

## **Part II**

# **Security Policy of Kim Jong Un Regime**



## *Chapter 4*

# **Kim Jong-un's Regime Stability and the Impact on Security Policy: An American Perspective<sup>1</sup>**

*Bruce E. Bechtol Jr.*

## **Kim Jong-un's Regime Stability and the Impact on Security Policy: An American Perspective**

Since Kim Jong-un took over control of North Korea following his father's sudden death, controversy and questions have been rampant in any analysis of the stability and security of his regime. Kim has many personal differences from both his father and grandfather in terms of experience and personality. He also does not have the backing (including and especially financial support) from a large, supporting patron (as his grandfather had with the Soviet Union), or the long background of experience and grooming that his father had prior to taking power. Thus, there are many questions regarding his regime stability, and the impact that it has, not only internally, but on regional security.

There have been many pundits who have claimed in their analysis, that Kim Jong-un's decision making process is very different than his father and grandfather.<sup>2</sup> But is this true? In fact, in order to understand how North Korea's decision making process works, one must understand how the process was set up and operated—prior to Kim Jong-un assuming power. An examination of this decision making process will show how much it has changed since the death of Kim Jong-il—or not. The natural follow-up to an examination of the decision making process for any nation-state is an analysis of the key institutions that form the ruling power structure for the country. A communist state like North Korea is no exception. Thus, in this paper, I will conduct an analysis of the key institutions in North Korea, how these institutions wield power, how well Kim Jong-un has been able to control them compared to his father, and the role these institutions are playing in building a future (or not) for the government in Pyongyang.

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<sup>1</sup> The views expressed in this paper are those of the author and do not necessarily reflect the official policy or position of Angelo State University.

<sup>2</sup> For an example of a work that assesses Kim Jong-un's leadership style to be different from his father's, See: Ken Gause, "North Korean Leadership Dynamics and Decision-making under Kim Jong-un: A Second Year Assessment," *Center for Naval Analysis*, March, 2014, URL: [https://www.cna.org/CNA\\_files/PDF/COP-2014-U-006988-Final.pdf](https://www.cna.org/CNA_files/PDF/COP-2014-U-006988-Final.pdf)

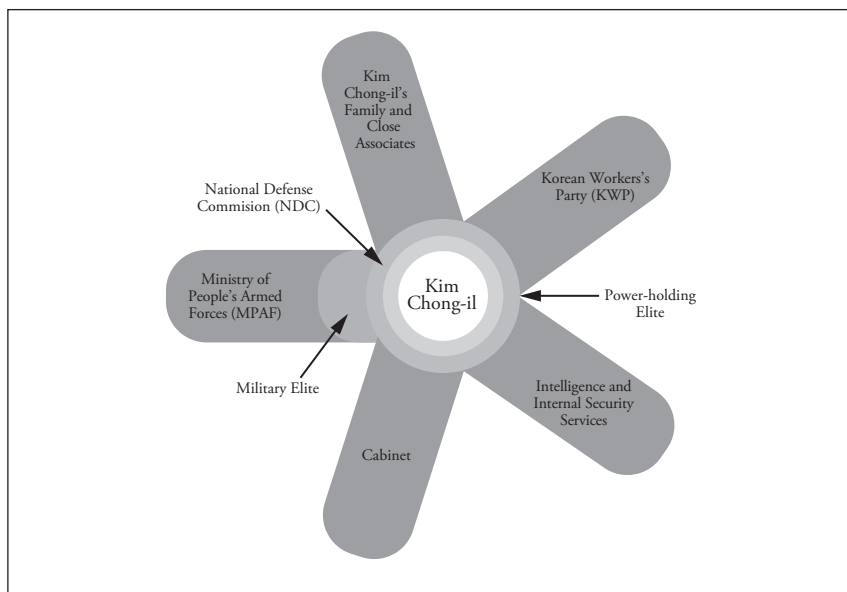
As we look at the government and policy making structure of North Korea, we will delve into one of the key issues for debate regarding the strength of Kim Jong-un's government—purges and what they mean. In doing so, this paper will address the purges that have occurred during the Kim Jong-un era, who these purges have focused on, the distrust and competition this has created in the power structure, and whether these actions are a sign of strength or a sign of weakness. Since we are looking at regime stability and its impact on security policy, I will look at the effects of the many actions that the Kim Jong-un regime has taken. These effects have been both economic and political. They also have clearly created challenges that must be met by both high-level and mid-level officials within the North Korean power structure.<sup>3</sup> Finally, I will assess all of the issues contained in this paper and offer up likely policy solutions that the United States and its allies—to include South Korea and Japan—can initiate in order to counter North Korea's ongoing disruptive and rogue state activities.

### **The Decision Making Process: How has it Changed Under Kim Jong-un?**

The decision making process in North Korea has never been simple, yet has always been quite easy to understand if one examines it carefully. This process began under Kim Il-sung, continued—with only minor tweaks—under his son Kim Jong-il, and has now continued again with Kim Jong-un. In this section I will examine the decision making process as it has been set up in North Korea, and discuss if any substantive changes have occurred during the Kim Jong-un era. One must keep in mind that organization name changes or purges within different organizations (there have been many, and I will examine them later) do not mean that there are actual large-scale, substantive changes in the power structure or the process that keeps the country running.

