

NORTH KOREA ANNOUNCES 2007 ECONOMIC REFORMS

North Korean Cabinet Premier Kwak Bum Ki referred to decisive changes to economic management institutions in an editorial in which he announced plans focusing on economic growth in the coming year. The latest edition of the *Democratic Choson*, a publication of the DPRK cabinet released on January 10, announced the cabinet's plan to bring about decisive changes in enterprises and economic institutions as it increases its role and "takes the driver's seat of socialist economic construction."

According to the paper, "In drafting the policies and agendas for the party, [cabinet members] adhere firmly to the principles of socialism while pushing forward to strategically drive economic endeavors in our own way in order to squeeze out every bit of profit," however the paper failed to spell out specifics regarding changes that could be expected.

It is not clear whether this latest move is an attempt to strengthen or to change the July 1, 2002 Economic Reform Measures. On January 2, the *Choson Sinbo*, a publication of the pro-North Korean group in Japan, Chongryun, analyzed North Korea's annual New Year's editorial, writing that in the era of "military-first politics," even while maintaining basic economic construction, a policy of economic revival in an effort to improve the lives of the people appears to be a fundamental piece of upcoming policy, noting that it appears that the North is in the process of formulating "seedling" policies.

The New Year's editorial announced that this new policy had come about not through political finagling, but so that people, through actual life experiences, would be able to realize a new era,

and that North Korea would be able to bring about as-of-yet unseen economic changes.

Kwak wrote in his editorial, “The cabinet is the command post for directing the unification of the nation’s economy,” and that economic construction was possible through sharing responsibility for economic directives from shop owner to cabinet members, thus strengthening the cabinet’s role. On January 6, the *Rodong Sinmun* ran an article stating that this year’s New Year’s editorial alluded to strengthening the state’s power in an effort to solve economic problems, particularly stressing efforts to improve citizens’ standard of living.