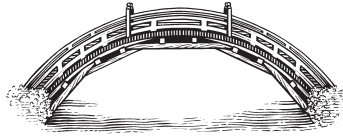


BOOK REVIEW ROUNDTABLE

Stephan Haggard & Marcus Noland  
*Famine in North Korea:  
Markets, Aid, and Reform*

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*Stephan Haggard & Marcus Noland*

## Famine's Aftermath: Retrenchment or Reform?

*Edward P. Reed*

North Korea is conventionally understood to be a kind of “black hole” about which very little can be known—the proverbial riddle wrapped in an enigma.<sup>1</sup> Haggard and Noland have demonstrated that this is not the case; a lack of information can no longer be used as an excuse for bad policy. By assembling most of the credible sources of information (though limited primarily to English sources) and carefully cross-checking data and claims, with *Famine in North Korea* the authors have provided perhaps the most comprehensive description and rigorous analysis yet of the North Korean famine, its political-economic context, and its aftermath. They have also posed the key questions that must be addressed if the right lessons are to be drawn and good future policies to be developed. These questions include: What caused the famine? Should large-scale assistance have been provided under the constraints imposed by Pyongyang? What has been the impact of food aid both on the population and on the North Korean system? What is the ultimate solution to the economic decline and continuing food scarcity? How should we deal with the North Korean regime in the future?

The authors clearly identify the North Korean political and economic system as the ultimate cause of the persistent shortage of food and of the overall decline of the economy. This implies that the long-term solution to the problem lies neither in maintaining aid flows nor merely in agricultural restructuring but rather in implementing domestic economic reform and expanding commercial trade relations. The major multilateral and NGO aid agencies that responded to the famine understood, or quickly came to

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<sup>1</sup> The full text of Winston Churchill's description of Russia in 1939 is quite useful for analyzing North Korea today: “I cannot forecast to you the action of Russia. It is a riddle, wrapped in a mystery, inside an enigma; but perhaps there is a key. That key is Russian national interest.” See Winston Churchill, speech, October 1, 1939, CHAR 9/138/46, Churchill papers, Churchill Archives Centre, Churchill College, University of Cambridge ~ [http://www.chu.cam.ac.uk/archives/gallery/Russia/CHAR\\_09\\_138\\_46.php](http://www.chu.cam.ac.uk/archives/gallery/Russia/CHAR_09_138_46.php).

understand, the problem in these same terms.<sup>2</sup> Their success in moving the North toward addressing long-term problems was so limited, not for want of trying but rather because of the complexity of the political and strategic context in which these groups were operating. Nevertheless, the infusion of large amounts of food and other types of aid did contribute to change. North Korea today is definitely not the same place it was in 1995 when foreign assistance began to flow into the country; the aid programs contributed to this change.

Through careful economic analysis the authors clarify the impact of food aid and whether the food reached the intended beneficiaries, was diverted to less deserving populations, or entered the emerging market. Being a highly valuable and fungible commodity, the donated food reinforced a kind of guerrilla market system that emerged as a result of the failings of the Public Distribution System (PDS). Though not highlighted in this volume, the aid programs also put pressure on the North Korean system in other ways. Between 1996 and 2005 large numbers of foreign aid workers (World Food Program monitors as well as European and American NGO representatives) regularly traveled throughout North Korea, visiting food distribution centers, collective farms, hospitals, and children's homes. These workers met with local officials and institutional directors and interacted with large numbers of the affected population. Despite the limitations placed on the strict monitoring of aid delivery, there can be little doubt that this decade of interaction at the local level—after years of almost total isolation of the population—spread new ways of thinking about the outside world and the role of the government.

Just as important was intensive, and sometimes contentious, interaction with regime representatives and senior professionals at the center of power. In many cases aid program directors developed long-term working relationships with bureaucrats in the Ministries of Agriculture, Health, and Food Administration and with scientists and scholars at research institutes and universities. Aid workers were able to appreciate the very narrow envelope of options within which local and national administrators operated as they struggled to understand and respond to events that were unfolding. Many North Korean officials acted sincerely, and some heroically, as they attempted to overcome bureaucratic and technical obstacles. This human side to the

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<sup>2</sup> One of the earliest analyses to note that a collapsed economy was the underlying cause of North Korea's food shortage came from the United Nations. See "Consolidated Inter-Agency Appeal for the Democratic People's Republic of Korea, January–December 1999," UN Office for the Coordination of Humanitarian Affairs, December 1998  [http://www.humanitarianinfo.org/DPRK/infocentre/appealsdonors/DPRK%20Consolidated%20Appeals/DPRK\\_CAP\\_1999.pdf](http://www.humanitarianinfo.org/DPRK/infocentre/appealsdonors/DPRK%20Consolidated%20Appeals/DPRK_CAP_1999.pdf).

North Korean story of the last ten years is necessary to complete the hard analysis that Haggard and Noland so ably execute.

In reflecting on the status and behavior of North Korea today a veteran aid worker might come to different, conflicting conclusions. On the one hand, compared to expectations held in the early years of the humanitarian response, by many measures North Korea has changed very little. The official message is still essentially the same: political considerations still trump humanitarian necessities. Though many assumed that hard-won gains in access and transparency would accumulate and lead to substantial liberalization, we have now seen that improvements can be reversed, controls re-imposed, and aid agencies forced to close up shop. The most recent reversal is a restriction allowing only women over the age of 40 to trade in the marketplaces that are now the lifeline of much of the population.<sup>3</sup>

On the other hand, these nervous measures taken by the government—such as rolling back markets, forcing people back onto the PDS dole, restricting contact with foreigners, and stamping out “anti-socialist” influences—are clearly expressions of official alarm. A total reversal of these loosening trends is unlikely. There is a distinctly noticeable change in the atmosphere in the North from the stultifying and defeatist mood of 1996–98. Today a dynamic, if desperate, entrepreneurial spirit is widely reported, especially outside of Pyongyang.<sup>4</sup> According to this view the regime is already riding a tiger; the question is whether the leadership will try to harness this new dynamism as a driving force for effective change or will instead be forced to attempt a dangerous dismount.

The way out may be in sight. North Korea has claimed that threats to national (or regime) security justified Pyongyang’s strict control over aid delivery and constrained the implementation of more far-reaching reforms. The perceived threat of hostile action by the United States required maintaining strict internal vigilance, and U.S.-led sanctions made accessing development assistance or engaging in normal financial and trade relationships impossible. Interestingly, because recent developments have unfolded along the lines of the optimistic scenario that the authors term “cooperative engagement” (p. 222), North Korea’s rationale for resisting change may soon be undermined. Washington’s removal of North Korea from the list of state sponsors of terrorism will open up the possibility for the North to receive technical and

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<sup>3</sup> “New Restrictions on DPRK Market Trading,” Institute for Far Eastern Studies, NK Brief, no. 07-11-15-1, November 15, 2007 ~ <http://ifes.kyungnam.ac.kr/eng/m05/s10/content.asp?nkbrieftNO=166&GoP=%201>.

<sup>4</sup> Anna Fifield, “Selling to Survive,” *Financial Times*, November 19, 2007.

financial assistance from the World Bank and other multilateral institutions. At the same time South Korea has proposed major programs of economic cooperation that would create Kaesong-type complexes in several different locations in the North. After so many lost years and lost lives, the question then becomes whether the North Korean regime will finally take seriously to the road of reform and opening, even if only a reform “of our own style.”<sup>5</sup> And even if change is the intended policy, can this guerrilla economy—based on coping mechanisms and chicanery at every level—be the basis on which to build a rational economy? Or has the unraveling of the system and the entrenchment of new interests gone too far? The next twelve months or so may reveal the answer.

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<sup>5</sup> As President Roh Moo-hyun learned directly from the Dear Leader himself, this will have to be a reform that dare not utter its name. See “Tongilbu homp’i ‘kaehyök kaebang’ yongö sakche” [Unification Ministry Deletes Use of “Reform and Opening” from Home Page], *Donga.com*, October 10, 2007 ~ <http://www.donga.com/fbin/output?sfrm=1&n=200710100141>.

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## The Emperor’s Famine

*Chung Min Lee*

**O**f all of the ills of the human condition, politically induced famine surely stands out as one of the most inhumane perversities. Other more draconian examples of gross social re-engineering abound—noticeably the Nazi genocide of World War II and the killing fields of Cambodia—but the deaths of millions through virtually programmed starvation are equally genocidal.

China’s Great Leap Forward of 1958–60 resulted in the deaths of 14–40 million Chinese. The death toll in Darfur is in the hundreds of thousands. The Great Famine in Ukraine (1932–33) is estimated to have resulted in some 5 million fatalities. From 1994 to 1998 1–1.3 million North Koreans perished because of severe food shortages. The North Korean famine was triggered significantly by a political system that propelled and prolonged one of the greatest tragedies on the peninsula since the Korean War. One out

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of every twenty-two North Koreans died from this famine, while millions more suffered from severe malnutrition, irreparable health problems, and stunted growth.

Yet what makes the North Korean famine so tragically unique—arguably the most vicious politically induced famine of the twentieth century—is that the country’s supreme leader Kim Jong-il considered the death of over one million citizens as necessary collateral damage. One frighteningly sad story encapsulates Kim’s culpability as the single most important factor behind the famine. Among the many faces of Kim Jong-il is that of a gourmet who has imported international chefs to whet his appetite. Precisely at the moment when North Korean peasants, farmers, and laymen were dying from hunger, Kim’s personal Japanese chef flew to Tokyo via Beijing with bundles of Japanese *yen* to procure rare ingredients for the leader’s favorite sushi. In his memoirs, *Kim Jong Il’s Chef*, Kenji Fujimoto recounts a scene in which Kim Jong-il was able to tell if a piece of sushi was just slightly lighter than his preferred serving.