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<sup>3</sup> For an example of the regional instability created by North Korea in the Kim Jong-un era, See: Ian E. Rinehart and Mary Beth D. Nikitin, "North Korea: U.S. Relations, Nuclear Diplomacy, and Internal Situation," *Congressional Research Service*, January 15, 2016, URL: <https://www.fas.org/sgp/crs/nuke/R41259.pdf>

*Figure 1. Kim's Power Circle*

Source: Joseph S. Bermudez Jr., "North Korea's Strategic Culture," Prepared for the *Defense Threat Reduction Agency, Advanced Systems & Concepts Office*, October 31, 2006, URL: <https://fas.org/irp/agency/dod/dtra/dprk.pdf>

If one is to consult an analysis of the chart above (Figure 1), it becomes obvious that the previous power structure under Kim Jong-un remains relatively unchanged from that of his father. The three key institutions in the country are the military, the party, and the security services. The individuals who hold leadership roles within these institutions are powerful, yet they do not wield power outside of their institutions. Rather, the key leadership—all of it—answers directly to the leader of the nation-state. North Korea has operated this way largely since the end of WWII. In addition, it should be noted that sprinkled throughout this power structure are the power-holding elite. These are individuals—now in their third generation—who are considered the “royalty” in North Korea.<sup>4</sup> That is to say, their families have been loyal to the regime going all the way back to either Kim Il-sung’s partisan band of fighters in WWII, or those who played leadership

<sup>4</sup> For examples of the third generation elite that are peppered throughout the North Korean power structure, See: Ser Myon-ja, “Jong-un Leans on Father’s Generation of Loyalists,” *JoongAng Ilbo*, January 16, 2015, URL: <http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2999723>

roles in the Korean People's Army in the Korean War, or both.

The power structure in North Korea has undergone slight change in that recently the National Defense Commission (NDC)—called the most powerful political body in North Korea—was disbanded. The NDC was replaced by the “State Affairs Commission,” a body that will do largely the same thing the NDC did—in other words, high-level decision making.<sup>5</sup> Thus, has anything truly changed? In all likelihood, the answer is no. We must keep in mind that the NDC was never manned by strictly generals, and often the generals who manned it were not fighting generals, but those filling security services roles or key roles in the party.<sup>6</sup> In addition, one must keep in mind that this does not change the basic premise of the power structure within the country that is based on three key institutions that consist of the party, military, and security services. The military is still a key part of this power structure, though Kim Jong-un has had more trouble consolidating his power there than in either the security services or the party—as I will address later in this paper. The real difference in the wielding of power in North Korea and the use of the decision making process, is that Kim Jong-un appears to be weaker than his father—a phenomenon that has existed since the day he took power.<sup>7</sup>

An example of what can only be called confusion within the decision making process under Kim Jong-un occurred during 2012 before North Korea's first long-range ballistic missile test under the new leader. As I stated in a press piece immediately following the event, “reportedly, during bilateral talks just days before Kim Jong-il's death, U.S. officials, when notified of plans for a test-launch, told the North Koreans that a ballistic missile launch (no matter what the ‘purpose’) would violate U.N. Security Council Resolution 1874 and breach agreements. And yet the North Koreans went ahead with a new deal for inspections and a moratorium on ballistic missile testing—and then announced the ‘satellite test launch’ soon thereafter (showing either obvious confusion in the decision-making process or a sudden decision reversal). Perhaps the North Korean succession

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<sup>5</sup> See: “More information needed to analyze possible change in N.K. defense ministry: Seoul,” *Yonhap*, July 4, 2016, URL: <http://english.yonhapnews.co.kr/news/2016/07/04/0200000000AEN20160704004700315.html>

<sup>6</sup> See: “National Defense Commission,” *North Korean Leadership Watch*, December 2015, URL: <https://nkleadershipwatch.wordpress.com/dprk-security-apparatus/national-defense-commission/>

<sup>7</sup> For an excellent analysis of the reasons Kim Jong-un is weaker at controlling the decision making process in North Korea than his father was, See: Takashi Sakai, “North Korea's Political System,” *Journal of World Affairs*, Vol 61-2, February 2013, URL: [https://www2.jiia.or.jp/en/pdf/digital\\_library/korean\\_peninsula/160331\\_Takashi\\_Sakai.pdf](https://www2.jiia.or.jp/en/pdf/digital_library/korean_peninsula/160331_Takashi_Sakai.pdf)

process is not proceeding as 'smoothly' as many have assumed."<sup>8</sup> It is my assessment that even though the launch would have (no doubt) taken place if Kim Jong-il had been alive, the diplomatic confusion that occurred in Kim Jong-un's regime because of the event would never have happened under the "Dear Leader."

