to make new demands and gain leverage in negotiations. By inference it is clear that the nuclear program has great intrinsic value to Pyongyang. This paper argues that the nuclear program has value as a bargaining chip in international diplomacy to extract economic inputs for its moribund economy, in domestic politics as vehicle for bureaucratic interests, and as a rallying symbol of the country’s hyper-nationalist ideology, as well as its role as a defensive deterrent and important cog in Pyongyang’s offensive asymmetric war strategy. For these reasons, the Kim regime is unlikely to seriously entertain nuclear disarmament.
Introduction
The entire question of North Korea’s denuclearisation hangs on Pyongyang’s motivations for acquiring a nuclear capability. If the motivation is purely one of national security then the conclusion of an agreement featuring mutual concessions and confidence-building measures should be reasonably straightforward. The Six Party Talks are based upon the assumption that with the right mix of incentives and pressure, North Korea can be persuaded to dismantle its nuclear capability. The fact that denuclearisation negotiations have been anything but straightforward should be a red flag to the international community that North Korea’s motivations for proliferation are more complex. In denuclearisation negotiations since 1994 the North has failed to make lasting concessions on its nuclear program, despite what appear to be compelling incentives in light of the country’s economic weakness. Instead, the regime has actively engineered crises as a means to extract international aid in exchange for de-escalation, without making any real concessions that address the core issue. It has utilised the nuclear program to legitimise its anti-imperialist ideology and the diversion of resources to the military. North Korea’s long history of nuclear development, culminating in the May 2009 nuclear test, strongly suggests that Pyongyang has no intention of relinquishing its nuclear program. The best evidence supporting this argument lies in Pyongyang’s motivations for nuclear proliferation: North Korea will not willingly relinquish its nuclear program because the nuclear capability is too important to the political economy of the Kim regime.

State Failure Episode
The causes of North Korea’s problems during the mid-1990s can be categorised into three groups: (1) macro-level long-term trends, (2) intermediate level problems of institutional viability, and (3) micro-level short-term trigger events (Carment 2003, 410). Macro-level trends such as Pyongyang’s inability to access international capital and costly military competition with South Korea and the United States hindered the growth of the North Korean economy and locked the regime into a costly military contest that diverted resources away from productive applications. At the intermediate level, agricultural inefficiency related to collectivisation and intensive industrial farming practices, bottlenecks associated with the command economy, and growing official corruption undermined the efficiency of the economy and legitimacy of state institutions. Macro- and intermediate-level trends can be thought of as the product of declining marginal returns on investment. A society experiencing declining marginal returns invests increasingly heavily in strategies that produce a progressively lower output. Institutions are problem-solving organisms that address new challenges by adding further nodes of organisational complexity in a process of continual accretion. In the problem-solving process the easiest and highest-return solutions are exhausted first until only the more difficult and costly strategies remain to be adopted. Over time, as the costs of solutions grow, further investment in complexity fails to yield a proportionate return (Tainter 2000, 9-10; 1988 205-9). A situation was reached where the maintenance costs of North Korea’s institutions and capital stock could not be serviced, leaving the state vulnerable to the systemic shocks, in this case the Soviet collapse in 1991 and natural disasters of 1995-97, which were the micro-level trigger events that tipped the vulnerable system over the edge (Habib and O’Neil 2009).

Prior to the famine, the North Korean economy had all the characteristics of a typical Soviet-style command economy. The command system prior to 1991 suffered from long-term reductions in output through key economic sectors. The regime’s response, rather than
restructure the economy to increase efficiency, was to prime the system with ever more inputs of resources and labour, which over time experienced declining returns despite the increasing scale of inputs (Roy 1998, 86; Lee 1988, 1267). The moribund North Korean economy, increasingly reliant on imported energy supplies, agricultural inputs and manufactured goods from the communist bloc, was vulnerable to disruptions to its input flow, a vulnerability that was exposed when the Soviet Union collapsed. The complexity of the economy could no longer be maintained without the enormous throughput of resources to cover for its glaring inefficiencies. What resulted was the splintering of the command economy into a number of parallel economies, including the huge military economy, an entrepreneurial economy, a court economy, and the illicit economy, along with the remnants of the command system (Park 2008; Chestnut 2005, 103-4).