In a majestic tour d’horizon, Stephan Haggard and Marcus Noland’s *Famine in North Korea: Markets, Aid, and Reform* offers a systematic bird’s eye view of the fundamental causes and consequences of North Korea’s famine. The authors argue that a confluence of forces contributed to the triggering, and more significantly, prolongation of the famine that began in 1994. They trace the history of North Korea’s political economy and the roots of North Korea’s endemic food shortages, beginning with forced collectivization in the 1950s, and continuing on with an emphasis on heavy industries, a nationwide military-industrial complex, and a reliance on “friendship” subsidies from the Soviet Union and China throughout much of the Cold War era. The authors should be lauded for filtering out data bias with an indefatigable attention to detail—not an easy task given the dearth of reliable official statistics from North Korea and the propensity for secretiveness that surrounds China’s food and fuel aid to the North.

The authors analyze the probable causes of North Korea’s famine by focusing on two main issues. First, the authors analyze internal structural causes, such as decades of accumulated decay in food rationing—i.e., the Public Distribution System, the diversion of state funds to sustain the world’s third largest standing army, and the stratification of society into “core,” “wavering,” and “hostile” classes. Second, the authors analyze a confluence of external and exogenous forces, including the collapse of Soviet assistance and trade privileges following the USSR’s demise in 1991, a more hostile international environment characterized by intermittent external pressures

from key players such as the United States as perceived by North Korea, and the net impact of South Korea's more flexible and aid-prone policy toward the North starting from the late 1990s.

One of the most interesting sections of the book is part II in which the authors focus on the dilemmas of humanitarian assistance. For this reviewer, the chapters on aid monitoring and diversion of food aid were particularly revealing, offering a detailed account of the structural weaknesses in the distribution of food aid by international organizations such as the World Food Program (WFP). Pyongyang often barred WFP monitors from entering the hardest hit areas, such as the northeastern region of North Korea (South and North Hamgyong Provinces), for instance. The authors point out that, with 43,000 ultimate food aid destinations, the WFP had to rely on North Korean assurances that the food would reach the most needy—the elderly, children, and pregnant women. In the end, however, significant constraints were basically insurmountable.

Perhaps the most disturbing but poignant information in this study is in chapter 5, on the diversion of food aid. The authors stress that diversion is problematic for three key reasons: diverted aid misses the most important target population, feeds corruption, and destroys international political support. Based on testimonies by North Korean defectors and estimates from aid workers, the authors assess that North Korea may have diverted 10–30% of food aid to the military but also food may have been channeled through severe loopholes at lower ends of the distribution chain. Although we only have access to what may be perceived as circumstantial evidence—smuggled videos and defectors' testimonies, for example, and questionable official statistics given the endemic lack of transparency and accountability on the part of North Korean officials—it is clear that, in a regime that devotes some 25–30% of its GDP on defense and has adopted a so-called military first doctrine, North Korean leaders considered feeding the military the first line of regime security in more ways than one.

This study also assesses the twists and turns in foreign humanitarian assistance. The monitoring of food aid, or more precisely, the general ignoring of it, by North Korea's two largest patrons—China and South Korea—is a point that deserves greater elucidation. One of the most disturbing aspects of aid diversion is South Korea's, and to a lesser extent China's, aversion to adopting a more stringent monitoring regime. Just prior to the June 2000 South-North summit between then South Korean President Kim Dae-jung and North Korean leader Kim Jong-il, the Kim Dae-jung government paid North Korea \$500 million through North Korean accounts in Macao. Where this money

went is unclear, but Kim Jong-il is highly unlikely to have dispersed the funds to those citizens who needed them most. As revenues from missiles and other arms exports dwindled throughout the 1990s, North Korea surely diverted some of Seoul's \$500 million "summit fee" to military use, including to the country's nuclear weapons program.

Ever since the launch of South Korea's Sunshine Policy in 1998 by the Kim Dae-jung government political parties in the South have remained divided on two key questions: whether the various types of South Korean aid reached the intended end users, and to what degree the Sunshine Policy positively shifted the North's behavior. Though the debate still continues, engagement proponents argue that the "unique internal characteristics" of the regime limit the possibility of verification and that South Korean aid and investments have resulted in a "peace dividend" that must not be derailed.

However Kim Jong-il's North Korea evolves in the remaining years of his reign, prospects for reforms akin to China's and Vietnam's open door economic policies are likely to remain low, precisely because enduring reforms would only weaken the regime's hold on power. In this respect, *Famine in North Korea* adds valuable insights by excavating the structural constraints militating against the adoption of market economic reforms in the North, notwithstanding limited attempts by the regime to construct extremely contained free enterprise zones such as the Kaesong Industrial Complex (which houses South Korean small- and medium-sized businesses).

Ironically, a key side effect of North Korea's famine—also addressed in the book—was North Korea's inverse influence. Precisely because the plight was so serious, international donors and aid agencies had little choice but to comply with North Korean conditions in dispersing humanitarian assistance. The policy quandary is now even more complicated by the fact that, even in the midst of the North Korean economy's self-destruction, Pyongyang continues to pose a security threat, as evinced by the country's October 2006 nuclear test. Though the ongoing six-party talks may ultimately result in the dismantling of North Korea's nuclear capabilities, the assumption that Kim Jong-il is willing to give up his nuclear arsenal for the right price—political normalization with the United States and Japan and large infusions of foreign aid—continues to represent a huge leap of faith. Such a compromise would entail a strategic U-turn by Kim, potentially sowing the seeds of regime collapse.

Some time in the not-too-distant future—when North Korea's center of gravity begins to shift in earnest—we will finally be able to verify and document the gross injustices committed by the Kim dynasty in the name of



social re-engineering. Until that day arrives, however, studies such as *Famine in North Korea* are indispensable in accounting for one of the most tragic episodes in twentieth century Korean and Asian history. In bygone eras of Chinese and Korean dynasties, the *sine qua non* of the “mandate of heaven” was the emperor’s ability to serve the people. In this respect, the “emperor’s famine” in North Korea will be recorded in history as the beginning of the end of Kim’s self-imposed and self-serving mandate.

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### Famine in Paradise

*Andrei Lankov*

The great North Korean famine of 1996–99 was the worst humanitarian disaster to strike East Asia since China’s famine under Mao’s rule in 1958–61. The North Korean famine is unusual for three reasons. First, the famine occurred in an industrial, urban, and highly literate society. Second, the crisis arose in the middle of the world’s most dynamic region. Third, the disaster occurred during a peaceful era in regional history, a time without significant social upheaval.

The famine no doubt will attract much attention in the decades to come, and Haggard and Noland’s *Famine in North Korea* constitutes one of the first comprehensive academic studies of this topic. This book is a “must-read” for all students of North Korea and contemporary East Asia and is likely to remain a standard on this issue until North Korean archive materials are opened to researchers, which of course is unlikely to occur in the next decade or two.

The authors dealt with formidable challenges, the most serious of which being the acute shortage of data. North Korea is probably the world’s most secretive state; when statistics are released from Pyongyang, one can be sure that the figures have been doctored to serve political schemes and agendas. Haggard and Noland carefully collected all available data from different sources, including government materials, NGO reports, and witness testimonies. Though the picture that is portrayed may be incomplete (and

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perhaps even wrong in some regards), this fault is applicable to almost all research on North Korea. Given the current situation, one could thus hardly do more than the authors have accomplished.

The North Korean government blamed the disaster on great floods that hit the country in 1995–96. The book indicates, however, that the natural calamity played a rather marginal role in the collapse of North Korean agriculture and that this collapse began years before the floods, as clearly indicated by a steady decline in food consumption. Initially the government attempted to resolve problems through such outdated measures as attempts to boost productivity in the cooperative farms through “better” ideological indoctrinations. The government also made equally futile attempts to ban private trade at the markets and through limiting food consumption; one such example was the launching of the bizarre “let’s eat two meals a day” campaign. These efforts did not, however, meet with success.

Why did the North Korean leaders follow this conservative line? Why did they not imitate the markedly successful reforms of China and Vietnam? The answer to those questions lies in the existence of another Korea, the prosperous and free South where per capita income is ten to thirty times greater than in the North (depending on which statistics are used). Pyongyang is afraid that liberalization will bring an instant loss of control: aware of South Korea’s prosperity, North Korean citizens might rise against their rulers if the government begins to institute reforms. Though hypothetical, the possibility of such a scenario unfolding prevents North Korea’s elites from relaxing their positions. The authors demonstrate quite well, however, that despite all of the government’s bans and restrictions, grass-roots marketization is occurring from below. Though some minor government-led reforms have been introduced—such as increasing the area of individual farming plots—the system has largely remained unchanged overall. Even the “improvement measures” of 2002, once trumpeted with fanfare in the international media as far-reaching reforms, were quietly rolled back a few years later.

North Korean leaders clearly believe that relaxation of the system might cause the regime to implode, in which case they would likely face criminal persecution for past misdeeds and could even lose their lives. Therefore, Pyongyang’s policies are driven by a set of priorities that places saving the political regime well ahead of saving the population. As *Famine in North Korea* demonstrates, the policies pursued by the government, though not deliberately aimed at starving large parts of the population, were based on the assumption that a large number of lives could and should be sacrificed if necessary in order to maintain regime control.

The government was slow to admit the emergence of the food problem when the situation deteriorated in 1991–92. Such an admission would ruin the decades-old propaganda of the “earthly paradise” and would demonstrate Pyongyang’s potential vulnerability in a time of an unfolding nuclear crisis. Pyongyang eventually chose to jettison the “earthly paradise” myth and learned even to exaggerate the scale of material damage in order to maximize foreign aid. This new approach took time to develop, however, and the initial reluctance to admit the problem meant that appeals to relief agencies were not issued until much too late.