The issues with Kim Jong-un's power and his ability to control the decision making process came to the surface during what has perhaps been the most impactful event in the reign of the third Kim—the purging of Jang Song-taek. It was this purge that showed the decision making process is very difficult to change—even if it undergoes radical hits because of large-scale purges (which is exactly what happened with Jang). Jang made the ultimate mistake. For the first time since the 1950s, there was actually a leader who had a following loyal to him that was not just in his own set of institutions. Jang had loyal followers within the party, the security services, the military, and various other aspects of government. This could not be permitted. And thus, Jang—and his family, and his supporters—were purged, many of them executed.<sup>9</sup> Within the party—and overseeing many aspects of society and government—is the Organization and Guidance Department (OGD). Kim Jong-un has made every effort to control the key organization (the most powerful in the party) since he took power, and it was ultimately the OGD that is believed to have brought Jang down.<sup>10</sup> The results of all this activity? The assessment that we should come up with? The decision making process has changed little under Kim Jong-un. But as Kim's inner circle has become smaller, his behavior has become more erratic and many of the individuals appointed to new positions are less likely to provide actual useful advice for fear of reprisals.<sup>11</sup> This has affected both institutions and created a culture of purges—two issues we will address next.

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<sup>8</sup> See: Bruce E. Bechtol Jr., "Ramification of N. Korean Satellite Launch," *Korea Times*, March 26, 2012, URL: [http://110.45.173.105/www/news/opinion/2012/04/198\\_107731.html](http://110.45.173.105/www/news/opinion/2012/04/198_107731.html)

<sup>9</sup> For more analysis on the purging of not only Jang, but his supporters, See: Robert Collins, "North Korea's Theater of the Absurd and the New Number Two's," *War on the Rocks*, February 13, 2014, URL: <http://warontherocks.com/2014/02/north-koreas-theater-of-the-absurd-and-the-new-number-twos-3/>

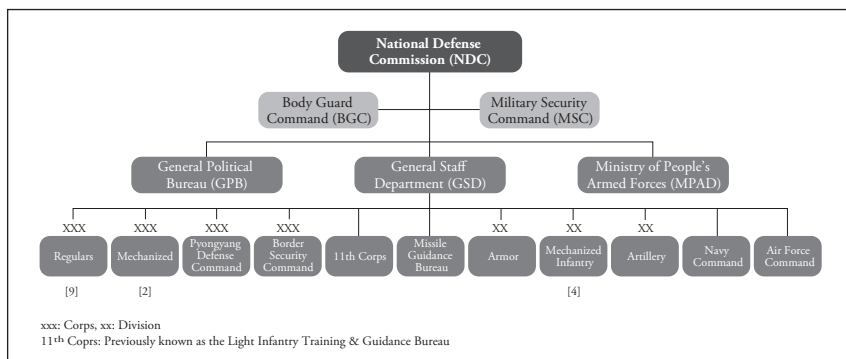
<sup>10</sup> See: Jang Jin-sung, "This is it: North Korea's Hidden Power System," *New Focus International*, December 31, 2013, URL: <http://newfocusintl.com/north-koreas-hidden-power-system/>

<sup>11</sup> For important analysis on how Kim Jong-un's weakness has affected the decision making process, See: Sam Kim, "North Korea Turns More Erratic as Kim's Inner Circle Shrinks," *Bloomberg*, January 12, 2016, URL: <http://www.bloomberg.com/news/articles/2016-01-13/north-korea-turns-more-erratic-as-kim-s-inner-circle-shrinks> Michael Madden, "Let the Hawks Soar," *38 North*, February 27, 2016, URL: <http://38north.org/2016/02/mmadden022516/>

## Key Institutions in North Korea: How Are They Used to Maintain Power?

By addressing the decision making process in North Korea, this paper has examined the key institutions that formulate and implement these decisions. The decisions—and the process itself - are important. But also of significance is how these institutions have worked together and how they are being used in the Kim Jong-un regime to help him maintain his power and rule the country. In this section, I will examine how the Kim family (and presently Kim Jong-un) use the key institutions in the country to rule on a day by day basis. I will also address some of the issues that exist within the institutions, and amongst them, as they vie for power.

Figure 2. North Korea's Military Command Organization



Source: "Defense White Paper," *Ministry of National Defense, Republic of Korea*, 2010.

If one is to conduct analysis of the line and block chart above (Figure 2: North Korea's Military Command Organization), it shows that this is the classic "divide and conquer" that other dictatorships (including many communist governments during the Cold War) have used to keep the head of state in power and the military under control. Thus, I will use this as an example of how key institutions are controlled and used to maintain power in the DPRK. The reader is asked to keep in mind that the same concept is also applied within the party and the security services.

The first thing to address about the chart for this section is that the NDC has now gone away (as of the summer of 2016). It has been replaced by the "State Affairs Commission," an agency that apparently has the same basic functions as the NDC (the highest in the land), but at least on paper, has less of a military focus.



Nevertheless, as the chart shows, the military command structure answers directly to the top leadership in North Korea—at least until there is solid evidence that with the founding of the “State Affairs Commission,” this basic tenet of North Korea’s institutional structure has changed.