The political system was similarly transformed as the economy broke down, again as a result of long-term degenerative trends. North Korea today can be thought of as an eroded totalitarian state, where the foundations of the totalitarian order remain in place, in spite of substantial changes to the political economy of the state that have worn down social controls (Beck 2008; Scobell 2006, 3). The economic transformation that has taken place has triggered political change at the grass-roots level that is undercutting the institutions of the old order, a process that does not appear to have reached its conclusion. The regime is utilising the nuclear program as a tool to regenerate the totalitarian order through its use as a bargaining chip to acquire inputs for the economy, as a symbol of self-reliance in regime propaganda, and as a symbol of prestige for bureaucratic interests within the military, the paramount institution in post-famine North Korea. It seems clear that the nuclear program is indispensable to the political-economy of the Kim regime, which suggests that the efforts of the international community to denuclearise North Korea have little chance of success.

Motivations for Nuclear Proliferation

It is clear that the nuclear program has great intrinsic value to Pyongyang. In general, states seek to develop and maintain nuclear weapons for a number of reasons. For Kurt Campbell (2004, 20), these motivations are five-fold: a response to changes in US foreign policy; a breakdown of the global nonproliferation regime; erosion of regional security; domestic imperatives; and the increasing availability of nuclear technology. Scott Sagan (1996/1997, 55) is more precise, grouping these reasons into three categories: first, states build nuclear weapons to increase their security against foreign adversaries, particularly if their enemies also maintain a nuclear capability. Second, nuclear weapons can be used as political tools to advance parochial domestic political and bureaucratic interests. Finally, nuclear weapons acquisition, or restraint of nuclear weapons development, can provide a normative symbol of a state’s identity. Victor Cha (2002, 211) offers a similar typology specific to North Korea, dividing Pyongyang’s nuclear motivations variously as “shields,” “swords” and “badges.” If the North’s nuclear capability is intended as a shield, it is a product of the Kim regime’s feeling of chronic insecurity and as such has been developed as a deterrent. If it is a sword, the nuclear capability has been built for aggressive purposes and will comprise a key component of an offensive war plan with the goal of reuniting the Korean peninsula on Pyongyang’s terms. If it is a badge, the nuclear program is a symbol of international prestige that affords North Korea greater diplomatic weight in the international arena than what it otherwise would enjoy.

Building on the perspectives offered above, this paper groups North Korea’s motivations for going nuclear into three broad classifications: proliferation for national security, (2)
proliferation to address issues in domestic politics, and (3) proliferation for enhanced standing in international diplomacy. In terms of the North’s national security, the nuclear capability provides a low-cost strategic equaliser against the US/ROK forces across the DMZ, providing a deterrent against attack or invasion from the South. This is the reason most often cited in North Korea’s official statements, which maintain that proliferation is a necessity to deter the United States. The US maintains the world’s largest nuclear arsenal and has issued several threats to use nuclear weapons against the DPRK over the past half-century. As US power begins to wane in Northeast Asia, the regime may also come to see its nuclear deterrent as means to avoid unnecessary entanglement in the emerging Sino-Japanese rivalry. For a small state like North Korea, the rationale of proliferation is not to develop second-strike capabilities for mutually-assured destruction (MAD), as in the superpower contest of the Cold War, but rather to maintain a nuclear threat just large enough to raise the uncertainty in the calculations of an adversary that a first strike would not be completely successful (Cha 2002).

Alternately, the nuclear capability may have a role in Pyongyang’s offensive war plan. The DPRK’s war fighting strategy remains heavily predicated on reunifying Korea by force. The war plan is based around a two-front surprise attack utilising asymmetric capabilities. The first front consists of a massive artillery bombardment followed by full-frontal attack across the DMZ, with the objective of rapidly taking Seoul. Simultaneously, ballistic missile attacks will target military bases, ports and command and control facilities in the ROK and Japan, in an attempt to disable reinforcement of the forward defences. Special Forces teams are to be infiltrated by sea, air and tunnel to create a second front, attacking US/ROK troops and important facilities from the rear. The objective is to capture Seoul quickly and then overrun the peninsula before American reinforcements arrive from abroad, with the aim of forcing a political settlement in which the North Korean occupation is accepted as a fait accompli (Scobell and Sanford 2007, 32-8; Minnich 2005, 11-2).