The aid distribution was arranged in a way that served the regime’s political goals. The book demonstrates that the government deliberately limited the food supply to some areas that the leaders deemed expendable (especially to the northeastern coast of the country). The rumors of a “triage” policy, allegedly exercised by the Pyongyang leadership, have been around for long time (p. 64), but Haggard and Noland’s research demonstrates that these rumors are by no means unfounded (pp. 68–76).

The book also sheds some light on the issue of aid diversion. The authors estimate that the amount of food aid diverted to the military, political elite, and other privileged groups was between 10% and 50% of the total amount of aid, with 30% being their basic estimate (p. 125). Additionally, foreign aid enabled the government to use the locally produced grain to keep the “core groups,” especially the military, well supplied with food. This approach ensured the survival of the Kim family regime. All domestic groups whose discontent could have dangerous effects (i.e., the army, police, and populaces of major cities) were kept alive and relatively content through the combination of aid distribution, police terror, and information control. This policy decision also meant, however, that Pyongyang could not possibly comply with the established norms that usually govern the provision of food aid. Only a limited number of inspections were allowed and, of the limited number of monitors, no Korean-speaking inspectors were permitted.

The book makes readers face a difficult question: when the foreign community agreed to provide aid to a regime with very little transparency, did this decision do more harm than good? No uncontroversial answer to this question exists. Although isolation and pressure might hasten the collapse of a repressive regime, the cost of such treatment also means the likelihood of greater suffering and higher casualties. This price for change is too high. After all, the events of 1996–99 demonstrated that North Korea’s rulers care little if a large segment of the population—between 600,000 and 1 million people, according to the authors’ estimates—starved to death (p. 76).

The authors of *Famine in North Korea* clearly indicate that isolating North Korea would be both immoral and unworkable. States pursue their own (sometimes mutually exclusive) interests, and North Korea is highly skilled at manipulating these self-interests for the country's own benefit. In this sense, the concept of an "international community" is often fictional. For example, as this reviewer has argued many times, China and South Korea did not want to see the North Korean regime collapse and hence were willing to provide Pyongyang with generous and unconditional aid irrespective of U.S. and Western policies. These neighbors knew full well that such aid strengthens the North Korean regime. This is not to say, however, that aid from other countries was not also influenced by political considerations—the book clearly demonstrates that such a link existed in almost all cases (pp. 126–61). The point here, though, is that isolation did not work because of a lack of support from two of the major players.

Although the aid exposed North Korea to the outside world and contributed toward the ongoing decline of old Stalinist values, a difficult question remains. Foreign aid saved many lives but also contributed to the survival of a regime that cares little for its citizens. Was this a worthwhile compromise? Perhaps. As *Famine in North Korea* demonstrates clearly, however, the North Korean regime knows how to keep the country's population terrified and thus docile and how to play off of the sensibilities and fears of foreign donors. The regime's leaders are ruthlessly efficient in pursuing their overriding goal of political survival, even if this ambition entails the death of half a million people or more. With such leaders at the helm, and with North Korea's major neighbors willing to turn a blind eye toward the most outrageous abuses, one cannot hope that the manifold problems faced by the North Korean people will be resolved any time soon.

## North Korea as the Wicked Witch of the East: Social Science as Fairy Tale

*Hazel Smith*

This review holds that the *raison d'être* of *Famine in North Korea* by Stephan Haggard and Marcus Noland, which was originally written as a background briefing for the Washington, D.C.-based U.S. Committee on Human Rights,<sup>1</sup> is to demonstrate that the government of the Democratic People's Republic of Korea (DPRK) has committed "crimes against humanity" (p. 209). In the view of this reviewer the empirical investigations supporting this claim do not stand up to scientific scrutiny. This critique will focus on the volume's central contention: the North Korean government always had enough food to feed the population and chose not to. The book asserts that (1) there was always sufficient cereal to feed the entire population and that (2) the World Food Program (WFP) and the Food and Agriculture Organization (FAO) consistently overestimated the basic cereal requirements of the North Korean population.

### *Lots of Food?*

The authors claim that during the 1990s food supply always exceeded demand (p. 47 and graph on p. 45). They base this claim on the calculation that if the entire population needed 167 kilograms (kg) of basic grains (cereal) per person per year (the standard FAO/WFP figure) then the total amount of cereal that would be required to meet the minimum needs of the population would be equal to the total population times 167 kg of cereal. Because no authority disputes that the DPRK surpassed this total every year throughout the 1990s by way of domestic production, aid, and imports, the authors conclude that, if the available cereal had been distributed equally, no one would have starved (p. 46). An understanding of the basic cereal requirements of any population, however, repudiates this conclusion.

Minimum basic human requirements for survival include cereal to meet the food requirements of a population as well as the cereal required for seeds

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<sup>1</sup> Stephan Haggard and Marcus Noland, *Hunger and Human Rights: The Politics of Food in North Korea* (Washington D.C.: U.S. Committee for Human Rights in North Korea, 2005).

and animal feed. Farmers need cereal for future crops and to feed livestock as well as for subsistence. Furthermore, basic cereal accounting always includes an estimated amount for post-harvest losses, which are a problem for all countries, including wealthy nations. In poor countries, where infrastructure, transport, and technology are lacking or in poor condition, such losses can be significant. This form of cereal balance accounting for basic human needs is a standard and uncontroversial “tool of the trade” for international agronomists and professionals concerned with assessing food security in any country. Cereal balance accounting for the DPRK by the FAO, as well as South Korean, Swiss, U.S., and NGO officials, follow this common practice.<sup>2</sup>

In the DPRK the FAO identified non-food, but nevertheless essential, usages of cereal necessary to meet basic needs—i.e., the minimum necessary to ensure physical survival of the population—as consisting of seed, feed, post-harvest losses, and other uses.<sup>3</sup> The proportions of each have remained fairly stable over time. In 2002, for instance, the FAO attributed 77.3% of the DPRK’s estimated basic cereal requirements to food needs, some 3.4% to animal feed, 4.5% for seed, 12.2% to post-harvest losses, and 2.4% to “other uses.”<sup>4</sup> The other uses category includes food processing, such as noodle production.<sup>5</sup>

The authors’ argument is based upon the assumption that cereal required for seed, feed, and post-harvest losses were non-essential or optional. The

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<sup>2</sup> See, for example, “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” Food and Agriculture Organization for the United Nations (FAO)/World Food Program (WFP), Special Report, December 22, 1995; “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Alert, no. 267, May 16, 1996; “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Alert, no. 275, June 3, 1997; “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, November 25, 1997; “Food and Crop Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, December 10, 1997; “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, June 25, 1998; “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, June 29, 1999; “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, July 24, 2000; “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, November 16, 2000; “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, October 26, 2001; “Crop and Food Supply Assessment Mission to the DPRK,” FAO/WFP, Special Report, October 30, 2003; and “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, November 22, 2004. See also standard cereal balance in Woon Keun Kim, Hyunok Lee, and Daniel A. Sumner, “Assessing the Food Situation in North Korea,” *Economic Development and Cultural Change* 46, no. 3 (April 1998): 525.

<sup>3</sup> “Crop and Food Supply Assessment,” October 30, 2003, 17–18. Earlier FAO cereal balances are less sophisticated, simply categorizing non-food uses of cereal as either for feed or “other uses, seed and losses.” See, for instance, “Crop and Food Supply Assessment Mission,” June 25, 1998; and “Crop and Food Supply Assessment,” June 29, 1999. Later FAO/WFP crop assessments give detailed breakdowns, making it a straightforward exercise to identify the relative proportions of non-food cereal uses.

<sup>4</sup> “Crop and Food Supply Assessment,” October 30, 2003.

<sup>5</sup> See “Crop and Food Supply Assessment,” July 24, 2000, 12–13 for food processing examples.

authors thus delete these uses from DPRK cereal balance assessments of the minimum human need (p. 45). As a result, approximately 20% of the annual cereal requirement of North Korea is discounted. The authors are thus able to argue that cereal availability always met the needs of the population throughout the famine years and that, therefore, “the [cereal] shortfall does not imply an inability to meet basic needs but rather would reflect a failure to meet basic needs because alternative uses were prioritized” (p. 48).

This interpretation of cereal balances clearly contradicts basic agronomy: without seed and animal feed, farmers do not have the ability to plant crops and thus to feed themselves, the rest of the country, and animals used for food and transport in subsequent years. The authors display a similar lack of understanding of the nature of agriculture in poor countries in terms of the scale and inevitability of post-harvest losses. The book’s mischaracterization of the FAO standard categories—stating that non-food uses of cereal were for “livestock feed, the production of liquor and postharvest losses” (p. 47)—leads this reviewer to wonder if the facts are being made to fit the explanation.

Haggard and Noland thus both omit the vital use of cereal for seed (necessary if farmers are not to starve in future years) and also cite “liquor production” as if this were a documented use that carried the same weight in the cereal use pattern as seed, animal feed, and post-harvest losses. Their claim that cereal is used for liquor production is not in fact substantiated but merely asserted. Even if all processed cereals were used for liquor production—and there is no evidence presented in this book or anywhere else to suggest that this might be true—this use would be trivial, at 2.4% of the total, compared to the 98.6% of cereal use for incontestably essential requirements. Nevertheless, the mention of liquor production as a typical non-food use of cereals buttresses the claim that the North Korean government behaved in a wicked and immoral way by choosing not to feed its starving people and instead diverted essential agricultural goods into the morally dubious production of alcohol.

