

Changes in the DPRK Economy as Seen from the Fourth Plenary Meeting of the Eighth Central Committee of the Workers' Party of Korea (Summary)

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The Fourth Plenary meeting of the Eighth Central Committee of the Workers' Party of Korea (WPK) was held from December 27-31, 2021. Discussions centered on Agenda Items 1 and 3, which are discussed below. From the second half of the second day to the first half of the fourth day, discussions on the draft decisions were held in the sectoral subcommittee studies and council meetings.

General Secretary Kim Jong Un delivered a programmatic conclusion to the first agenda item, titled "On the Orientation of the Work of the Party and State in 2022." Suggesting the DPRK economy had encountered a difficult situation in 2021, he emphasized that progress is being made in restoring economic order, with state-run enterprises observing the planning rules they are required to follow, the cabinet's leadership of economic guidance improving, and legal controls being strengthened against illegal economic activities, etc. He also emphasized the importance of not covering up problems that had taken root since the 8th Congress of the WPK in January 2021. It was observed that a series of discussions are still alive, such as pointing out the problems, clarifying the causes, and mutually criticizing each other among the cadres. There was no talk about the development of new industrial sectors.

In response to the third agenda item, "On the Immediate Tasks for the Correction Solution of the Socialist Rural Question in Our Country," Kim Jong Un made a report titled "Let us open up a new great era of our style socialist rural development." This report discussed the direction of agricultural policy in line with contemporary trends, based on the "Theses on the Socialist Rural Question in Our Country" proposed by President Kim Il Sung in 1964. The report states that the proposition of narrowing the gap between urban and rural areas remains unchanged, and it points out the problems of guidance that tends to be uniformly applied. The report calls for "strong state support, the operation of a strong national guidance system, and an improvement in the role of cities and counties as masters of rural construction."

Regarding staple foods, the report argues for a gradual change in policy from a focus on rice and maize to a focus on rice and wheat flour foods. In addition, the government is also trying to improve national livelihoods by increasing the quality and quantity of domestic production by emphasizing soybean and potato cultivation, improving low-harvest areas, and increasing the cultivation of livestock, fruit trees, vegetables, and craft crops.

Regarding the guidance and management of agriculture, the report points to the strengthening of "unified, systematic, and scientific-technical guidance" and the elimination of deep-rooted bragging (false reports) in the agricultural sector. It also mentions strengthening the level and role of the WPK secretary in the village, who is closer to the field.

Both Agenda Items 1 and 3 may not be bold changes, but as noted above, they are interspersed with changes that could substantially affect the activities of the WPK and the DPRK government. If these changes can indeed be realized, it will be possible to say that the DPRK-style economic management system centered on a cabinet-centered system, which Kim Jong Un is aiming for, has been tirelessly developed, even under sanctions and a special quarantine regime. It seems difficult and time-consuming in the DPRK to increase the number of "practically working cadres" in the WPK and the DPRK government, and to establish a "culture of not making false reports" in rural villages and other sites. However, we can confirm that the leadership is aware of how important this is in rebuilding the economy.

From the above, it can be said that even in the very difficult economic and international environment of the DPRK, persistent attempts are being made to improve economic policies that will enable the economy to grow more strongly when external expansion of the economy becomes possible again. We will need to wait a little longer to see whether this will be successful.

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