It does not require much imagination to envisage a role for nuclear weapons within this framework. To compensate for its conventional military inferiority, the North has enhanced its ability to strike targets at longer range utilising ballistic missiles, self-propelled artillery and multiple rocket launchers. This allows the DPRK military to project force beyond the forward theatre without the need for wholesale movement of troops and military hardware. Nuclear warheads could be placed on short-range Scud-C missiles targeting military bases and logistical hubs in South Korea, such as port facilities in Seoul and Busan, or in artillery shells targeting frontline troops in the forward theatre (Pollack 2005, 137-8). It is difficult to envisage, however, North Korea escaping massive nuclear retaliation from the United States should they employ nuclear munitions against South Korean and/or Japanese targets. The objectives of the war plan could certainly be achieved without nuclear weapons; after all, North Korean missiles are more than capable of destroying targets with conventional warheads. If North Korea were to use nuclear weapons in a war scenario, they are likely to be the weapon of absolute last resort in a losing gambit (Cha 2002, 65). Assuming that the regime privileges its survival above all other objectives, the probability of this outcome is quite low, despite the incendiary rhetoric emanating from Pyongyang.

Beyond national security, the nuclear program has value for the Kim regime in domestic politics, where it has become an integral legitimising tool. In 1998 Kim Jong-il consolidated his grip on power through the introduction of Songun or “military-first” politics, which is based on the idea of making North Korea a “strong and powerful country.” The doctrine was formulated to demonstrate Kim Jong-il’s dedication to providing national security against
external threats and to reassure the military that Kim and the Party would provide the military with priority access to the state’s scarce resources (Pinkston 2006, 3). The nuclear program has value in this regard at two levels: first, it provides the ideological pretext to divert the nation’s resources to the military. In this way, it helps to legitimise the privations that ordinary citizens bear in order for the military to be the privileged recipient of state resources. Second, the nuclear program is the defining symbol of North Korea’s unique anti-American nationalism. The regime has painted itself into a corner through its rampant use of virulent anti-American, anti-imperialist propaganda (Myers 2008). The profligacy of the regime’s anti-American rhetoric is a function of the practical failure of Juche as the legitimising paradigm of the state; anti-imperialism is the only ideational pillar the regime has left.

Nuclear weapons development also serves the narrow bureaucratic interests of institutions within the DPRK state. In general, the vested institutional actors include the state’s nuclear establishment, which maintains all facilities related to the nuclear fuel cycle, and important units within the military bureaucracy (Sagan 1996/1997, 64). These institutions have a powerful interest in self-perpetuation and are likely to be actively acquiring more resources and expanding their role. The United States provides an analogous example: the fledgling bureaucracy established during the 1940s to run the Manhattan Project acquired a large pool of resources—including funding, personnel, and physical plant—which gave it a strong incentive to fulfil its mission to perfect a nuclear weapon. Once this task was achieved, the continued existence of this bureaucracy was contingent on the deployment of the weapon it had created and the continued manufacture of further weapons to augment the existing stock (Beckman et al. 2000, 95). Dismantlement of the North’s nuclear establishment would be extremely difficult because once created, organisational inertia and sunk costs cause institutions to take on a life of their own.

Possession of nuclear weapons can dramatically alter the prestige and diplomatic clout of a country. Nuclear proliferation represents a demand for a state to be treated as a major power in regional or global politics, often above and beyond what would otherwise be the case. For the leaders of nuclear-armed states, possession gives them greater leverage in their relations with other countries and allows them to be bolder in the pursuit of their national interests (Cha 2002, 227). North Korea’s use of ambiguous nuclear blackmail and overt nuclear posturing has certainly succeeded in attracting the attention of its powerful neighbours in Northeast Asia. The brandishing of the nuclear card is often used by nuclear weapon states as a signal in international diplomacy that their vital interests are engaged, or that a particular policy position is absolute and immovable (Beckman et al. 2000, 187). It is possible that the October 2006 nuclear test was intended not only as a demonstration of the North’s nuclear capability, but also as a diplomatic signal to indicate that the unfreezing of North Korean assets in Banco Delta Asia was an important national interest that required immediate attention from the US and regional states. This had the desired effect; US-DPRK bilateral meetings were held parallel to the Six Party Talks to deal specifically with the frozen funds and by early-February 2007 a deal had been reached to transfer the money back to Pyongyang.

