



Economic Development Strategy in the Kim Jong Un Era and the Roles of Munitions Industry

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Abstract

North Korea has traditionally prioritized the development of defense industry and relative sectors. However, North Korea recently began to change its traditional development methods. The most significant difference can be seen at the national development strategy. North Korea has put forward economic development and improvement of people's livelihood as top priorities, and at the same time, the roles of the military and munitions industry seem to be gradually changing in the remarks of Chairman Kim Jong Un. In other words, the economic role of the military is being emphasized. And such changes are reflected in the production of commercial products and capital goods at munitions factories, the input of engineers belonging to munitions industry into the modernization project of private enterprises and other factories, and the application of and efforts to extend CNC (Computer Numerical Control) technology to commercial businesses.

This paper reviews theoretical issues related to the impact of munitions industry on economic development and analyzes how the North Korean authorities perceive the economic role of munitions industry. Since Kim Jong Un took power, the economic role of munitions industry has been strengthened. However, it is too early to conclude that North Korea has entirely carried out commercial transition of defense industry, since no observable data is available to prove sufficient policy adjustment or institu-

tional support. If North Korea intends to strongly push forward with commercial transition in the near future, the North Korean authorities should approach this objective with a long-term outlook and specific policy goals and simultaneously institutionalize a system, which can ensure successful transition. Considering these factors, commercial transition of the North Korean economy will continue partially and gradually, but not in a full speed. ❖

※ 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.

※ This article is written based on the author's personal opinions and does not reflect the views of the Sejong Institute.