



North Korea: intra-elite conflict and the relevance for global security by Hazel Smith

Hazel Smith (hs50@soas.ac.uk) Phd, is Professorial Research Associate at SOAS, University of London and author of, among other things, *North Korea: Markets and Military Rule* (Cambridge University Press, 2015).

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'This third-generation Kim already holds the titles of supreme leader, first secretary of the party, chairman of the military commission and supreme commander of the army – but he wants even more. This Kim wants recognition, vindication and authentication.' The Observer, May 8, 2016

This description of Kim Jong Un is not the most lurid; in fact, it is representative of broadsheet analysis of the leadership of North Korea. It reduces analysis of the leadership of a state of 25 million people, which has an indigenous advanced scientific capability sufficient to develop nuclear weapons and advanced ballistic missile technology, to a level more appropriate to the pages of an airport pot-boiler. It trivializes analysis of a conflict that involves all the world's great military powers, and which intermittently looks as if it might spill over into warfare that military planners from all sides assess will cost millions of lives, however and whenever the conflict ends.

The focus on Kim Jong Un as supreme leader is misplaced and dangerous. It obscures and prevents discussion of where real power lies in North Korea.

State power today lies with a number of key individuals who are engaged in savage intra-elite political competition and who exercise power via control of North Korea's security institutions. In turn, those institutions are used by powerful individuals to fight for political *and* physical survival. These zero-sum political competitions are also struggles for who controls the nation's new foreign trading companies – the North Korean 'chaebols' – and the access to personal wealth and enhanced power offered by such economic leverage.

The conventional prism of leadership omnipotence – the same prism that the North Korean leadership propaganda tries very hard to sell at home and abroad – is not very helpful. It precludes investigating who holds substantive power and why, and how power can shift. We must rethink intra-elite conflict in North Korea and the consequences of these conflicts for security planners dealing with North Korea.

Kim Jong Un – why we need to change the prism

Our character sketches of Kim Jong Un are entirely speculative – and have virtually zero evidential foundation. Equally without authoritative foundation is the assumption that Kim's holding of specific offices equates to the holding of actual, untrammelled power. Anyone who has ever had any

contact with North Korea – diplomats, humanitarian officials, businesses – knows that the person in charge is rarely the formal office-holder. In Kim's case, the jury is still out.

In some ways, it is understandable why global analysts have focused entirely on Kim Jong Un in trying to analyze North Korean decision-making. They assume that, even if there were differences of opinion within North Korea's power elite, then both the common interests of the elite and the concentration of power in the leader would make these differences inconsequential in terms of political decision-making in North Korea.

Yet today both these assumptions are moot. There is a mass of evidence to show intra-elite divisions on a scale that has not been seen since the 1950s and there is, equally, not much evidence to suggest that Kim Jong Un has direct control over important levers of state power.

Intra-power elite conflict

There are few indications that any single individual has unchallenged domination of state institutions, although we see the continuing dominance of Hwang Pyong-so within key state, party and, most importantly, military security institutions. Hwang is one of the three vice-chairmen of the State Affairs Commission, whose chair is Kim Jong Un, and which replaced the National Defense Commission in 2016 as the senior executive body in the DPRK. Hwang also controls the surveillance and security mechanism of the military as director of the General Political Bureau [GPB] of the Korean People's Army [KPA]. Hwang's power appears to have been institutionally enhanced in 2016 when the Military Security Office (formerly Military Security Command) – responsible for rooting out anti-regime activity in the military *and* civilian sectors, which formerly reported directly to the National Defense Commission (the predecessor of the State Affairs Commission) – was subordinated to the General Political Bureau under Hwang's authority.

Hwang's ascent to power came via brutal intra-elite warfare that involved principals *and* their families. Hwang's wife is reported to have died, in either 2010 or 2012, as a result of an interrogation ordered by Kim Won Hong, who was himself deposed as minister of State Security in 2017. It is also reported that in 2014 and 2015, Hwang had the Military Security Office arrest Kim Won Hong's son, Kim Cheol, who, again reportedly, suffered a stroke during his interrogation. South Korean intelligence officials have recently stated that an ally of Kim Won Hong, Kim Yeong Cheol, former head of the powerful Reconnaissance General Bureau, one of a number of powerful military intelligence organizations, was forced to undertake 're-education' in 2016.