The nuclear capability gives the regime the bargaining leverage it needs to plug holes in its economy with inputs of aid from the international community. Stephen Haggard and Marcus Noland (2007, 5-13) estimate that North Korea derives approximately one-third of its revenues from international aid. However, rather than using humanitarian assistance as an addition to supply, the regime used it as balance-of-payments support, offsetting aid by
cutting commercial food imports and allocating savings to other priorities. Also, as aid shipments are distributed by the military, they become a rent-seeking commodity as they are diverted from formal distribution channels to be sold for huge profit by the military on the private market.

North Korea has used this coercive bargaining tactic consistently in denuclearisation negotiations since the Agreed Framework in 1994 and prior to that in its relations with the USSR and China. The regime’s deliberate, directed provocations put pressure on the US and regional states to provide material inducements to persuade it to pull back from the brink (Lim 2006). These deliberate “pinpricks” fall short of war but are serious enough to raise concerns about possible escalation (Cha 2003, 72). Once the provocation has been executed, Pyongyang often issues new demands, or restates previous claims as conditions for a return to negotiations. For the US in particular, the consistency with which Pyongyang has employed this strategy is a good indication that the regime is not serious about a denuclearisation deal.

By late-2008, with the signing of the September 19 agreement, negotiations had reached a point where the North was being asked to take significant steps toward nuclear dismantlement, steps that would cut into sections of its nuclear capability that it had no intention of giving up. The nuclear program had matured in a technical sense from the development stage to the cusp of a full-fledged nuclear deterrent. Further progress in denuclearisation negotiations would degrade the North’s operational nuclear capability, in return for, on paper, much less than was offered as compensation under the Agreed Framework. If Pyongyang’s nuclear program was a tool for extracting external inputs from the international community, then by mid-2008 the Six Party Talks had reached the end of its usefulness for that purpose.

This, of course, presented Pyongyang with a dilemma. Without the Six Party Talks as a forum to extract international largesse, the regime had to develop a new plan for its economic survival. In December 2008 the regime instituted a new mobilisation campaign, based on a revival of the Chollima movement, to reconsolidate the totalitarian political order and turn the DPRK into a “strong and prosperous country” by 2012, in time for the centenary of Kim Il-sung’s birth. This new strategy appears to have taken shape in late-2008 in the wake of speculation in the United States and South Korea about Kim Jong-il’s ill health and the prospects of regime collapse (Toloraya 2009). North Korea’s provocative and escalatory behaviour since late-2008 indicate that Pyongyang has decided to go it alone. The rocket launch conducted on 4th April 2009, ostensibly to place a satellite in orbit, occurred amid the fervent revolutionary surge of the revived Chollima movement (Person 2009). Advances in space science and technology are important sources of national pride, giving the launch tremendous domestic value as a representation of the national effort to build a “strong and prosperous country” and as a symbol of scientific nationalism. The official announcement of the satellite launch on KCNA alluded to the mission as a triumph of North Korea’s indigenous scientific advancement (KCNA 2009). Additionally, a successful mission to place a satellite in orbit would be a significant propaganda victory over South Korea, which is planning a similar mission for mid-2009 (Nakayama and Sin 2009).

Furthermore, the satellite launch and the nuclear test may have been orchestrated by Kim Jong-il to demonstrate that he and his supporting elite remain firmly in power, in light of Kim’s health scare in 2008. It would appear no coincidence that the satellite launch on April 4th occurred only four days prior to the First Session of the 12th SPA, during which Kim
Jong-il was confirmed as Chairman of the National Defence Commission. Interestingly, his youngest son Kim Jong-un was given a role in the NDC, seemingly confirming the speculation that he has been anointed as Kim Jong-il’s successor (Nakayama and Sin 2009).

**Songun Politics**

*Songun* politics is the rubric within which Pyongyang’s proliferation motives should be understood. The military economy is by far the most important parallel economy, accounting for up to seventy percent of North Korea’s domestic economic output and encompassing all economic activities related to the production, distribution and consumption of materials within the military sphere (Pinkston 2003, 9). The National Defence Commission (NDC) controls all activity within the military economy and is responsible for planning, financing, production and distribution of military-related equipment and technologies, as well as a large portion of foreign sales of military hardware (Bermudez 2001, 45-7). The relationship between Kim Jong-Il, the government bureaucracy and the military is still highly symbiotic and interlinked. Institutional economic relationships mirror the political co-dependence between regime leadership, party and military.

