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North Korea: Nuclear Brinkmanship Likely to Result in Greater Displacement

For the vulnerable people of North Korea, Kim Jong Il's decision to test a nuclear device came at the worst possible time.

In a country chronically subject to food deficits, people were already coping with the consequences of the government's October 2005 decision to ban the private buying and selling of grain, its limits on the scale of the UN World Food Program's distribution of assistance to needy citizens, and floods caused by torrential rains in mid-July, which destroyed 90,000 tons of grain. If China and South Korea, which in recent years have been the leading providers of economic and food aid to the North, respond to the nuclear tests with an embargo, day-to-day living conditions for the North Korean people will deteriorate rapidly, which in turn may lead to increased internal displacement and refugee flows.

The aid situation is precarious. Support for the North Korea work of the UN World Food Program (WFP) in 2006 was already inadequate, leaving the agency with the funds to maintain assistance to only one million people compared to the more than six million that it was feeding prior to the government's decision in 2005 to force a reduction in the scale of the program. Dedicated funding for the program currently amounts to only 10 percent of what is required. Further, according to Jean-Pierre de Margerie, WFP's representative in Pyongyang, South Korea suspended bilateral donations in July following the missile tests in the North. He also estimates that China's assistance has been reduced by 60 percent.

This summer's floods compound the impact of the reductions in aid. The UN Food and Agriculture Organization had previously calculated that the food deficit for the November 2005 to October 2006 marketing year would be 900,000 tons, nearly 20 percent of the minimum required. The impact of the floods will increase the deficit by another 90,000 tons.

Drawing a direct line from aid reductions to the suffering of the people is extremely difficult in North Korea due to government secrecy and the restrictions that it places on the movements of international personnel. The South Korean non-governmental organization Good Friends has been working inside the country and monitoring the humanitarian situation since the famine in the mid-1990s. Its monthly report, *North Korea Today*, provides rare first-hand accounts of the situation for ordinary people. Its September 2006 report states that flood-affected displaced people are being sheltered in abandoned mines in order to keep them out of the cold. In North Hamgyung, a poor industrial province that is the source of many refugees and migrants to China, food shortages are severe, comparable to those in 1997-98 towards the end of the famine, even though the province was not affected by the floods.

Refugees International believes that humanitarian assistance should be provided based on need, with the important qualification that the agencies providing it are able to ensure that it reaches the people for whom it is intended. RI therefore supports the decision of the European Commission to maintain its aid program in North Korea even in the face of the nuclear weapons test, and endorses the pleas of the World Food Program and the International Federation of Red Cross and Red Crescent Societies for aid to continue.

The political reality, however, is that aid will be increasingly difficult to sustain in the face of North Korean government provocations, not only the missile and nuclear weapons tests, but also the limits placed on international organizations and their staff. China and South Korea have seen their efforts at constructive engagement come to naught, at least for the moment, and will be feeling domestic and international

pressure to show that they can be tough on North Korea. In this context, critical assistance that sustains the North Korean people, including food aid, may be in jeopardy.

All signs therefore point to a sharp increase in cross-border movement in the coming months. Movements of North Koreans into China traditionally increase in the winter months when vulnerability is greatest and the Tumen River, the narrowest divide between the two countries, freezes over, easing access. In anticipation, the United States, the European Union, and South Korea should all be in dialogue with China to convince the Chinese to accept North Koreans on humanitarian grounds, rather than restricting the flow and arresting and deporting people as illegal migrants, which is the current policy. These donor governments should be prepared to offer assistance to China to manage the humanitarian burden, while trying to negotiate access for the Office of the UN High Commissioner for Refugees, which the Chinese government currently bars from the affected region.

Background to the current situation

North Korea experienced a famine in the mid-1990s, which killed at least one million people. North Korean agriculture is highly dependent on external, industrial inputs such as fertilizer and fuel oil for irrigation pumps, and when the Soviet Union, the main source of these supplies, collapsed, the country was left facing critical shortages. The end of Soviet assistance, the rigid central control of all production and distribution, and poor weather were the factors that produced the famine. The famine resulted in a partial breakdown of state control, and for the first time during this period desperate North Koreans left their homes seeking food, medicines, and other basic goods for themselves and their families. Some wandered within North Korea itself, whereas others fled into China. Of the latter, many returned to North Korea, but others chose to stay in the areas along the border in far northeast China.

The overall food situation stabilized in the late 1990s, partially as the result of better weather and partially due to external humanitarian assistance from the UN World Food Program and international non-governmental organizations. But the North Korean Public Distribution System (PDS), the monthly ration system that supplied virtually all the food to the general population, was irretrievably broken, especially in industrial towns and areas in the poorer provinces of the northeast, far from the capital and grain producing areas. Though nominally the PDS was still functioning, Refugees International interviewed a number of North Korean refugees in China who left in the late 90s and early 2000s and insisted that they had not received government food rations since the famine.

Faced with chronic food deficits and the threat of economic collapse, the North Korean government initiated tentative economic reforms in 2002, including allowing the private production and sale of food. While the reform was not as far-reaching or as intelligently managed as similar reforms in China and Vietnam, it did result in the greater availability of food in private markets. At the same time, both China and South Korea encouraged the overall reform effort through the supply of capital goods, private investment in partnership with the North Korean government, and large amounts of food aid which, unlike assistance from the World Food Program and international NGOs, came with no requirements that it be distributed to vulnerable groups or that it be externally monitored.

Buoyed by the support from its neighbors, but concerned about ideological slippage resulting from the economic reforms, the North Korean government made several policy decisions in 2005 which will have a significant negative impact on the people in the current environment of likely food scarcity. The government insisted that the food emergency was over and that it was time for external assistance to focus on long-term investment and economic development. The government also resented what it considered to be intrusive monitoring requirements of the international agencies. Throughout the latter half of 2005 officials pressed the World Food Program and international NGOs to end or significantly reduce their humanitarian aid programs. At one point, WFP, which was feeding more than six million vulnerable people, was facing the very real possibility that it would have to pull out of the country completely. After months of negotiations, the agency was able to gain permission for a much-reduced program focusing on the needs of 1.9 million especially vulnerable women and children.

The other critical policy decision was to reinstate the ban on private trade in grain, and to reconstitute the Public Distribution System as the primary means of getting food to North Korean households. Economists who follow North Korea predict that it will be virtually impossible for the government to reconstitute the PDS, which is likely to face severe supply problems as farmers hoard grain or turn to non-food crops. But without private markets as a safety valve, even North Koreans with access to cash or goods to barter may find it difficult to access food for their families.

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