The second thing to note is that everyone (including the top brass) within the KPA command structure is under watch by someone at all times—and that there are three separate chains of command. At every level, from corps all the way down to battalion, there are three separate chains of command answering to three separate institutions. The “fighting generals” and their subordinates, answer to the Ministry of People’s Armed Forces (MPAF) chain of command. But looking over their shoulders and monitoring their activities at all levels are first of all the General Political Bureau (GPB), which answers directly to the party in its chain of command, and secondly the Military Security Command (MSC) which also operates in a separate chain of command, as it answers to the State Security Department (which of course is part of the security services institution). Thus, during planning, operations, acquisition, and all other important activities, the military officers within MPAF are under scrutiny of separate organizations that answer separately to the party and to the security services.<sup>12</sup> To quote Professor Toshimitsu Shigemura of Waseda University in Japan, “...North Korean military personnel are divided into two groups: field soldiers that engage in combat operations and political soldiers that supervise field soldiers. Political soldiers are tasked with providing ideological education to field soldiers as well as detecting a planned coup d’etat.”<sup>13</sup>

This is a good example of the kind of interaction that occurs routinely within North Korea’s institutions. The military is a powerful institution because it has both conventional weapons and WMD, and because it has military officers who are peppered throughout leadership organizations within the DPRK power structure. But the military is also obliged to work closely with (and sometimes for) the party (as seen by the oversight of the GPB). The GPB also is the conduit from the military to the OGD within the

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<sup>12</sup> See: Joseph Bermudez, “SIGINT, EW, and EIW in the Korean People’s Army: An Overview of Development and Organization,” in *Bytes and Bullets: Information Technology, Revolution, and National Security on the Korean Peninsula*, Alexandre Y. Monsourov, ed, (Honolulu HI: Asia Pacific Center for Security Studies 2005), URL: <http://www.apcss.org/Publications/Edited%20Volumes/BytesAndBullets/CH13.pdf>

<sup>13</sup> Toshimitsu Shigemura, “Will Chance Come for [Japan’s] Diplomacy to Resolve Abduction Issue?; Forecast of Future of North Korea, Shaken over Who Will Succeed Kim Jong-il,” *Seiron* (in Japanese), November 30, 2008, pp 138-143.

party for the vetting of military promotions.<sup>14</sup> The MSC also watches the military—and the MSC and GPB also monitor each other.<sup>15</sup> Thus, within the North Korean military, not only are there three separate chains of command, but each of them are part of a separate institution within the power structure—the military, the party, and the security services. So who is truly the most powerful? None of them. Each of these key institutions have power in their own right, but (as shown on the first chart in this paper) the only individual who actually oversees all of them is the individual in the center of the circle. Currently, that individual is Kim Jong-un.

Since the purging of Jang, there has been a great deal of anecdotal data suggesting there have been issues between and within all three of the key institutions in North Korea. During 2014, there were reports that there were differing views within the OGD regarding Kim Jong-un's leadership.<sup>16</sup> The SSD and Ministry of People's Security (MPS) have reportedly been given renewed power that has caused some angst with members of the party.<sup>17</sup> Finally, because of issues involving purges and challenges to obtaining resources to maintain readiness, there has reportedly been increased and widespread corruption within the military. Thus it appears that there is a level of instability in the power structure that spreads all the way across the three key institutions.<sup>18</sup>

## Purges, Distrust, and Competition in the Power Structure

There has been a great deal of discussion among analysts, policy makers, news agencies, and pundits regarding the stability of the Kim Jong-un regime and its stability (or lack thereof). Much of this debate revolves around whether the massive purges in the regime, beginning in 2012, and ongoing as of the writing of this essay, are a sign of strength or a sign of weakness. There are many who have assessed the purges (including the now

<sup>14</sup> "KWP Central Committee Organization and Guidance Department," *North Korea Leadership Watch*, 2016, URL: <https://nkleadershipwatch.files.wordpress.com/2009/10/kwpcentralcommitteeorganizationandguidancedepartment.pdf>

<sup>15</sup> For an example of how the GPB and MSC interact, See: Tara O, "Understanding the Nature of the North Korean Regime: A Foundation to Engagement and Coercion Discussions," *International Journal of Korean Studies*, Vol. XIX, No. 1 (Spring 2015), URL: <http://www.icks.org/publication/pdf/2015-SPRING-SUMMER/2.pdf>

<sup>16</sup> Based on an interview with Park Syung-je, former Republic of Korea government official, November 9, 2014.

<sup>17</sup> See: "North Korea's State Security and People's Security Ministries Implement '9.8 Measures,'" *New Focus International*, April 12, 2015, URL: <http://newfocusintl.com/exclusive-north-koreas-state-security-and-peoples-security-ministries-implement-9-8-measures/>

<sup>18</sup> See: Jonathan Corrado, "KPA Corruption: A Necessary Evil?" *Daily NK*, April 6, 2015, URL: <http://www.dailynk.com/english/read.php?catId=nk03600&num=13071>

infamous purge of Kim's uncle by marriage, Jang Song-taek) are in reality a sign of strength.<sup>19</sup> There is evidence that can provide us with a realistic assessment of what all of these purges, competition between agencies, and changes within the government mean. In other words, in this section I will provide data addressing the instability within the governmental infrastructure in North Korea—and what it says about the strength of the Kim Jong-un regime.