The ultimate goal of *Songun* politics is to created a self-sustaining defence sector in which military activities generate more resources and economic goods than they consume (Eberstadt 2006, 288-9).\(^1\) Estimates of annual military expenditure range from US$ 1.7 billion to US$ 5 billion, or between 15.7 and 27.2 percent of North Korea’s GNP (2007). Yet these figures alone underestimate the size of the wider military economy, which commands preferential allocation of the country’s materials, resources and manpower (Moon and Takesada 2001, 377). The military economy comprises approximately 70-75 percent of the total North Korean economy, though this figure may be imprecise due to the absence of statistics (Park 2008; Pinkston 2003, 9). Not only does it subsume the tasks of provisioning supplies and armaments for the KPA, it incorporates many other aspects of the civilian economy, making it dissimilar from the military-industrial complexes of other countries.

The military has come to control a number of powerful trading enterprises that manage the internal distribution of food, uniforms and weapons throughout the armed forces (Haggard and Noland 2007, 54; Cumings 2004, 190). These large military firms are also able to provide manpower for many important infrastructure projects such as land reclamation, road building, agriculture, housing construction, and mining (Pollack 2005, 144). Military firms incorporate total production and supply chains: the military operates railways, the best mines, farms, fisheries, and textile factories. Surplus materials are sold on the black market for profit (Park 2008). Alexander Vorontsov (2006) has suggested that these powerful military-run firms may be developing into enterprises similar to the *chaebol* in South Korea in that they are involved in many different industries and maintain close ties with the bureaucracy, but enjoy a degree of independence from complete government intervention.\(^2\) Through its incorporation of productive activities in all sectors, the military is adding value to the

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1 Eberstadt quotes an official statement from *Nodong Sinmun* in April 2003 that describes the role of the military in leading North Korea’s economic reinvigoration: “Once we lay the foundations for a powerful self-sustaining national defence industry, we will be able to rejuvenate all economic fields, to include light industry and agriculture and enhance the quality of people’s lives.”

2 The South Korean *chaebol* are large corporate conglomerates, which, through their intimate relationship with the government, helped to develop the South Korean economy, in the process growing into massive corporate entities.
economy beyond its security role and thus places less of a burden on the wider society than is presumed by foreign observers.

Material Inputs

The Songun system remains dependent on external inputs to keep it viable. The Kim regime has used coercive bargaining tactics to secure the international largesse that fulfills these input requirements. International largesse comes in a variety of forms: food aid, energy supplies, fertilisers, development assistance and direct cash payments. Food aid from international donors has been extensive since 1995 (Nanto and Chanlett-Avery 2008, 33; Manyin 2008, 10; Pollack 2005, 147-8). Under the Songun system, it is generally diverted wholesale for military use, strengthening the position of the KPA as the vanguard institution of the state. The KPA subtracts a portion for its own provisions then on-sells the remainder for profit through the entrepreneurial economy (Park 2008). Rice shipments from international donors are delivered to the port of Wonsan on North Korea’s east coast. When a shipment arrives, representatives from the official, military and court economies are on hand to receive their portion. The military gets the first and largest slice of the shipment, the court economy gets the next portion, and the official economy is given the remainder (Park 2008). Because food aid is a fungible commodity, even if the military is not siphoning off aid shipments, money that otherwise might be spent on food procurement can be directed toward other spending priorities (Manyin 2005, 10).

Energy aid has been a feature of international assistance to North Korea since the Agreed Framework in 1994. Under the Agreed Framework, the United States pledged to deliver 500,000 tons of heavy fuel oil annually until the two light-water reactors to be built by KEDO came online. As these deliveries went unfulfilled through the late-1990s, Chinese oil grants partially filled the void: between 1998 and 2003, China delivered 129,000 tons of crude and diesel oil to the DPRK, along with 492,000 tons of coking coal (Lee 2009, 54). As part of the 2007 nuclear freeze agreement negotiated in the Six Party Talks, regional states committed to ship 1 million tons of heavy fuel oil to the DPRK. As of December 2008, North Korea had received almost half of the promised amount, along with fuel equivalent assistance (Manyin 2008, 5-6).

