

NORTH KOREA'S YEAR OF RECKONING: FAMINE, SANCTIONS AND SECURITY

BY HAZEL SMITH

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It is tempting to dismiss the recent announcement by North Korean representatives in New York of largescale food shortages as yet another overblown claim designed to elicit free food and other assistance from liberals too easily duped by the North Korean government's cynical ploys. That would be a very big mistake.

North Korea's end of year food balance shows a rocketing food deficit from a half million tons each year in 2016 and 2017 to a huge 1.5 million tons in 2018. In 2019, about three quarters of a million tons will likely be available from imports, cereal stocks, and the early-spring crops. That means North Korea is left with only 3.2 million tons of food crops to feed its 25 million people this year. Put another way, food availability in 2019 from all sources is estimated to be enough to feed about three quarters of the population at the most basic survival level.

The starkest confirmation of a catastrophic harvest in 2018 is the precipitous drop in output from the big food producing provinces. Between 2016 and 2018, South Hwanghae, the 'granary' of North Korea, had a 5 percent reduction in area planted but an enormous 30 percent decrease in output – with a 19 percent drop in agricultural output between 2017 and 2018.

Without substantial external aid (in food, health, water, sanitation and hygiene), it is difficult to see any

outcome other than large-scale deaths from malnutrition-related causes this year. Furthermore, absent sanctions exemptions that would allow for necessary oil-based inputs into the 2019 agricultural production cycle, the logical corollary is an expanded food catastrophe, threatening lives and livelihoods of millions of North Koreans in 2020. In the 1990s, a major cause of the rapid decline of agricultural food production was the end of subsidised imports, especially oil, from Communist allies. The outcome was the famine that killed up to a million people.

The food outlook is not only a humanitarian question but has implications for security analysts whose underlying premise is too often that North Korea's negotiating behavior on denuclearization will become more conciliatory if there is a renewed food emergency. The unspoken assumption is that the people will revolt and/or the North Korean leadership will "cry uncle" in return for aid. Historically however starving people do not make revolutions; they are too busy trying to survive. It is equally likely that North Korean leaders will turn to China for economic support and away from diplomacy with those they could portray as using starvation as an instrument of security policy. Neither is it clear that South Koreans would allow their own government to sit idly by if they start to receive images and reports showing largescale starvation and hunger in North Korea. In 2019, unlike in the 1990s, South Koreans from the very divided extended families have technological wherewithal and access to make contact with suffering relatives in the North. The pressure on the Moon government to detach itself from a hard-line multilateral sanctions regime would be enormous.

What's changed and why

North Korea's harvests and yields improved substantially after the famine years of the 1990s, although not to the extent of achieving food self-sufficiency. Imports partially filled the gap, although from 2016, after imports were taken into account, the UN FAO reported an uncovered food deficit (the difference between food supplies – from production and imports – and food consumption) of around half a million tons each year. Yet, starvation did not ensue from the uncovered food deficit. Quite the opposite; UN reporting showed that by 2017 North Korea had

reduced chronic and acute malnutrition to levels well below those of richer countries in Asia, like India and Pakistan.

As significant amounts of food aid have not been available to North Korea for 12 years, the assumption must be that the food deficit in 2017 and 2018 was filled through the ubiquitous, but unquantifiable private markets. These "extra" food inputs were supplied from grey area domestic production and unofficial trade with China. This was not free food, but commercial transactions channeled through the public/private entrepreneurial, largely unregulated, trading companies that today provide the motor-force of North Korea's economy.

Last year's disastrous harvest, however, is of an order of magnitude that we have not seen since at least 2004/2005 and, possibly, depending on the comparability criteria utilized, since the famine years of the 1990s.

The North Korean government and the United Nations agencies attribute the massive drop in agricultural production in 2018 to natural disasters. It is uncontrovertibly true that in 2018 unprecedented high temperatures throughout the growing season, followed by severe drought and then flooding, destroyed crops. Other countries, experienced the same weather conditions and did not end up with the threat of famine. The difference is that North Korea agricultural production is intrinsically precarious due to the absence of resources, technology, and resilient infrastructure and perennial labour shortages. The natural disasters of 2018 came on top of increasing unavailability of agricultural chemicals, fertilizer, spare parts, and fuel for irrigation and agricultural machinery required in an agriculturally inhospitable mountainous country of extreme seasonal weather variation.

Modern agriculture relies on oil – for pesticides, and fuel for farm machinery, processing facilities, storage facilities (to maintain optimal temperatures), and transport of crops and food. The North Korean agricultural sector is not a subsistence economy. Topography and poor arable land endowment mean that it is only though employing agro-industrial farming that agricultural production can increase.

United Nations sanctions have tightened over the last couple of years to prohibit the export of oil-based products and other agricultural inputs to North Korea, even if foreign exchange resources were available to purchase them. An axiomatic result of the absence of needed agro-industrial inputs is a disproportionately reduced output from more or less the same area of planted crops.

In the future, the country must develop an exportoriented manufacturing and services economy so that it can earn foreign exchange to import more food, but in the short term that option is closed. North Korea's export capacity is one of the lowest in the world. According to UN sanctions reporting, the 2017 expansion of sanctions on coal, iron, seafood, and textile production are expected to reduce export earnings of \$2.7 billion in 2016 by 90 percent.

In 2019, the scale and scope of the food shortage and the price rises that are the logical corollary of shortage means that it would be very surprising indeed if "muddling through" and the self-help mechanism of grey area trade will prevent the recurrence of starvation in North Korea.

The humanitarian agencies: contradictory imperatives

UN agencies are bound by the UN Security Council to support the entire panoply of DPRK sanctions. UN humanitarian agencies are therefore constrained not only by the government and the internationally febrile context in which North Korea is always discussed, but also by the necessity not to be seen to criticize sanctions (except as they impede humanitarian logistics). These constraints sometimes inhibit analysis. UN agencies, for example, continue to report as fact government claims that the old food distribution system continues to operate as a ration of last resort for the entire population, when it has not done so for over 20 years. For the government, to acknowledge the end of the old system would be to admit that food deficits are covered by market dynamics, not by state distribution, and to formally acknowledge the depth and extent of marketization in the country. The UN agencies perhaps do not understand how the food allocation and distribution system has been transformed, or they consider this a

minor point to concede in return for government cooperation on operational matters.

Yet resident UN humanitarian agencies remain the goto resource for analysis and early-warning of food crises in North Korea. They are professional, internationally accountable, relatively transparent, and knowledgeable organizations that have had had a sustained operational presence in the DPRK for 25 years. It would be a tragedy if the contradictory imperatives of security and humanitarianism were to militate against the UN and its member states responding effectively to prevent another famine in North Korea.

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