There is evidence to suggest that Kim Jong-un's grip on power in North Korea is weakening. In 2014, according to sources in North Korea, his constant ranting and unpredictable behavior were taking a toll on those in the leadership echelons within the government.<sup>20</sup> Also in 2014, a group of families consisting of 16 people defected across the border into China. The families are said to have had relatives in South Korea.<sup>21</sup> Much of this can be said to be related to the backlash of purges that occurred following the execution of Jang Song-taek. According to Park Young-ja, a Research Fellow at the Center for North Korean Studies in Seoul, the purges and restructuring of the DPRK elite occurred in three phases. "The first phase begins from December 2013 to mid-April 2014. Until February, the purges were concentrated on affiliates related to main economic privileges such as Jang's Administrative Department of the Workers' Party of Korea (WPK), elites managing construction projects in Pyongyang, Jang's relatives and personal connections, and elites within the cabinet managing the mining industry." Park follows up with what he assesses to be the second phase of purges when he states in part, "Managing the second wave of Jang's purge concentrated on center elites, the party elites related to military and the military officials were the focus of restructuring." Park then addresses the third phase of "post-Jang purges" when he states, "The main target in the third phase has been the middle elites who have been managing day-to-day affairs within the party organs."<sup>22</sup>

In 2015, Kim Jong-un continued the purges. By this time it had become obvious

<sup>19</sup> For an example of analysis that addresses the many purges in North Korea under the Kim Jong-un regime and offers divergent views assessing it means both strength and weakness, See: Kim Young-jin, "Are N. Korean Moves Sign of Strength or Weakness?" *Korea Times*, July 18, 2012, URL: [http://www.koreatimes.co.kr/www/news/nation/2012/07/116\\_115430.html](http://www.koreatimes.co.kr/www/news/nation/2012/07/116_115430.html)

<sup>20</sup> "N. Korean Elite 'Getting Restive,'" *Chosun Ilbo*, July 26, 2014, URL: [http://english.chosun.com/site/data/html\\_dir/2014/07/26/2014072600380.html](http://english.chosun.com/site/data/html_dir/2014/07/26/2014072600380.html)

<sup>21</sup> Kang Mi-jin, "Group Defection Stuns North Hamkyung Province," *Daily NK*, August 9, 2014, URL: <http://www.dailynk.com/english/read.php?catId=nk01500&num=12189>

<sup>22</sup> Park Young-ja, "One Year after the Execution of Jang Sung-taek: The Shifts of Power and Privilege in North Korea," *Korea Institute for National Unification*, December 16, 2014, URL: [http://www.kinu.or.kr/2014/1226\\_eng/co14-17.pdf](http://www.kinu.or.kr/2014/1226_eng/co14-17.pdf)

that even though purges were occurring throughout the power structure, the military was taking the heaviest blow.<sup>23</sup> Much of what has occurred in the military appears to be intentional “divide and conquer” between GPB operatives (including generals) and the traditional “fighting officers.” The division is said to have been fermented by Kim Jong-un in order to consolidate his power over the military as an institution.<sup>24</sup> According to Andrei Lankov, a professor at Kookmin University in Seoul, by 2015, Kim Jong-un was purging security officials on a scale not seen in North Korea since the 1960s. Lankov assessed that this meant Kim wanted a “docile and obedient military.”<sup>25</sup> By July of 2015, the National Intelligence Service in South Korea had briefed the National Assembly that “about 20 to 30 percent of senior party officials and more than 40 percent of senior military officers have been replaced...”<sup>26</sup> The executions of high-level officials continued into 2016.<sup>27</sup>

And what to make of all of these purges? What has been the reaction within the power structure in North Korea? The answer is simple—we are now seeing more high-level defections than ever before in the history of the DPRK. During the summer of 2015, several officials of the infamous illicit and proliferation overseas trade office (the head trade office for these activities) known as Office Number 39, defected. A senior and trusted ministerial official named Park Seung-won also defected during the same time frame. Another mid-level official who was managing North Korean illicit slush funds defected in Hong Kong with his family. In all, a total of ten trusted officials defected during the summer of 2015. At the time, according to South Korean Foreign Minister Yun Byung-se, there was much purging among high-level officials in North Korea.

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<sup>23</sup> For examples of purges within the North Korean military during 2015, See: Michelle FlorCruz, “Kim Jong-un Purges More North Korean Military Leadership as Soldiers Food Rations Slip,” *IB Times*, May 19, 2015, URL: <http://www.ibtimes.com/kim-jong-un-purges-more-north-korean-military-leadership-soldiers-food-rations-slip-1929890>

“N. Korean Purges Continue,” *Chosun Ilbo*, May 18, 2015, URL: [http://english.chosun.com/site/data/html\\_dir/2015/05/18/2015051801100.html](http://english.chosun.com/site/data/html_dir/2015/05/18/2015051801100.html)

<sup>24</sup> See: “How Kim Jong-un Gets Rid of Threats to His Power,” *Chosun Ilbo*, May 18, 2015, URL: [http://english.chosun.com/site/data/html\\_dir/2015/05/18/2015051801489.html](http://english.chosun.com/site/data/html_dir/2015/05/18/2015051801489.html)

<sup>25</sup> Dan Sutherland, “Interview (Part 1): Kim Jong Un Purges Show ‘He Wants a Docile Military,’” *Radio Free Asia*, July 12, 2015, URL: <http://www.rfa.org/english/news/korea/korea-lankov-07102015141351.html>

<sup>26</sup> “Over 40% of N. Korean Brass Replaced in Purges,” *Chosun Ilbo*, July 15, 2015, URL: [http://english.chosun.com/site/data/html\\_dir/2015/07/15/2015071500951.html](http://english.chosun.com/site/data/html_dir/2015/07/15/2015071500951.html)

