

## **Reforming Bureaucracy in North Korea : Reflection of Pragmatism**

Idea of pragmatism, a new policy guideline for North Korean government, is reflected in the latter's recent efforts to reform its bureaucratic institution and personnel organization.

### *Reforming Bureaucratic Institution and Personnel Organization: A Rise of Young Bureaucrats*

Up until recently, a reform in personnel affairs and organization like this was undertaken and executed exclusively by the hand of officials of personnel affairs bureau or division of the Rhodong Party who would place heavy emphasis on a candidate's family background as well as his/her loyalty to the party. However, ever since the July 1<sup>st</sup> Economic Management Measures, the central government's priority on the management of human resources in both the party and the government has been shifted to the improvement of the efficiency in its various government organizations from its conventional reliance on the party loyalty and the family background. For example, with respect to Rhodong Party and other political affairs, the reorganization has been made in a way that granted old-comrades from anti-Japanese movements in the past a great deal of authority; as for the management of the economy, officials with background in advanced technology are now given the power representing, so called, "generation-change" in the nation's economic affairs.

Furthermore, downgrading of certain posts belonging to both central and local governments has been made, and the total number of members and officials who are under the payroll of Rhodong Party has been downsized to 20% to 30% of its original

level allocating the rest of 70 to 80% of the available labors to the industrial workforce group. Members of the Cabinet are now replaced by young elites with relevant expertise, and the management and supervisory positions for banks and enterprises are now filled by relatively young experts with business mind and acumen who are in their thirties and forties. For example, Mr. BACK, Hyun-bong was only 47 years old when he was hired as chairman of the Committee for National Economic Cooperation ; Mr. OH, Gwang-chul was promoted to President of the Trade Bank at the age of forty-four; and Mr. KIM, Hyung-nam became General Manager of “Chollima Steel Enterprise” at the age of forty-nine.

*New Hiring Procedure for Public Officials: Written Subject Tests*

In addition, as of January 2004, a hiring procedure for public officials has been replaced by one that requires a written examination on various subjects such as political science and/or economics, reflecting a drastic change from the conventional system in which the hiring decision had been solely made on the basis of a personal recommendation and an interview. For instance, in hiring officials to work in the field of international trade, successful candidates are now required to pass written tests on the subjects such as fiscal and monetary economics as well as international trade and commerce.

*The Cabinet as a New Central Authority for Economic Affairs:*

Furthermore, to improve the efficacy of the economic reform, the supervisory, managerial or executory authority with respect to economic areas that had been kept by the party or military are now been transferred to the Cabinet. For example, some of business organizations or enterprises that had been run by the non-economic entity such as the Rhodong Party or military are now run by the Cabinet. On May 2004, the

Committee for the Promotion of External Economic Cooperation , previously an agency under the auspice of Ministry of Trade, was promoted to one of the Cabinet's direct institutions; on July 2004, the other similar agencies under the auspices of Rhodong Party that had been in charge of inter-Korean business activities were united and designated as a part of Cabinet's economic affairs body under a single name of the Committee for National Economic Cooperation. Included in Korea Economic Cooperation Committee are: Central Supervisory Agency for Development of Special Economic Zone, which had been South Korea's major counterpart for Kaesung Industrial Complex development project, Mt. Kumgang Tour Company (Mt. Kumgang Special Tourist Zone) and so on.

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