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Executive Summary

Tasks of Integrating Statistics between South and North Korea



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*This article is written based on the author's personal opinions
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Executive Summary

Necessity for Disclosure of North Korea Statistics

- Current mission for North Korea is to accomplish economic growth amid of international sanctions, COVID-19, and recent natural disasters.
- North Korea can hardly overcome economic difficulties on its own strategy. A realistic alternative option would be creating an environment for economic development through reforms and opening policies along with international assistance.
- North Korea must prioritize joining international financial institutions to overcome economic difficulties
 - If North Korea discloses its statistical data and joins international financial institution, it would be able have financial assistance and possibly rejoin the international community.
- In May 2020, the South Korea government decided to provide 4.9million dollars for six years for statistical education in North Korea through UNESCAP (United Nations Economic and Social Commission for Asia and the Pacific).
 - Along with the assistance, South Korea should actively persuade North Korea for its data disclosure and abiding conditions for joining international financial organization.

North Korea's Statistical System

- North Korea provides partial statistics that are necessary for the Workers' Party of Korea (WPK) and its policies.

- Statistical system of North Korea is similar to that of the former Soviet Union's planned economy.
- Official statistics is released from time to time but is often flawed and unreliable. Most of the data is fabricated by the WPK in advance.
- Some of the data that NGOs estimate in the market could be organized in time series.
- North Korea maintains a centralized statistical system. Central Bureau of Statistics is responsible for all the process.
- South Korea has a decentralized model for statistics. Around 80 relevant organizations such as KOSIS (Korean Statistical Information Service), related government departments, the Bank of Korea, regional statistical information services, and others organizations provide statistics respectively.

Process of Inter-Korean Statistical Integration

- In preparation of unification, policies that encourage integrated statistics system could bring about mutual understanding through various interactions.
- After unification, decentralizing North Korea's statistical system is in priority in the process of integration.
- Legislation of relative laws and establishment of government body for statistical integration.
- Budget for statistical integration and training of professionals for statistic education.
- Four stages of inter-Korean statistical integration
- Establishment of a government organization, arrangement of a working group,

modules for integrated management of organization, and newly integrated standard operating procedures are required in order

Policy Proposals

- For South Korea, it is significant to explain and persuade North Korea based on various anticipated national benefits that can be obtained from disclosing statistics.
- It is necessary to secure recent statistic of North Korea and objective assessment on North Korea's statistics for any kind of emergency, assistance, and details of unification policies.
- North Korea's statistics should be utilized after unification, as such data can help to understand the past of North Korea and contribute to a new integrated statistics.
- Integration of statistics of North and South Korea needs to be approached in long-term perspective. The best way is to proceed the integration gradually by stages with trial and error.
- It is expected to decrease confusion and expense of unification, if South Korea could prepare for statistical integration by accurately assessing the current statistical situation of North Korea. ❀

※ Translator's note: This is a summarized unofficial translation of the original paper which was written in Korean. All references should be made to the original paper.