<sup>27</sup> For an example of a high-level official whose execution that was reported in 2016, See: Choi Song-min, “Ri Yong-gil Arrested Publicly Last Week, inside Sources Report,” *Daily NK*, February 12, 2016, URL: <http://www.dailynk.com/english/read.php?num=13747&catId=nk01500>

To quote Yun, “Over the three and a half years since Kim took power, about 70 officials have been executed. That’s a sevenfold increase from the same period during the Kim Jong-il regime.” By the fall of 2015, 20 North Korean officials had defected (just that year)—including officials from the Foreign Ministry, high-ranking military officers, and officials from agencies throughout the power structure. Things only got worse in 2016. During the first quarter of 2016, the number of North Koreans defecting rose 17.5 percent from the first quarter of 2015. In 2016, many analysts are now assessing that disaffection is spreading among the North Korean elite—something that certainly seems to be true given the unprecedented increase in defections of senior level cadres.<sup>28</sup>

### Effects of Instability on Policy: How North Korea’s Power Structure Survives

There can be no doubt that the pressure has mounted externally and internally in North Korea. In fact, while Kim Jong-il can easily be assessed to have been weaker than his father, Kim Jong-un can also be assessed to be weaker than Kim Jong-il. Kim Jong-un continues to face the same challenges his father did—but with more intensity. The international community now has less patience for North Korea’s rogue state behavior than ever before. This includes both the United States and South Korea. It even appears to include China—probably a result of the purging of many officials (most tied to Jang)

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<sup>28</sup> For examples of high-level defections by North Korean officials, statements by South Korean officials, analysis that indicates disaffection in North Korean senior cadres and families, and names of North Korean officials who have defected since 2015, See:

“N.K. Military Intelligence Officer Defected to S. Korea Last Year: Seoul,” *Yonhap*, April 11, 2016, URL: <http://english.yonhapnews.co.kr/northkorea/2016/04/11/51/0401000000AEN20160411002752315F.html>

“Number of NK Defectors up 17.5 Pct On-Year in Q1,” *Yonhap*, April 12, 2016, URL: <http://english.yonhapnews.co.kr/northkorea/2016/04/12/0401000000AEN20160412004100315.html>

Kang Mi-jin, “‘Fight or Flight’ for Growing Number of Cadres,” *Daily NK*, January 5, 2016, URL: <http://www.dailynk.com/english/read.php?num=13672&catId=nk01500>

“20 N. Korean Officials Defected to S. Korea This Year,” *Chosun Ilbo*, October 21, 2015, URL: [http://english.chosun.com/site/data/html\\_dir/2015/10/21/2015102101277.html](http://english.chosun.com/site/data/html_dir/2015/10/21/2015102101277.html)

“FM Comments on Defection of N. Korean Officials,” *Chosun Ilbo*, July 10, 2015, URL: [http://english.chosun.com/site/data/html\\_dir/2015/07/10/2015071000796.html](http://english.chosun.com/site/data/html_dir/2015/07/10/2015071000796.html)

“Recent Exodus of N.K. Officials Won’t Lead to Regime Collapse: Experts,” *Yonhap*, July 6, 2015, URL: <http://english.yonhapnews.co.kr/northkorea/2015/07/05/0401000000AEN20150705004700315.html>

Ha-young Choi, “S. Korean Media Report Influx of Officials’ Defections,” *NK News*, July 8, 2015, URL: <https://www.nknews.org/2015/07/s-korean-media-report-influx-of-officials-defections/>

“Disaffection Growing Among N. Korea’s Elite,” *Chosun Ilbo*, April 12, 2016, URL: [http://english.chosun.com/site/data/html\\_dir/2016/04/12/2016041201292.html](http://english.chosun.com/site/data/html_dir/2016/04/12/2016041201292.html)

who formerly dealt with North Korea-China relations.<sup>29</sup> Kim's weaker hold on power (as stated in the evidence revealed earlier in this paper) has had a profound effect on both the morale and the actions of the elite in North Korea. This is something that must be examined in detail, as it will have ramifications for the longevity of the regime. Thus, in this section, I will conduct analysis on how the instability and often lack of support for the North Korean people, has had an impact on the elite in the DPRK—the people who run the country and keep Kim Jong-un in power.

Before Kim Jong-un came to power the ultra-elite tended to engage in heavy spending and constant overseas travel.<sup>30</sup> But this seems to have become exacerbated since Kim Jong-un took over the helm of leadership in the DPRK. In fact, the so called “Brat Pack” of ultra-elite sons and daughters of top-level leaders appears to be engaged in illicit activities overseas—activities that raise money for the regime and contribute to a lavish life style for those living in a nation where the majority of people are struggling simply to be fully nourished each day. One of the leaders of this activity is reportedly Kim Jong-un's brother, Kim Jong-chol.<sup>31</sup> This overseas activity was most certainly taking place during the Kim Jong-il regime, but it appears to have picked up in scope, focus, and level of operations since Kim Jong-un took over. It is very possible that this is occurring because of the external pressure the regime is feeling from lack of foreign aid, and increased sanctions (because of nuclear and missile tests). This has led to increased corruption and a lack of absolute loyalty to the Kim family by the elite—particularly the younger generation in its 20s and 30s. According to South Korea's National Intelligence Service, there are now roughly 60,000 people in North Korea who have wealth of \$50,000 or more.<sup>32</sup> These are the people who now must often fend for themselves—through corrupt business activities—in order to survive.