### *Nobody was Hungry?*

Drawing almost entirely from one chapter written by Heather Smith for a compilation edited by Noland in 1998,<sup>6</sup> Haggard and Noland argue that the FAO/WFP figure of 167 kg of cereal per person per year overestimated the

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<sup>6</sup> Heather Smith, “The Food Economy: The Catalyst for Collapse?” in *Economic Integration of the Korean Peninsula*, ed. Marcus Noland (Washington, D.C.: Institute for International Economics, 1998), 53–75.

amount of cereals needed by North Koreans by approximately 20% (p. 46). To arrive at this conclusion, they infer that (1) the WFP/FAO identified only rice and corn as constituting the cereal ration and ignored the fact that North Koreans ate other cereals such as potatoes and (2) North Koreans habitually consumed non-cereal foods (p. 46).

On the first point, the authors are factually incorrect. A glance at any of the dozens of reports from the FAO/WFP shows that the FAO/WFP identified a number of different sources of calories in the North Korean diet with the mainstays, rice and corn, supplemented by millet and potatoes.<sup>7</sup> Note that one authoritative technical and scholarly analysis that supports a different interpretation than that of the book, while cited in the bibliography, has findings on this issue that are not mentioned in the text. Kim, Lee, and Sumner argue that it is reasonable to assess the rice and corn requirements of an average North Korean in the early to mid-1990s as roughly 87% of the requirements of a South Korean in the 1960s.<sup>8</sup> This assessment would give a per capita consumption of 164 kg, which is not very far off the WFP/FAO figure.

On the second point, the authors seem to confuse calories with commodities. The FAO/WFP merely reiterates the fact that any adult, including one in North Korea, would need to receive at least 167 kg of cereals per year, which is the equivalent of about 1,700 calories per day (much less than that required for normal basic sustenance), to have a chance of staying alive. Because potatoes and soya beans are already included in the FAO cereal balances, it is difficult to find what other foods the North Koreans were supposed to have habitually eaten. Most only ate meat on holidays. Protein from anything other than soya was and remains a luxury good. Vegetables and fruit provide much-needed vitamins and minerals but are a negligible source of calories.

With regard to the point that the FAO/WFP overestimated the amount of basic grains that would be needed for basic survival purposes at 167 kg of cereal per person per year, there is actually a strong argument that the minimum requirement should have been 10–25% higher than 167 kg (or 183.7 kg). This new estimate would take into account the extra calories needed by a population regularly facing winter temperatures of between -20 and -40 degrees centigrade. The U.S. Army advises that the extra

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<sup>7</sup> See, for example, any of the Crop Assessment reports cited in note 2 above.

<sup>8</sup> Kim, Lee, and Sumner, "Assessing the Food Situation in North Korea," 526–27.



calorific requirement in extreme winter temperatures is between 25% and 50% of a normal diet.<sup>9</sup>

*The Methodology: The Wicked Witch of the East Approach*

The core argument depends on the counterfactual: if the DPRK government had maintained commercial aid imports, and if the government had not used cereal balances for “non-essential uses” such as liquor production, then the famine would not have happened. Unfortunately, the highly specific data sets that would be required to give this argument credibility are not presented. The data on commercial cereal imports is presented as an uncontested fact. Yet in reality commercial import figures have been difficult to quantify; one of Haggard and Noland’s bibliographic sources uses higher figures than they do for the same years.<sup>10</sup> The discrepancies are understandable given DPRK data collection problems. Because discrepancies are not acknowledged and the data is presented as if it was non-controversial, however, the credibility of the argumentation is open to question.

Another problem with the methodology is that the counterfactual argumentation relies on a problematic presentation of chronology. The authors present a graph purporting to demonstrate a “normal” food import pattern between 1991 and 1997 (p. 43). They argue that Pyongyang was therefore culpable starting in 1998, as the drop in commercial import levels below that “normal” level allowed by the government was a causative factor in the starvation—“a phenomenon...not unknown in other famines” (p. 44). This is at best a contradictory argument and at worst misleading, as by most accounts (including that of Haggard and Noland) the famine was over by 1999 (p. 7).

The counterfactual argumentation is thus weakened by dependence on contestable data, non-standard conceptual interpretations (e.g., on the cereal balance), and contradictory chronological argumentation. Indeed, to be persuasive the counterfactuals practically require the *a priori* attribution of malign intent to the DPRK government for its “irresponsibility” (p. 46). Thus there is a rather tautological circularity at the heart of the analysis. If Pyongyang was irresponsible and callous, then the government was by

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<sup>9</sup> See the U.S. Army Research Institute of Environmental Medicine webpage ~ <http://www.usariem.army.mil/nutri/nuadcold.htm>.

<sup>10</sup> Compare, for example, the figures used in Kim, Lee, and Sumner, “Assessing the Food Situation in North Korea,” 531 with the figures found in Stephan Haggard and Marcus Noland, *Famine in North Korea: Markets, Aid, and Reform* (New York: Columbia University Press, 2007), 43.

definition capable of committing a crime against humanity for which all the data presented demonstrates culpability. Haggard and Noland discount alternative interpretations of food supply and demand data that do not fit their analysis.<sup>11</sup> The prior assumption is that all outcomes can be ascribed solely to an omniscient, manipulative, and evil actor (the North Korean government) whose activities are beyond rational calculation. This approach signifies the abandonment of the scientific enterprise, akin to ascribing explanatory power to the Wicked Witch of the East.

### *No More Fairy Tales Please*

David Hume warned long ago of the dangers of trying to derive normative statements from empirical claims. There is practically a library of research on why scientists cannot do this. The simple reason is that facts can be used to justify any normative conclusion. The view from Washington might be, for instance, that North Korean troops and artillery located just miles north of the DMZ are “offensively positioned.” From Pyongyang, however, those same troops appear defensively positioned between the nation’s capital and several hundred thousand South Korean and U.S. troops, armed with technology vastly more sophisticated and deadly than that possessed by the North Koreans.

In the view of this reviewer, insufficient and inadequate research, combined with a rather obvious political bias toward regime change, has resulted in a host of factual errors (there really are no such things as high protein biscuits, for example; Ryanggang, despite having many residents dependent to the public distribution system dependents, is the least urbanized North Korean province, and certainly not “above the mean”) (pp. 112, 63). This methodology relies heavily on tautology (the DPRK government is wicked therefore it does wicked things therefore it is wicked), stretches concepts so as to mislead, cherry-picks isolated facts while leaving out those that do not support the central contentions of the book, and insufficiently acknowledges research findings from the now extensive scholarship on DPRK food, nutrition, and aid.

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<sup>11</sup> See, for instance, Suk Lee, “Food Shortages and Economic Institutions in the Democratic People’s Republic of Korea,” (PhD diss., Department of Economics, University of Warwick, 2003). “Facts” from Lee’s account, for instance his seminal analysis of famine deaths, are cherry-picked, but there is no critical engagement with Lee’s analysis, which comes to diametrically different conclusions than the authors and is based on an extraordinarily comprehensive and extensive account and study of all extant DPRK agricultural statistics.

We need more from scholarship than a methodology that relies on the allegedly baleful intent of the DPRK government as a *deus ex machina* to explain all outcomes. This is methodology akin to that of a fairy tale. There is indeed a real need for rigorous scientific work on the DPRK and normative critiques based on disciplined ethical reasoning. This reviewer would argue that this book provides neither.

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**Authors' Response:  
Famine in North Korea—A Reprise**

*Stephan Haggard & Marcus Noland*

Our intention in writing *Famine in North Korea: Markets, Aid, and Reform* was threefold: to provide an account of the North Korean famine of the mid-1990s, to construct a political economy of the complex aid relationships that ensued, and to consider the consequences of the famine for the reform of the North Korean economy. Our interests were not simply historical; we believe it is impossible to understand North Korea today without understanding the trauma of the famine.

The core of our argument bears restating at the outset. We argue that the famine was fundamentally a product of state failure. Faced with deteriorating conditions following the collapse of the Soviet Union, the North Korean government failed to avail itself of potential sources of external supply and instead compressed domestic demand. As the availability of food began a secular decline in the first half of the 1990s, internal institutions and practices broke down. But the distress, although general, was not evenly distributed across the population; distribution mattered. The relatively industrialized northeast of the country was particularly hard hit.

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The inability of the state to provide food led to grass-roots marketization of the economy as small-scale social units engaged in entrepreneurial coping behavior to access food, a development that ultimately resulted in the alteration of basic social relations. Subsequent North Korean economic policy changes are best understood as reactive responses to this bottom-up process, an effort to regain control over a fraying social economy rather than to liberalize.

Although the approach we take to these issues in *Famine in North Korea* is largely empirical, the argument is nested in a broader approach to famine pioneered by Nobel laureate Amartya Sen. The core insight of Sen's work on famine is that the provision of food is never simply the result of purely economic factors, agronomic conditions, or exogenous shocks such as drought or floods.<sup>1</sup> Rather, the availability of food reflects a more deeply structured set of social relations that either guarantee or fail to guarantee sustenance. In socialist countries, these entitlements are rooted neither in the distribution of private property nor in the market but in the public distribution system (PDS) through which the bulk of food—and virtually all food for urban residents—ultimately passes.

Sen does not contend that authoritarian regimes will inevitably generate famine. Neither does he—nor do we—argue that authoritarian governments will ignore distress when it comes to their attention or deliberately starve their people. Sen does maintain, however, that governments that are not accountable to their citizens are lacking in both the information and the incentives to respond effectively to severe distress when it arises. There is little doubt in our minds that the North Korean case vindicates this simple point in a powerful way.

In our book, however, we extend this argument about entitlement failure in several ways. The North Korean famine was closely linked not only to the socialization of the economy and the nature of the political system but also to myths of self-reliance that were fundamental to the “Kimist” system. The inability of North Korea to provide adequate food was due in no small measure to the regime's inability—and, in our view, unwillingness—to access foreign sources of supply.