South Korean cash payments and development assistance have been extensive. Kim Kyung-Won has argued that cash payments made by the Hyundai group to the regime during 1999-2000 amounted to approximately twenty percent of its total foreign exchange earnings, a timely injection of funds as the regime struggled to overcome the famine period (Kim 2005, 58). Hyundai-Asan is estimated to have made direct payments to the DPRK government of up to US$ 800 million between 2000 and 2005 (Haggard and Noland 2007, 14). During the period 1995-2004 the South Korean government provided Pyongyang with US$ 435.1 million in development assistance, including US$ 90.6 million for development of the Mount Kumgang tourist resort, US$ 21.8 million for the Kaesong industrial complex, and US$ 322.7 million to building road and rail links across the DMZ (Nanto and Chanlett-Avery 2008, 33). South Korea under Lee Myung-bak has ceased to provide the North with cash handouts, which now come for the most part from the Chinese government. From 1995 to 2004, net total development assistance from OECD countries for North Korea came to $US 1,529.6 million, including $US 1.151.1 million receipt from France, $US 142.3 million from the United Kingdom, and $US 56.5 million from the United States. In 2005, however, this figure dropped to $US 148.7 million as the nuclear dispute escalated, falling further to $US
59.6 million in 2006 as North Korea made significant repayments of previously received grants (Nanto and Chanlett-Avery 2008, 31). The OECD figures however do not include assistance provided by South Korea or China.

China is North Korea’s most important source of foreign assistance. Chinese support to North Korea comes via three forms—grant-type aid, trade, and investment—which are sometimes difficult to delineate and often overlap. For example, the petroleum component of Chinese energy assistance is delivered as direct aid grants, trade goods sold at “friendship prices” below the international market price, and as barter exchange for North Korean mineral resources, which Chinese firms help to extract. Between 1996 and 2001, direct aid grants averaged 9.4 percent per annum of total Chinese exports to North Korea, however from 2002 to 2006 the aid component had dropped to only 3.38 percent of total exports (Lee 2009, 51-3). It is possible that the drop in aid can be explained by the expansion of barter exchanges of oil for mineral ores with the expansion of Chinese investment in North Korea’s energy sector (Nanto and Chanlett-Avery 2008, 22-3). For Beijing, its multi-dimensional assistance to the DPRK serves two purposes: First, it helps to prop up the Kim regime and prevent the economic collapse of the North Korean state. Second, energy assistance gives China a degree of diplomatic leverage over Pyongyang, which it has used subtly to encourage North Korea to participate in denuclearisation negotiations. Third, investment in mineral development projects is part of Beijing’s wider effort to secure diverse supplies of mineral commodities from around the world to drive China’s economic development (Lee 2009, 46, 50-1).

International aid has clearly been an important component of North Korea’s splintered post-famine economic system, yet the role that it plays in maintaining this system is complex. From 1996 to 2005, aid constituted approximately 37 percent of North Korea’s gross national income, peaking at 64 percent in 1998 and 63 percent in 2001, then declining to just under 10 percent in 2005 (Haggard and Noland 2007, 86; Lee 2009, 53). These figures however do not tell the whole story. Gross national income statistics do not incorporate revenue derived from the full spectrum of North Korea’s parallel economies. For obvious reasons illicit sources of revenue are not included, which means that the actual figures for aid as a proportion of North Korea’s income are likely to be much lower. However, because the national economy has split into several different branches, the impact of aid is unlikely to be uniform across each of the parallel economies.

The military economy is strengthened by food aid because it has priority access to incoming shipments and can sell the remainder for profit on the open market. This is cold comfort for citizens outside of the military; food aid tends to reach them via the market, favouring those who have secondary income sources beyond the official economy. For the KPA, its priority access to foreign food aid is a source of tremendous power and leverage within North Korean society (Beck 2008). The overwhelming majority of aid granted as cash is funnelled directly into the court economy, allowing Kim Jong-il to lavish the regime’s upper echelon with material largesse (Park 2008). In this context, cash aid is integral to the leadership’s ability to buy the loyalty of important members of the elite.