The examples of how corruption has become rampant in North Korea—perhaps worse even than it was under Kim Jong-il—are stunning. One excellent example is something as simple as electricity. In 2015, reporting indicated that even electricity was a commodity that was being run and allocated by corrupt officials who were using it to fill

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<sup>29</sup> See: Eleanor Albert and Beina Xu, “The China—North Korea Relationship,” *Council on Foreign Relations*, February 8, 2016, URL: <http://www.cfr.org/china/china-north-korea-relationship/p11097>

<sup>30</sup> See: Peter Maas, “The Last Emperor,” *New York Times*, October 19, 2003, URL: <http://www.nytimes.com/2003/10/19/magazine/19KOREA.html?pagewanted=all>

<sup>31</sup> “Kim Jong-un's Brother ‘Leads N. Korea's Brat Pack,’” *Chosun Ilbo*, April 23, 2013, URL: [http://english.chosun.com/site/data/html\\_dir/2013/04/23/2013042301095.html](http://english.chosun.com/site/data/html_dir/2013/04/23/2013042301095.html)

<sup>32</sup> “North Raises Some Nouveaux Riches,” *JoongAng Ilbo*, May 19, 2015, URL: <http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=3004349>

their pockets with cash. According to sources in South Korea with ties to officials in North Korea, provincial and municipal officials in charge of North Korea's utility services have been charging the affluent class extra cash in order for this "new elite" to have a steady stream of electrical power—something that has for years been difficult to come by outside of the key neighborhoods in Pyongyang. Unfortunately, it appears that this electricity has been re-routed from those who were less fortunate—in other words, those not able to pay the extra money to fill the slush funds of governmental utility officials.<sup>33</sup> Despite the profits of the ultra-elite, the paranoia of Kim Jong-un has led to increased monitoring of communications of all kinds, of those in the very highest levels of government—perhaps because the widespread corruption that is so integral in society has now made even the most trustworthy officials and their children suspect of anti-regime activity.<sup>34</sup> According to sources inside North Korea, the so called "Jangmadang Generation," the younger elite, watches South Korean films, has grown up with corruption, and has less loyalty to the Kim regime than their parents and grandparents.<sup>35</sup>

It is important to note that as the pressure has stepped up on Kim Jong-un's regime from both external and internal forces, two key things have happened; proliferation and illicit activities have been stepped up (money-generating activities for the regime), and there has been an increased and intensified focus on the readiness of the military. If one is to talk about the first key factor (proliferation and illicit activities), this has occurred on an increased basis in order to replace much of the foreign aid that has dried up in recent years (including aid from South Korea).<sup>36</sup> In fact, a plethora of reports has shown over the past five years, that proliferation to the Middle East, Africa, and elsewhere has been going on in what has been a steady stream of exports, training, support for state and non-state

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<sup>33</sup> Choi Song-min, "Money Secures 'Donju' Power," *Daily NK*, March 18, 2015, URL: <http://www.dailynk.com/english/read.php?num=13005&cataId=nk01500>

<sup>34</sup> See: Joshua Lipes, "North Korean Officials Flee Homes Amid Wiretapping-Linked Executions," *Radio Free Asia*, June 26, 2015, URL: <http://www.rfa.org/english/news/korea/wiretapping-06262015143246.html>

<sup>35</sup> Lee Sang-yong, "'Jangmadang Generation' Eschews Regime Idolization, Pursues Outside Info," *Daily NK*, December 29, 2015, URL: <http://www.dailynk.com/english/read.php?num=13661&cataId=nk01500>

<sup>36</sup> For a key example of the kinds of activities North Korea's front companies and government supported entities engage in to raise slush funds for the regime, See: Aleksandar Dukic and Beth Peters, "FinCEN Designates North Korea as a Jurisdiction of Primary Money Laundering Concern, Triggering Additional Due Diligence Requirements for Financial Institutions," *Focus on Regulation*, June 16, 2016, URL: <http://www.hlregulation.com/2016/06/16/fincen-designates-north-korea-as-a-jurisdiction-of-primary-laundering-concern-triggering-additional-due-diligence-requirements-for-financial-institutions/>

actors, and a huge spider-web of money laundering and front companies.<sup>37</sup>

The focus on the military for development and brinkmanship/provocations is very likely because of Kim Jong-un's weak power base there. His father focused on developments in military hardware, as well as provocations against the South, and brinkmanship that raised tensions in the region. But Kim Jong-il did not engage in military development at the frantic pace that his son has. The question is, why would he do this? If one is to look at the evidence, the assessment is quite simple and quite clear. Kim Jong-un has purged high level officials in all levels of government—including the three key institutions—the party, the security services and the military. But the purges in the military have been the highest. This appears to be because Kim has had more trouble establishing a power base in the military than in the other two key institutions of power in North Korea. How to bring the military into line? Both the carrot and the stick. In other words, massive purges when necessary, and a vast array of new and upgraded weapons and training in order to keep the loyal generals happy. It seems that Kim Jong-un has done exactly this in recent years. In fact, weapons systems such as blue-water submarines and accompanying ballistic missile systems, long-range ICBMs, multiple rocket launchers that can hit Seoul and beyond, and increased military training have been the norm in recent years. So much so that military engineers are reportedly under great pressure to develop these systems at a frantic pace.<sup>38</sup> Of course, North Korea has conducted nuclear tests as well during the Kim Jong-un regime, and these tests show that the North Korean nuclear threat to the region and to the United States continues to develop.<sup>39</sup>