We would like to thank the participants in this roundtable for agreeing to air the arguments in *Famine in North Korea* in such depth. We organize our response around three main issues: (1) the balance between food availability decline (FAD) and distributional issues as causes of the famine, (2) the role of

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<sup>1</sup> Amartya Sen, *Poverty and Famines: An Essay on Entitlement and Deprivation* (Oxford: Clarendon Press, 1981); and Amartya Sen, *Development as Freedom* (New York: Anchor, 2000).

government action and inaction in causing the famine, and (3) how to think about the moral implications of the famine.

### *The Origins of the Famine: Food Availability and Distribution*

We begin by responding to the contribution of Hazel Smith, which focuses on a narrow but critical point regarding how we assess the supply and demand of grain in the mid-1990s. Before turning to this issue, however, it is important to place this disagreement in broader context. In her book *Hungry for Peace: International Security, Humanitarian Assistance, and Social Change in North Korea*<sup>2</sup> (subsequently *HP*) Smith agrees that North Korean economic strategy had “intrinsic weaknesses” (*HP*, p. 45) and “inherent institutional flaws” (*HP*, p. 65). She agrees that the strategy of seeking self-reliance in food was a fundamental mistake given the country’s endowments (*HP*, pp. 60–62) and that this strategy created an “inbuilt fragility” (*HP*, p. 74); moreover, she documents that this vulnerability was visible well before the collapse in the mid-1990s (*HP*, p. 66). The fall of the Soviet Union was a major shock to North Korea, but our account and Smith’s are in agreement that the North Korean government’s response to this shock—an intensification of its failed agricultural strategy and the imposition of austerity—was unsuccessful (*HP*, p. 66); she calls that response “tentative and vacillating” (*HP*, p. 78) and outlines the propagandistic response of the regime to the unfolding tragedy (*HP*, pp. 92–93). Despite her focus on food availability in this review, Smith has documented the distributional consequences of the famine for the North Korean working class on the country’s east coast (*HP*, pp. 83–86) and the inequalities in the distribution of food between the capital and provinces and across provinces (*HP*, pp. 86–87). These points of convergence are critically important for understanding the debate because they suggest an explanation of the famine that is quite at odds with what Smith presents in her remarks in this roundtable.

Smith’s critique centers primarily on the question of the adequacy of food supplies in the short run, an interpretation of the famine that appears to emphasize the effects of the floods of 1995 on both production and food stocks. This climactic explanation for the famine not only was offered by the North Koreans at the time but also has been a recurrent theme in the analysis of socialist famines. The literature on the Chinese famine underwent a similar cycle, initially focusing on climatic shocks (in accordance with the

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<sup>2</sup> Hazel Smith, *Hungry for Peace: International Security, Humanitarian Assistance, and Social Change in North Korea* (Washington, D.C.: United States Institute of Peace, 2005).

Chinese government's own claims) before finally encompassing the political environment that created vulnerability to "natural" shocks in the first place.

In the case of the North Korean famine, the plausibility of this climactic account is belied in part by the chronology of events. In the context of a secular decline in domestic production that began in the late 1980s, the regime responded by compressing consumption, most infamously through the "let's eat two meals a day campaign." The regime made only the most tepid of efforts to earn additional foreign exchange or to prioritize its use to finance increased food imports and made no credible appeal for external assistance until the spring of 1995 when the famine well under way. The government initially approached Japan, later requested assistance from South Korea, and ultimately made a more open appeal through the United Nations system. (*Famine in North Korea* also documents that as aid began to pour into the country, commercial imports subsequently went into steep decline, a factor which contributed to ongoing food shortages in the wake of the famine, pp. 42–44.)

Floods in the summer of 1995 (as well as in the following summer) played an important political role in the management of the famine by facilitating the depiction of the famine as the product of a natural disaster. The North Korean government even went so far as to name the unit charged with managing aid relationships the "Flood Damage Rehabilitation Committee." Yet despite the undoubted effects of these natural events the famine was underway before the floods of 1995. Moreover, the fact that North Korea's chronic food emergency has continued to this day should cast serious doubt on explanations based on weather alone.

As the famine broke in the early 1990s, the dearth of reliable data from North Korean authorities forced outside analysts to make some benchmarking assumptions in order to gauge the magnitude of the emerging crisis. A critical tool in this regard was the construction of food balances, a calculation of available supply and demand.

The review by Smith is framed around two red herrings. By questioning whether there was "lots of food?" Smith implies that we believe North Korea had plenty for its people to eat. To the contrary, we provide ample evidence of the decline in the availability of food in the 1990s (pp. 33–38). Rather, the debate is both over the causes of this decline and over whether the decline in food availability alone offers sufficient explanation for the famine. Second, contrary to what one of her other questions suggests, we certainly are not arguing that "nobody was hungry"; it would be indefensible to write a book on famine with that presumption.

Yet we do ask two important counterfactual questions that are crucial to understanding the causes of the famine. First, was there an alternative distribution of the available food that might have alleviated distress? Second, were there plausible sources of external supply that could have mitigated the disaster? Smith apparently believes that the answers to these questions are “no”; the decline in food availability is the core of the story. We are more skeptical. However, to the extent that the decline in food availability is a causal factor, we need to explain why that decline occurred. As we will argue in the next section, the decline in food availability is but an additional component of the pervasive state failure of the famine years.

For purposes of clarifying the debate over food availability and distribution we will present a brief overview of the difficult task of estimating demand and supply balances; this review will also help demonstrate that much of the information presented in Smith’s contribution to this roundtable is misleading. Before doing so, however, we must stress the importance of keeping in mind the core issues. Did demand continually exceed supply? More important yet, could alternative prioritization over different uses, increased foreign supply, or different patterns of distribution have alleviated distress?

Consider first the demand side of the food balance. The largest single component of demand is human consumption; other components include seed, livestock feed, and industrial and non-essential uses. Smith mischaracterizes both our work and the work of other researchers on consumption demand, claiming that *Famine in North Korea* minimizes the importance and rigidity of non-consumption uses. Ironically, our book considers estimates of non-consumption use that are considerably larger than those invoked in Smith’s comments. These estimates must, however, be evaluated in the context of a full range of such estimates and with a close consideration both of what components of aggregate demand could be compressed and of how aggregate supply could have been augmented.

In its simplest form, an estimate of human consumption demand is formed by multiplying population size by per capita consumption. In the case of North Korea in the 1990s, significant disagreement existed over population size. Analysts now suspect that if anything the Food and Agricultural Organization (FAO) and World Food Program (WFP) probably overestimated the population, in part because of the ravages of the famine

itself. As a result they would, at least at times, have also overestimated aggregate grain demand.<sup>3</sup>

There was also no consensus regarding the North Korean diet, which is an extremely important factor in assessing the implications of the decline in the supply of different types of foods. Smith contends that we misunderstand the role of grains in the North Korean diet and confuse “calories with commodities.” Unfortunately, the confusion on both issues is Smith’s.

Smith cites Kim, Lee, and Sumner as concluding that “the rice and corn requirements of an average North Korean in the early to mid-1990s [are] roughly 87% of the requirements of a South Korean in the 1960s.” This characterization is incorrect. Rather, Kim, Lee, and Sumner, whose work we do cite in our book, constructed an estimate of grain demand.<sup>4</sup> Contrary to Smith’s review, these researchers make no claim that on the basis of their estimate the level of North Korean per capita consumption is 87% of South Korean consumption. Rather these three researchers simply make the observation that during the 1960s the share of South Korean caloric intake coming from grain was 87%. They go on to note that if this were also the grain share in caloric consumption for North Koreans in the 1990s then by implication North Korea would have had the “highest grain share among the 63 countries that needed food aid in 1995.”<sup>5</sup> Nor do Kim, Lee, and Sumner derive an estimate of the role of grains in the North Korean diet comparable to the “87%” figure—precisely because they had no information on non-grain

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<sup>3</sup> The initial Food and Agriculture Organization/World Food Program (FAO/WFP) assessment released in December 1995 implied that the population was just over 22 million. See “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, December 22, 1995. In the November 1997 food balance calculation the FAO/WFP assumed that the mid-year 1998 population would be 23.5 million. See “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, November 25, 1997, 12 ~ [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/DOCREP/004/W7289E/W7289E00.HTM](http://www.fao.org/documents/show_cdr.asp?url_file=/DOCREP/004/W7289E/W7289E00.HTM). As a point of comparison, the South Korean government’s estimate was 21.9 million. See Korea Statistical Information Services website ~ <http://www.kosis.kr/>. By June 1999, however, famine mortality was of such a magnitude that it was germane to calculate overall demand. See “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, June 29, 1999, 10n7 ~ [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/docrep/004/x2437e/x2437e00.htm](http://www.fao.org/documents/show_cdr.asp?url_file=/docrep/004/x2437e/x2437e00.htm). Food balances were subsequently recalculated based on an official North Korean government population estimate of 22.55 million for August 1999—amounting to a downward revision of nearly one million people from the FAO/WFP’s previous assumption. See “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, November 8, 1999, 11 ~ [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/docrep/004/x3691e/x3691e00.htm](http://www.fao.org/documents/show_cdr.asp?url_file=/docrep/004/x3691e/x3691e00.htm).

<sup>4</sup> To estimate human consumption Kim, Lee, and Sumner used official North Korean estimates of public distribution system (PDS) grain rations. Having no data on any other component of the North Korean diet, they assumed that North Korean meat consumption was equal to that in South Korea in the 1960s in order to impute livestock feed demand, and then made additional assumptions derived from South Korean data to calibrate other uses.