**Bureaucratic Support**

Kim Jong-II was shrewd in courting the military to bolster his power base during a turbulent period of leadership transition, dismal economic performance, food shortages and external security threats. *Songun* politics was formulated to demonstrate Kim Jong-il’s dedication to
providing national security against external threats and to reassure the military that Kim and the Party would provide the military with priority access to the state’s scarce resources (Pinkston 2006, 3). The court economy is a measure to buy the loyalty of the regime elite and ensure their commitment to maintaining the system. It is typical of communist states to develop a “court” economy in which senior officials can exclusively access goods and services not legitimately available to other citizens (Oh and Hassig 2000, 66; Holmes 1993, 76). Foreign market transactions are made to secure imported goods via unaccountable financial, industrial and trading companies. Party bodies often set up economic departments in key institutions as a cover for these clandestine enterprises (Asmolov 2005, 39). The court economy constitutes approximately twenty percent of total economic activity in North Korea (Park 2008). Kim Jong-il realigned his power base to incorporate the KPA through the *Songun* politics doctrine. By giving the military priority access to the states resource base, Kim ensured that the key institutions of the state would be maintained.

Nuclear weapons development also serves the narrow bureaucratic interests of institutions within the DPRK state. Generally in nuclear states, the institutional actors typically include the state’s nuclear establishment, which maintains all facilities related to the nuclear fuel cycle, and important units within the military bureaucracy (Sagan 1996/1997, 64). These institutions have a powerful vested interest in self-perpetuation and are likely to be active acquiring more resources to expand their role. For example, the fledgling bureaucracy established in the United States during the 1940s to run the Manhattan Project acquired a large pool of resources—including funding, personnel, and physical plant—which gave it a strong incentive to fulfil its mission to perfect a nuclear weapon. Once this task was achieved, the continued existence of this bureaucracy was contingent on the use of the weapon it had created and the continued manufacture of further weapons to augment the existing stock (Beckman *et al.* 2000, 95).

Nuclear research began in North Korea in December 1952 when Kim Il-sung established the Atomic Energy Research Institute as a branch of the North Korean Academy of Sciences to commence research into the use of radioactive isotopes in agriculture, industry and medicine. In 1956 the USSR established the Joint Institute for Nuclear Research located at Dubna, outside of Moscow, to facilitate cooperation in nuclear science among countries within the communist bloc. As a founding member of the institute, North Korea sent over 300 nuclear specialists and more than 150 advanced specialists to Dubna during the period of Soviet-DPRK nuclear cooperation (Szalontai 2006, 3; Mansourov 1995). At the same time, Pyongyang established indigenous nuclear physics departments at Kim Il-sung National University and Kim Ch’aeak Industrial College, which conducted basic nuclear research and were responsible for the refinement of new ideas in the field emanating from abroad (Mansourov 1995, 26).

Today the Second Natural Science Institute is responsible for nuclear weapons research and development, in collaboration with the Academy of Sciences and the Second Economic Committee’s Fifty Machine Industry Bureau. The Nuclear Chemical Defence Bureau in the Ministry of People’s Armed Forces manages the research and development of defensive measures against nuclear, chemical and biological attack (Pinkston 2003, 9). It is estimated that over three thousand personnel are employed at Yongbyon, along with and additional number associated with other nuclear facilities around the country (Niksch 2006, 9). Command and control of the nuclear inventory is thought to be conducted by the Nuclear-Chemical Defence Bureau, an organ of the Ministry of People’s Armed Forces which reports directly to Kim Jong-il (Scobell and Sanford 2007, 16). Dismantlement of these institutional
structures would be extremely difficult because once established, institutions take on a life of their own.

**Ideological Legitimation**

During the Kim Il-sung era *Juche* was the dominant ideational paradigm of the regime. Kim Il-sung saw *Juche* as the independent creative adaptation of Marxism-Leninism to the unique realities of Korea. Instead, the core of *Juche* is better understood as national pride, which is especially appropriate for Koreans who have always lived in a land surrounded by greater powers, which Bruce Cumings (1993, 213-4) suggests is more of a Korea-centric “state of mind,” of putting Korea first in everything. One of the other pitfalls of adhering to the literal translation of *Juche* as “self-reliance” is that it traps one into thinking that *Juche* champions complete isolation. For Kim Il-sung, the quest for self-sufficiency did not preclude international trade or the acceptance of aid: “If you provide economic aid, we will accept it, but if you don’t, we’ll be OK nevertheless. This is the principle of self-sufficiency.” Kim Yeon-gak (2001, 386) believes “self-standing” is a more appropriate than “self-reliance” as a translation of *Juche* in the economic realm, an interpretation that implies the regime can self-manage the economy regardless of whether outside assistance is available. North Korea had long-established trade and aid relationships with the Soviet Union and other communist bloc countries, as well as Western-aligned European countries and Japan (Kim 2001, 386). Such activities were acceptable under *Juche* if they helped to plug holes in the planning matrix and consolidated the overall economy. However, when these relationships broke down in 1991 and the economy collapsed, *Juche* philosophy began to look like a hollow shell that no amount of reinterpretation could salvage.