Can the international community contain North Korea's concerning military developments and proliferation? One certainly hopes so, but the jury is still out. Following North Korea's ICBM test and nuclear test in early 2016, the United States and the UN both installed what many consider to be the toughest sanctions ever imposed.<sup>40</sup> The

<sup>37</sup> For an excellent example of the widespread proliferation and money laundering activities, along with the exact factors articulating how this violates UN sanctions, See: "Report of the Panel of Experts established pursuant to resolution 1874 (2009)," *United Nations Security Council, Panel of Experts*, February 24, 2016, URL: [http://www.un.org/ga/search/view\\_doc.asp?symbol=S/2016/157](http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/157)

<sup>38</sup> See: Sung-hui Moon, "North Korea's Defense Engineers Angered by Kim's Boasts of New Weapons," *Radio Free Asia*, May 15, 2015, URL: <http://www.rfa.org/english/news/korea/boasts-05202015111400.html>

<sup>39</sup> Chung Sung-Yoon, "North Korea's Fourth Nuclear Test: Implications and Impacts," *Korea Institute for National Unification*, January 11, 2016, URL: <http://www.kinu.or.kr/2016/eng/0111/co16-02e.pdf>

<sup>40</sup> See: Carol Morello and Steven Mufson, "U.N. adopts sweeping new sanctions on North Korea," *Washington Post*, March 2, 2016, URL: [https://www.washingtonpost.com/world/national-security/un-adopts-sweeping-new-sanctions-on-north-korea/2016/03/02/309f0514-dfc8-11e5-846c-10191d1fc4ec\\_story.html](https://www.washingtonpost.com/world/national-security/un-adopts-sweeping-new-sanctions-on-north-korea/2016/03/02/309f0514-dfc8-11e5-846c-10191d1fc4ec_story.html)



American sanctions were even tougher than those imposed by the UN.<sup>41</sup> But according to respected analyst John Park, the sanctions brought against North Korea are unlikely to be as effective as the sanctions that went after Banco Delta Asia several years ago.<sup>42</sup> It should be noted that since those sanctions were lifted in 2007, the United States (and the rest of the world) have never again gone after a specific bank or banks laundering North Korean money. In my opinion, this is an implementation—supported by current sanctions—that could be very effective (as it was before).

## Conclusions

Based on the evidence presented in this paper, it appears that if Kim Jong-un is able to consolidate his power, the government will stabilize. But clearly this has not happened yet. In addition, the corruption—now even more rampant than it was under his father—is likely to continue to undermine the stability and credibility of the regime. Stability, and thus the leveling off of the decision making process in a way that will make it more steady and predictable, will only occur if Kim Jong-un uses the same model as that used by both his father and grandfather. But thus far it has been more difficult for him to use this model than it was for his predecessors. The elite in North Korea most certainly want Kim Jong-un to succeed, because if there is not a Kim family member to lead the regime, it is likely to collapse. It remains my assessment that Kim Jong-un has only a 50-50 chance to succeed. If he falls, the regime falls, as there is no one left who has a credible chance of leading the elite and the key institutions in the country.

The international community, and especially those nations who have an interest in regional security in Northeast Asia must plan for a two-headed monster. The first aspect of planning must focus on North Korea's large, dangerous army, its military motivations, and its weapons of mass destruction that continue to be routinely developed and tested. The second aspect of planning must focus on the collapse of a heavily armed and corruptly led rogue nation-state, and the generation (or perhaps more) that it will take to restore normality to the Korean Peninsula following unification. Downplaying the two-headed North Korean threat is not useful, either for foreign policy or for the security and stability of the Peninsula or the region. North Korea presents a very real threat that

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<sup>41</sup> "Obama Slaps North Korea with New Sanctions after Tests, *Reuters*, March 16, 2016, URL: <http://www.newsweek.com/obama-north-korea-nuclear-tests-kim-jong-un-sanctions-437627>

<sup>42</sup> Chang Jae-soon and Roh Hyo-dong, "(Yonhap Interview) U.S. Blacklisting of N.K. Unlikely to be as Powerful as BDA Sanctions: Expert," *Yonhap*, June 13, 2016, URL: <http://english.yonhapnews.co.kr/news/2016/06/13/0200000000AEN20160613000300315.html>

must be contained. But it is also a country as unstable as it has been since its founding. Failing to realize the factors that make North Korea a security threat to all who have an interest in the region is failing to look after the security concerns of Washington's key allies such as South Korea and Japan. Finally, even now, with relations between Beijing and Pyongyang as strained as they have ever been in the Kim Jong-un era, there does not exist evidence—at least not yet—that China is willing to fully implement sanctions that would put unprecedented pressure on the Kim family regime. Unless and until that happens, planning must occur assuming China will not be fully cooperative with other nations in the region in dealing with the North Korean threat.