<sup>5</sup> Woon keun Kim, Hyunok Lee, and Daniel A. Sumner, “Assessing the Food Situation in North Korea,” *Economic Development and Cultural Change* 46, no. 3 (April 1998): 527.



food sources. In her review, Smith has therefore taken a simple observation that the three researchers make about the caloric share of grains within South Korean diets and turned this observation into a supposed comment about relative consumption levels between North and South Korea.

Australian economist Heather Smith, however, did examine the role of grains in the North Korean diet.<sup>6</sup> She did this by conducting a comprehensive analysis of North Korea's historical consumption patterns of all food categories, including vegetables such as cabbage (the basis for kimchi and explicitly included in state and cooperative farm work plans). She compared this data not only to data for South Korea but for a wider range of countries as well.<sup>7</sup> Contrary to Hazel Smith's assertion that "protein from anything other than soya was and remains a luxury good," Heather Smith demonstrated that in North Korea, which has a long sea coast and numerous rivers, both fish and marine products have historically been an important source of protein, dwarfing reliance on meat. Most importantly for this discussion, however, she concluded that the cereals consumption figure adopted by the FAO/WFP probably overstated the role of cereals in the North Korean diet by approximately 20%.

Thus the most systematic evaluation of the assumptions underlying the single most important component of demand implied that the UN system estimates were overstated by a non-trivial amount. In our book, however, we do not rely solely on these revisions; given the uncertainty surrounding any such estimates we report two alternatives—the official UN numbers and an adjustment of the UN data to reflect Heather Smith's critique—leaving the reader to decide how much weight to place on her analysis.

Any calculation of total demand must include not only what humans eat but other uses of grain, including most notably seed and feed as well as post-harvest losses. Hazel Smith claims that "the authors' argument is based upon the assumption that cereal required for seed, feed, and post-harvest losses

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<sup>6</sup> Heather Smith, "The Food Economy: Catalyst for Collapse?" in *Economic Integration of the Korean Peninsula*, ed. Marcus Noland (Washington, D.C.: Institute for International Economics, 1998).

<sup>7</sup> Hazel Smith inaccurately insinuates that we believe that "grain" refers solely to rice and corn. Grain also encompasses wheat, barley, and millet, though it is normally rice and corn which are highlighted insofar as they account for more than three-quarters of the cereals distributed through the PDS. Additional confusion arises from Smith's reference to the role of potatoes, which are sometimes misclassified as cereals in UN system calculations. Potatoes were initially folded into cereals in FAO/WFP assessments, but as they began to be distributed widely through the PDS in 1996, the FAO/WFP calculations began breaking them out separately. The United Nations Development Program (UNDP), for example, explicitly excluded potatoes in its calculation of "grain" requirements. See "Thematic Roundtable Meeting on Agricultural Recovery and Environmental Protection for the Democratic People's Republic of Korea (DPRK)," UNDP, Geneva, May 28–29, 1998.

were non-essential or optional.” There is simply no basis for this statement. In *Famine in North Korea* (pp. 45–49) we in fact go to great length to present three demand-side targets: minimum human needs as defined by the FAO/WFP assessment, normal human demand based on North Korea’s claims about pre-crisis consumption (which notably are similar to the Kim, Lee, and Sumner estimates), and total demand inclusive of non-human consumption uses. “Non-human” uses as defined by the FAO and WFP consist of livestock feed, seed, post-harvest losses, and other uses including not only industrial applications but also the production of alcohol and non-essential foods such as confectionary cakes (even though the latter products are obviously consumed).

In her critique, which appears to center primarily on this most expansive conception of demand, Smith places particular emphasis on seed and maintains that our argument rests on a misunderstanding of the basics of agriculture. In fact, while seed is obviously important and compressing seed stock is not sustainable, seed is quantitatively a relatively small component of total demand. The undue emphasis on seed in Smith’s critique is a red herring.

Much more germane are feed requirements and post-harvest losses. Smith’s claim that these non-human uses have remained “fairly stable over time” is fundamentally misleading. In fact, not only does significant quantitative uncertainty surround feed requirements and post-harvest losses, but these uses require some consideration because both are amenable to compression—and are so amenable in two senses of the word. In a real sense, grain devoted to these uses can, at least temporarily, be reallocated to human consumption. Yet these uses can also be compressed in an accounting sense as there is evidence that the initial FAO/WFP estimated levels were generous.

We begin with livestock feed, both because the estimated requirement of cereal use for feed has exhibited the greatest change and because this use was susceptible to prioritized reduction during the famine. The initial 1995 FAO/WFP assessment estimated feed requirements at 1.4 million metric tons (MT) of cereal, well above Kim, Lee, and Sumner’s estimate for a typical year of 584,000 MT.<sup>8</sup> Subsequent reports (corroborated by eyewitness accounts) described culling of livestock on the order of “30 to 90 percent,”<sup>9</sup> “more than

<sup>8</sup> “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” December 22, 1995, 5, table 2; and Kim, Lee, and Sumner, “Assessing the Food Situation in North Korea,” 525, table 3.

<sup>9</sup> “Democratic People’s Republic of Korea,” FAO/WFP, Special Alert, no. 270, September 6, 1996, 3 ~ [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/DOCREP/004/W3690E/W3690E00.HTM](http://www.fao.org/documents/show_cdr.asp?url_file=/DOCREP/004/W3690E/W3690E00.HTM).

half,”<sup>10</sup> and “most.”<sup>11</sup> Furthermore, the UN Development Program (UNDP) reported that “livestock and poultry populations fell dramatically after the floods.”<sup>12</sup> As a consequence of these reductions in herd size, the estimated feed requirement was cut to 600,000 MT for the 1996–97 marketing year<sup>13</sup> and to 300,000 for the 1997–98 marketing year.<sup>14</sup> The estimates remained constant for a number of years—despite the fact that the FAO/WFP reported that livestock populations were rebounding and by 1999 had surpassed 1996 numbers.<sup>15</sup>

Yet in the 2003–04 assessment the FAO/WFP reported a figure on feed demand provided by the North Korean agriculture ministry; this figure of 178,000 MT (the figure that Smith cites in her review)<sup>16</sup> increased slightly in the 2004–05 calculation to 181,000 MT.<sup>17</sup>

In other words, over the course of a decade the estimated feed requirement fell by more than 1 million MT—from nearly a quarter of total use to less than 5%—despite a reported increase in herd size. We make this observation not to belittle the analysts at the FAO and WFP who were operating under extraordinarily difficult circumstances, though with hindsight their estimates appear internally inconsistent. Rather we cite them to illustrate that there was not only considerable uncertainty regarding important components of non-human demand but apparently significant room for their compression as well. These developments in feed

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<sup>10</sup> “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea, FAO/WFP, Special Report, December 6, 1996, 3 ~ [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/DOCREP/004/W3690E/W3690E00.HTM](http://www.fao.org/documents/show_cdr.asp?url_file=/DOCREP/004/W3690E/W3690E00.HTM).

<sup>11</sup> “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Alert, no. 275, June 3, 1997, 2 ~ <http://www.fao.org/giews/english/alertes/sakor975.htm>. This report also observes that the extensive culling of livestock should have, at least temporarily, increased the supply of meat and thereby reduced demands for other foods.

<sup>12</sup> The UNDP report goes on to quantify these losses: “Data gathered for the purposes of this study indicate a reduction of 37 percent of cattle, 36 percent for sheep and goats. More importantly, grain eating pig and poultry populations declined by 57 percent and 90 percent, respectively.” See “Thematic Roundtable Meeting,” 16.

<sup>13</sup> “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” December 6, 1996, 8.

<sup>14</sup> “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” November 25, 1997, 13, table 5.

<sup>15</sup> “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” November 8, 1999, 10, table 1; and “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, October 26, 2001, table 5 ~ <http://www.fao.org/docrep/004/y2248e/y2248e00.htm>.

<sup>16</sup> “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, October 30, 2003, 18 ~ [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/DOCREP/006/j0741E/j0741E00.htm](http://www.fao.org/documents/show_cdr.asp?url_file=/DOCREP/006/j0741E/j0741E00.htm).

<sup>17</sup> “Crop and Food Supply Assessment Mission to the Democratic People’s Republic of Korea,” FAO/WFP, Special Report, November 22, 2004, 16 ~ [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/docrep/007/j2972e/j2972e00.htm](http://www.fao.org/documents/show_cdr.asp?url_file=/docrep/007/j2972e/j2972e00.htm).

consumption stand in stark contrast to Smith's claims that these magnitudes were "fairly stable over time".

Finally, consider post-harvest losses. Early FAO/WFP calculations assumed that these were relatively minor, but they were raised to 12% of production for the 1997–98 balance sheet<sup>18</sup> and 15% the following year<sup>19</sup> and by assumption have remained constant since, despite North Korean government attempts to reduce these losses.<sup>20</sup> Contra Smith, this relative constancy derives not from some "iron law" of food spoilage but rather represents the outcome of political negotiations among the WFP, the FAO, and the North Korean government and is without serious empirical basis; recent FAO/WFP reports even openly acknowledge as much.<sup>21</sup>

It is important, however, that the deeper substantive point not get lost in the rectification of misrepresentations. Higher post-harvest losses certainly change the demand balance, but what are the sources of these post-harvest losses? Some of these losses must of necessity be attributed to purely technical problems associated with storage and transport. As we detail in *Famine in North Korea* (particularly pp. 56–58), however, these losses must also be seen in the context of the failure to provide adequate incentives to farmers, the subsequent hoarding behavior of these farmers, and diversion to the market. These factors, in turn, must ultimately be traced to the pervasive government involvement in the production and distribution of grain and reflect deep distributional struggles over food.