Kim Jong-il’s answer to fill the ideological vacuum was *Songun* politics. The introduction of *Songun* politics in 1998 required North Korea to become strong in political ideology, economic capacity and military capabilities. Given the relative decline in the North’s conventional military capability, the nuclear program thus became a symbol of the military component of the new legitimising paradigm. *Songun* politics and *Juche* have a symbiotic relationship, with each providing meaning for the other. John S Park and Lee Dong-sun suggest that *Songun* politics on its own would be unsustainable because of the excessive economic hardship that the military’s priority resource allocation imposes on the people (Park and Lee 2008, 275-6). Similarly, the famine rendered *Juche* practically and philosophically bankrupt as a means of facilitating national self-reliance. However, together they provide the regime with a self-sustaining ideological and organisational structure that legitimises the channelling of vast resources into the military and by extension the indigenous nuclear program. The technological achievement embodied in the nuclear program boosts Kim Jong-il’s nationalist credentials and brings prestige to his leadership, which in turn strengthens the relationship between Kim and the military.

The regime is increasingly leaning on hyper-nationalism to legitimise itself as the other facets of its ideology slide into irrelevance. Brian Myers argues that the basis for North Korean nationalism is a race-based moralist worldview in which the Korean people are viewed to be inherently morally superior to all other peoples (Myers 2008; 2006). This inherent goodness is one of the reasons that Korea has been the perennial victim of rapacious foreign powers, allowing the regime to ascribe evil actions to foreign powers alone. Unlike other facets of North Korean ideology such as *Juche* and Kimism that have been undermined by real-world events, North Korea’s race-based nationalism is grounded upon an irrational
myth that is much harder to disprove, making it extremely resilient and maintainable in both good times and bad.

This race-based nationalism can smoothly incorporate the dichotomy of communism facing off against the imperialist capitalist powers. Kim Il-sung regularly ascribed all of the miseries of Korea, the developing countries and the entire world to imperialism, led by the United States (Koh 1986, 26). This is a narrative that has been refined and amplified under Kim Jong-il; as economic conditions deteriorated and the old ideological paradigms came into conflict with the realities of the famine, anti-imperialism emerged as the one reliable propaganda tool on which to base the regime’s legitimacy. The regime needs the US as an enemy figure upon which to focus the people’s attention while the country remains under extreme hardship (Myers 2008; 2006). This is the context within which the nuclear weapons program is positioned in North Korean propaganda. For example, the first six paragraphs of the regime’s statement through KCNA announcing their October 2006 nuclear test were devoted to listing a series of American “provocations” as the justification for the North’s nuclear deterrent (KCNA 2006). It seems logical to suggest therefore that the loss of this imperial enemy would undermine the regime’s justification for its nuclear deterrent. This may be so, but the loss of the external adversary would also undercut other facets of the organisation of the North’s political system, including social mobilisation, economic austerity, internal repression and Songun politics (Armstrong 2008, 18). For these reasons, anti-imperialism embodied in hatred of the United States has been critical to the political economy of the North Korean state.

**Conclusion**

After examining the national security, domestic bureaucratic and international diplomatic rationales for North Korea’s nuclear proliferation, a convincing case can be made that the Kim regime will not willingly relinquish this capability. In terms of the North’s national security, the nuclear capability provides a low-cost strategic equaliser against the US/ROK forces across the DMZ, it provides a deterrent against attack or invasion from the South, and likely occupies an important role in the North’s asymmetric war plan. Domestically, the nuclear capability enhances the Kim regime’s legitimacy as the guarantor of a “strong and prosperous country,” fighting valiantly against the forces of American imperialism. It also is captive to the institutional inertia and sunk costs of bureaucratic interests. At the international level, the nuclear capability gives Pyongyang a level of prestige and diplomatic weight well above what it could otherwise expect. The multi-faceted utility of the nuclear program to the Kim regime is indeed compelling and most importantly, given the country’s anaemic economy and resource shortages, the nuclear capability gives the regime the bargaining leverage it needs to plug holes in its economy with inputs of aid from the international community.
Bibliography