Intra-elite North Korean conflict is not founded on ideological differences. The largely unquestioned ideology is

not communism but a lowest common denominator nationalism, not dissimilar in objective and articulation from the nationalism espoused in South Korea. The aim is unification and the underpinning ideology is that all Koreans share a nearly 5,000-year history that can be traced back to the national founder, Tangun, and are distinctive in blood line and culturally homogeneous. Today, as in South Korea, North Koreans live in a capitalist economy (although not a liberal one).

Neither is intra-elite competition about state goals, the most important of which is to prevent regime change. The common understanding is that the nuclear ‘deterrent’ does just that – it deters military intervention from abroad. Another shared goal is that of economic development and an awareness that foreign investment is necessary to achieve this goal. It is this economic goal that may propel North Korea to respond positively to overtures from South Korean President Moon Jae-in to reopen negotiations on denuclearization – with the hope of a substantial package deal involving eradicating sanctions, gaining public capital inflows, and encouraging private international investment.

Nor are regime rivalries fundamentally conflicts of bureaucratic interest of the different state institutions – e.g., the army, the Party, the security apparatus – although these institutions are mobilized in intra-elite conflict.

In the war between the different centers of power in North Korea, control over the military security apparatus is paramount. The military is the only organization of the state that has maintained continuous funding and organizational capacity since the economic collapse of the 1990s (and even this is relative, as there are indications of some degradation of command and control systems). KPA security officials, because of their subordination to military discipline, have fewer opportunities than their civilian counterparts to participate in individual market activities, which effectively involve local security officials flouting the law to sustain their own living standards.

The wealth nexus

The motor force of the new capitalist economy in which all of North Korea – government, institutions, and individuals – is embedded is provided by the North Korean foreign trading companies that grew fairly spontaneously from the ashes of the command economy that was destroyed by the famine and economic collapse of the 1990s. Similarly to the *chaebol* in South Korea or the *zaibatsu* in Japan, the most important of these enterprises established themselves (and defeated competition from other incipient capitalist businesses) as a result of their ability to secure backing from influential political individuals.

In North Korea trading companies are legalized by the ‘*waku*’ or licensing system. Foreign trading companies must receive a ‘*waku*’ from an official entity – of the Party, military or the state, or a part of those entities, for example the different security apparatuses. The official in charge of these agencies acts as ‘patron’ of the individual trading company and, to a greater or lesser extent, the fortunes of those companies and the individuals who provide the license become interchangeable.

There are many important trading companies, many of which are, in the context of analyzing intra-elite struggles, matter because they add another dimension to complexity in the power plays in Pyongyang. Capitalism breeds competition for profits and markets that in turn fuels political rivalries between key players among North Korea’s political elite.

Lines of control of the big trading companies in North Korea are, predictably, somewhat murky but it is thought that Kim Won Hong’s son, Kim Cheol, controlled the important Cheongbong Trading Group and his father controlled the Shinheung Trading Group. Hwang’s political attacks on father and son therefore constituted an attack on family economic security.

Illustrative of the nexus of power/wealth and family struggles is the fate of the Seungri Trading Group, which was formerly controlled by Kim Jong Un’s uncle, Jang Song Thaek. After Jang’s execution in 2013, Seungri Trading was incorporated into the Korea Songsan Economic and Trading Group, today controlled by Hwang Pyong-so and de facto managed by his foster daughter, Ri Yeong-ran.

Missing a trick

The focus on Kim Jong Un misses a trick – perhaps *the* trick. The febrile, fragmented, and brutal competition between power-holders in North Korea looks by no means to be over and explains much more about North Korea’s decision-making than any assumption of omniscient leadership. This is well-illustrated by the recent arrests of US citizens in Pyongyang – perhaps best explained by one set of security institutions demonstrating muscle, not to the outside world but to rival security institutions.

The killing of Jang Song Thaek in 2013 and Kim Jong Nam in 2017 may be signs of a ruthless young leader eager to demonstrate his hardline credentials. An equally plausible explanation is that these were power plays by experienced political players designed to show to the inexperienced Kim Jong Un that the Kim family is no longer exempt from the fray.

Given the intensity and ferocity of today’s intra-elite rivalries, rational actor behavior, in the sense of state-directed means-ends behavior in which the central state holds together all state institutions in the pursuit of a nationally determined strategy, is extraordinarily difficult. Internecine rivalry has also likely degraded command and control systems to the extent that coherent and consistent state security decision-making and implementation cannot be guaranteed.

Elite priorities remain that of survival and that has come to mean physical survival in the face of internal enemies, which must seem much more imminently threatening than the long-anticipated intervention from abroad.

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