We understand the constraints of a short review, but Smith's comments regarding the demand for food in North Korea fundamentally misrepresent our work. In *Famine in North Korea* we are clear about the risks associated with all estimates, provide the bases for ours, and offer the reader not simply one estimate of demand but ample information to make a judgment based on three alternatives. By a very expansive definition of demand, incorporating

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<sup>18</sup> "Crop and Food Supply Assessment Mission to the Democratic People's Republic of Korea," November 25, 1997, 12.

<sup>19</sup> "Crop and Food Supply Assessment Mission to the Democratic People's Republic of Korea," FAO/WFP, Special Report, November 12, 1998, 13–14 ~ [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/DOCREP/004/X0449E/X0449E00.HTM](http://www.fao.org/documents/show_cdr.asp?url_file=/DOCREP/004/X0449E/X0449E00.HTM).

<sup>20</sup> "Crop and Food Supply Assessment Mission to the Democratic People's Republic of Korea," FAO/WFP, Special Report, July 27, 2001, 12 ~ <http://www.fao.org/docrep/004/y1418e/y1418e00.htm>.

<sup>21</sup> For example, an FAO/WFP report states that "the level of post-harvest crop loss in DPR Korea has been a contentious issue in recent years, with estimates ranging from 2 percent to as high as 30 percent. Unfortunately, none is based on quantified investigation." See "Crop and Food Supply Assessment Mission to the Democratic People's Republic of Korea," October 30, 2003, 17–18. The following year's report reads "the level of post-harvest crop loss in DPR Korea has been a contentious issue in recent years, with estimates ranging from 3 percent to more than 30 percent. Unfortunately, no systematic investigations have been taken to clarify the issue." See "Crop and Food Supply Assessment Mission to the Democratic People's Republic of Korea," November 22, 2004, 15.

the FAO/WFP's highest estimates of non-human use of 2.3 million MT, supply always fell short. Yet by this definition, supply fell short in every year from 1990 through 2004 (see p. 48, figure 2.8) despite the fact that the gravity of these shortages was by no means constant. The demand constraints that Smith wants to fix with precision clearly must be approached with caution. It seems more plausible to argue, as we do in our book, that "this shortfall does not imply an inability to meet basic needs but rather would reflect a failure to meet basic needs because alternative uses were prioritized" (p. 48).

Equally if not more important, however, is the supply side of the food balance. Most of the grain consumed in North Korea is produced domestically; Smith apparently accepts our analysis of local production yet claims that we ignore higher figures on imports than the ones we report, again citing Kim, Lee, and Sumner. In fact, there is no systematic difference in the two series, despite their being based on differing original sources (unpublished USDA data in the case of Kim, Lee, and Sumner and UN data in our case). In some years our estimate is higher, in some years lower. For the years that the two series overlap, the discrepancies average 59,000 MT, 7% of commercial imports, or about 1% of total notional demand. Yet again, the central story line not only gets lost in Smith's account but also gets turned upside down. Assume for the sake of argument that we have underestimated commercial imports; aggregate supplies would then have been even higher than we calculated, reinforcing our point about the famine's distributional origins.

Given that Smith found discrepancies of 1% of notional supply worthy of comment, it is surprising that she does not discuss the issue of stockpiles. Stocks are potentially of far greater quantitative importance in terms of the balance sheet calculations that are the central focus of her review and play a central role in her own account of the famine. In her book, Smith alleges that in 1994 and 1995 as much as 3 million MT—equivalent to approximately 80% of contemporaneous harvests or enough to feed the whole country for more than nine months—were destroyed in floods (*HP*, p. 67). If true, the maintenance of stocks of this magnitude in the midst of a famine would itself represent a stunning indictment of the North Korean regime and undercut the simple FAD interpretation of the famine; the decline in the availability of food would have been the result of government hoarding. Yet the sole source for this extraordinary claim is a passing mention in an unpublished paper by a former State Department bureaucrat of problematic credibility. This former official, in turn, attributes this claim to an unnamed UN official, who in turn, ascribes it to the dinner conversation statement of an unidentified North Korean official. In short, discrepancies across original sources amounting

to roughly 1% of demand are disputed, but enough grain to feed the whole country for nine months can exist—and then be destroyed—on the basis of hearsay. Who is spinning fairytales?

There is considerable uncertainty about the food balances. Precisely because of this uncertainty, we present three demand targets (minimum human needs, normal human demand, and normal total demand) together with data on actual supplies as well as counterfactual calculations on what level supplies might have reached had North Korea maintained commercial imports. We present this data in a way that allows readers to weigh the evidence and draw their own conclusions.

Our presentation highlights three issues. First, the prioritization across alternative uses was critical to observed outcomes. Demand for non-consumption uses cannot simply be treated as fixed, particularly in the face of widespread human distress.

Second, the costs of closing the gap between supply and even the most expansive definition of demand, one calculated using the maximum figures ever reported for non-human use, was relatively small. Smith's critique fails to address this crucial point of the book: that with a relatively modest reform effort with respect to the external sector, North Korea could have tapped external sources of supply that would have at least alleviated, if not altogether mitigated, the famine.

Third and more importantly, by focusing selectively on the unreliability of some food balance calculations, Smith sidesteps the distributional aspects of the famine, most notably across provinces. Given that we treat this issue in detail in chapter 3 of *Famine in North Korea*, it does not bear replaying here. Yet even the most thorough defense of the FAD interpretation<sup>22</sup> provides data showing that per person rations in Pyongyang during the famine were at times double those in the most affected provinces, and refugee interviews suggest strongly that those reported numbers in disfavored provinces were almost certainly inflated.<sup>23</sup> Distribution mattered.

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<sup>22</sup> Suk Lee, "Food Shortages and Economic Institutions in the Democratic People's Republic of Korea," (PhD diss., Department of Economics, University of Warwick, 2003). Smith appears to be very concerned with our citations of the secondary literature; one of her odder statements involves Lee's work, on whose dissertation examination committee one of us sat. We cite his work approvingly in some respects (his estimates of famine deaths, for example) while disagreeing with other aspects of his work, particularly his interpretation of the North Korean case as a simple FAD famine.

<sup>23</sup> Smith herself has brought these distributional issues to the fore in her work but in this roundtable she now seems to discount them as an important causal force in the extent of the famine. See Smith, *Hungry for Peace*, 83–87.

### *The Role of Government*

Underneath these technical issues is not only the debate over food availability versus distribution but the underlying question of what role government action and inaction played in generating the famine in the first place. Smith believes that we attribute the famine to “an omniscient, manipulative, and evil actor (the North Korean government) whose activities are beyond rational calculation,” akin to “ascribing explanatory power to the Wicked Witch of the East.” Yet this portrayal bears no relationship to the political economy of the regime as we understand it and have described it in our book.

Communist systems are autocracies under which dominant parties monopolize both political power and have—historically at least—suppressed private property and markets. The suppression of private property and markets should not be understood solely in ideological or developmental terms; state control of the economy also has the effect of curtailing alternative sources of social power and of making the population dependent on the government, including with respect to employment, access to basic social services, and food. This dependence is a crucial element of political and social control and creates a particular set of vulnerabilities. Because the government is the ultimate source of food, government failure has immediate and far-reaching implications, particularly for the urban population.

Autocracies, however, are not accountable to the public or to any “social contract” in a meaningful sense. Leadership failures do not result in government turnover because dissent can be repressed and disaffection—even misery—be ignored. As a result, authoritarian leaders have fewer incentives than accountable governments to maintain this (or any other) “consensus.” What, after all, could it mean to have a social contract with a dictator with this degree of repressive capability?

Moreover, when distress hits, autocrats have every incentive to make sure that core constituencies—in North Korea including the party, the military (elite at least), and residents of Pyongyang—receive first draw on the resources in question. Chapter 3 of our book shows in some detail that this occurred.<sup>24</sup> Authoritarian rule has powerful distributional implications.

It is not that the government is deliberately starving the population, a position Smith incorrectly attributes to us, although the distribution of food to some areas and the treatment of the prison population during the

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<sup>24</sup> Smith herself has argued this at some length in her own account. See Smith, *Hungry for Peace*, 79–88.

famine should not be ruled out in this regard. Rather it is that the economic structure and strategy of the socialist regime produced an agricultural and food distribution system rife with vulnerabilities. When shocks hit, the nature of the political system gave leaders few incentives to make necessary external and internal adjustments and strong incentives to protect their own.

Andrei Lankov poses the core question in a somewhat different way: why couldn't North Korea have followed a path more similar to that seen in China and Vietnam, namely to sustain—or even bolster—dominant party rule while also undertaking growth-enhancing reforms? One answer is that the underlying economic characteristics of the three countries were different; the much larger labor-intensive agricultural sector in China and Vietnam at the times that they implemented reforms were more propitious for both economic and political reasons (pp. 210–12).

Another answer is that China and Vietnam faced less severe external military constraints than North Korea. China pursued reform following normalization of relations with the United States, and the turn to reform in Vietnam also followed positive developments in Vietnam's external political environment. Edward Reed makes a similar point in noting that "North Korea has claimed that threats to national (or regime) security...constrained the implementation of more far-reaching reforms" and that sanctions, in particular, limited the effects of those reforms the government did choose to launch.

Yet a simple comparison of Vietnam and North Korea is instructive. Vietnam's war with the United States was more recent than North Korea's and involved more American casualties, presumably creating greater obstacles on both sides for normalization of relations with the United States. Nevertheless, the Vietnamese leadership successfully normalized political relations with the United States, undertook wide-ranging reform, and even concluded a bilateral trade and investment agreement with Washington. Relations between the United States and North Korea have, however, stumbled from crisis to crisis.


There is greater plausibility to the argument that the external environment has blocked reform for the most recent period. The hard-line posture of the first administration of George W. Bush, such as the "axis of evil" speech, the open discussion of a right to pre-empt, and the invasion of Iraq all may have had the unintended consequence of making it harder for any reformers in North Korea to gain domestic political traction.

It is important, however, to underline that this was not the case in the early 1990s. North Korea experienced the collapse of a key patron in the Soviet Union, as did Vietnam. Yet Pyongyang also enjoyed the opportunity



provided by a major peace initiative from South Korea under the Roh Tae Woo administration and even by an initiative from the George H.W. Bush administration for denuclearization of the peninsula. Even if we believe that U.S. management of the first nuclear crisis was bungled, that crisis was largely of North Korea's own making; the regime gambled on the nuclear card by failing to meet basic commitments under the Nonproliferation Treaty and hoping to extract resources from the international community. Moreover, the resolution of the crisis meant a relaxation of external military constraints on North Korea by 1994, not an increase in them. The argument that external military or political pressures can be held responsible for the famine simply does not wash.

Lankov suggests an interesting alternative that—though necessarily speculative—does help distinguish the North Korean case from the two other Asian communist states. Reform does not simply loosen controls but also cuts against the sustaining mythology of the North Korean regime. If North Korea embraces the path toward a market economy that would ultimately resemble that of the South, why have a separate regime at all? The risks are much greater than for the Chinese and Vietnamese leaderships, who can adjust socialist ideology at the margin more easily than can the North Korean regime.

*The aid relationship*  Reed focuses his comments on the dynamics of the aid relationship, an issue on which he has deep knowledge and that we take up in the second part (chapters 4–6) of our book. As is the case with several other participants in this roundtable, Reed suggests that we are critics of the aid effort; we would like to reiterate here that this was not at all our purpose. Humanitarian aid to North Korea was (and remains) a moral imperative and was painfully slow in coming; when it finally came, aid clearly had positive effects on the country's welfare. Indeed, one of the core arguments of this part of our book is that even with substantial diversion of aid the provision of food both directly and indirectly influenced the subsequent course of reform. We do not pay the attention to the NGO effort in the country that we might. We do, however, concur with Reed that these organizations forge bonds that produce effects that almost certainly exceed their measured financial contributions.

Our core point, rather, was to draw attention to the particular barriers that the North Korean government placed in the way of a coherent humanitarian response to the famine and the dilemmas that these barriers created for the donors; almost nowhere in the world do we see so clearly the Samaritan's dilemma of having to provide assistance knowing that the effort is of necessity constrained.

Given these constraints, what conclusions should be drawn about the humanitarian aid effort or other forms of external assistance? Reed correctly characterizes our view that “that the long-term solution to the problem lies neither in maintaining aid flows nor merely agricultural restructuring but rather in implementing domestic economic reform and expanding commercial trade relations.” There is, however, no reason that these things cannot go together—indeed we hope that they would. Aid is most likely to have a long-run developmental impact when coupled with exactly the core reforms Reed identifies: a more wide-ranging reform of the agricultural sector and, more importantly, reforms that open the North Korean economy and expand commercial trade and investment relations. Industrial revitalization would allow North Korea to align domestic production according to comparative advantage, especially the exporting of mineral products and manufactures and the importing of bulk grains, just as neighboring South Korea and China do. By freeing the country from dependence on the politicized beneficence of outsiders, normal commercial relations would resolve the country’s chronic food insecurity problem. What could be more in keeping with the goal of self-reliance?

On the issue of the effects of aid on such policy reforms, however, we are in agreement with Chung Min Lee that there are risks. As the shift takes place from humanitarian assistance to other forms of aid, it is important that outside donors stand on principle that aid will not be extended in the absence of policy reforms that will move the country toward long-run growth. This by no means implies the outside imposition of the “Washington consensus”; South Korea stands as stark evidence that there are multiple paths to prosperity. Aid extended in support of continued commitment to a state-dominated economy makes little sense, however, and is highly unlikely to have the intended effect.

*Reform* ∼ From 1995 onward, the state-administered PDS did not deliver minimum human needs, even on paper, and with the state unable to play its traditional role as a provider of food, households came to increasingly rely on the market to obtain sustenance. Left to fend for themselves, small-scale social units began to exhibit a variety of entrepreneurial coping behaviors to secure food. The authorities responded by tolerating the development (and expansion) of informal markets, including the revival of traditional farmers’ markets. For the non-privileged classes, the market has become the primary institutional mechanism for obtaining food.

Aid played an ambiguous role in this process. On the one hand such assistance was largely distributed through the central government, reinforcing

state power. Yet on the other hand aid also encouraged the development of markets by creating the possibility of capturing astronomical rents through diversion—rents that could be realized only if markets existed. At its peak aid fed roughly a third of the population, and we estimate that diversion was probably on the order of 10–50%, implying enormous incentives to create those markets and capture those rents. There is evidence that the military has been deeply involved in this process, although probably not for its own consumption as Chung Min Lee suggests. Already having first draw on the North Korean harvest, the military is involved in a somewhat different way. In the absence of well-defined property rights or dispute resolution mechanisms, the military’s existing organization—as well as resources in the form of men, trucks, fuel, and, it should be said, guns—make the military ideally situated to perform the role of middlemen distributors.

Clearly it would have been better if the aid had reached the intended beneficiaries. This aid cannot, however, be considered altogether wasted; to the extent such assistance ended up in markets, foreign aid had both the short-run effect of lowering prices and the longer-run—and completely unintended—effect of contributing to the marketization process that is at the heart of what is misleadingly called the North Korean “reform.” The marketization that began with food gradually came to encompass a broader range of household goods, in part building upon officially sanctioned cottage industries for consumer goods. Forced sales of household items by liquidity-constrained households to secure food played a role, as did gray-area activities by local government and party officials and enterprise managers, such as the sale of state assets.

Eventually the fraying of the system became so profound that in 2002 the government responded with significant policy changes that in some respects simply ratified the grass-roots marketization that had occurred over the previous decade. Since then North Korean economic policy has had a “two steps forward, one step back” character, and it is fair to say that the regime has yet to embrace reform in any fundamental sense.

*By Way of Conclusion: Memory and the Moral Economy of Famine*

Differences in our understanding of the regime have profound consequences for any moral or ethical judgments that we might choose to make about the government’s culpability. On this score Smith makes two points: a general one regarding the risks of drawing ethical conclusions from

empirical analysis and a more specific one pertaining to the concept of crimes against humanity.

On the more general point, Smith concludes with the Humean injunction on the dangers of drawing normative conclusions from empirical analysis and makes the claim—quite stunning on reflection—that “the facts can be used to justify any normative conclusion.” Yet the claim that the moral and material spheres are completely compartmentalized, with the former governed by what Hume called “sentiment,” is by no means uncontroversial. How, after all, are we supposed to ground ethical claims if not in some empirical sense of what is required for human flourishing? Our normative principles in *Famine in North Korea* derive from the simple observation that people should not be allowed to starve if it can be prevented. Smith might believe that it is wrong to assign culpability because the famine was a pure, unpreventable act of nature; this is a perfectly defensible ethical position in principle. Nevertheless, how would we resolve this dispute without reference to the facts? Indeed, Smith’s contribution is based upon the invocation of facts she believes rebut not only our empirical claims but also our normative conclusions as well. If we believe the facts can be used to justify any moral conclusion, then we are indeed left with little but ideology. It is Smith’s logic, rather than ours, that leads toward this quagmire, however.


More specifically, Smith criticizes us for believing the North Korean regime guilty of committing a crime against humanity, a term she puts in quotation marks early in her remarks. This term is not our invention, and we do not use it lightly. Over the last two decades there have been profound developments in international humanitarian law. These include the Rome Statute’s effort to define crimes against humanity and to provide the political and legal basis for bringing those guilty of them to justice, the nascent doctrine of the failure to protect, and the lucid arguments of David Marcus on the need for a consideration of famine crimes.<sup>25</sup>

In all of this literature the intent of the parties is a crucial issue. Humanitarian law is, however, evolving away from the idea that governments or other parties are culpable only in the context of widespread attacks on populations or when they explicitly intend to commit the crime in question; governments should also be held accountable for actions that have effects that were not fully intended but could nonetheless be foreseen. We do not argue that North Korean officials purposefully starved their


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<sup>25</sup> David Marcus, “Famine Crimes in International Law,” *American Journal of International Law* 97, no. 2. (April 2003): 245–81.

population for political reasons in the same way that Stalin did in the Ukraine. The fact that the North Korean authorities were recklessly negligent and should have been aware of the effects of a number of their actions raises, however, moral issues that are beginning to receive serious attention.<sup>26</sup> Of an even more serious nature are a number of discrete actions which appear to reflect such standards of culpability, such as the regime's efforts to channel early food shipments away from the East Coast, where they were most desperately needed, toward Pyongyang, which suffered shortages but never the widespread deprivation found in the Hamgyung provinces. The question of the accountability of the North Korean regime can certainly be debated but should not be left unconsidered.

The question of how to inject human rights considerations into negotiations with North Korea also has very important tactical dimensions. Human rights activists, no less than humanitarians, need to be attentive to the unintended affects of their actions. Yet as outside actors formulate strategy for dealing with North Korea, it is always worthwhile to go back to first principles: the ultimate objective of the international community should be a North Korea in which citizens can live in freedom and dignity without recurrent risk of hunger and starvation. If such an objective can only be accomplished by a change in or of the regime, so be it. 

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<sup>26</sup> Václav Havel, Kjell Magne Bondevik, and Elie Wiesel, "Failure to Protect: A Call for the UN Security Council to Act in North Korea," DLA Piper and the U.S. Committee for Human Rights in North Korea, October 30, 2006  <http://www.dlapiper.com/files/upload/North%20Korea%20Report.pdf>.