DPRK: Grappling With Food Shortage (C)

North Korea's worsening food crisis could put Kim Jong II in a political bind just as he begins to formalize his succession late this year. Kim nonetheless seems confident enough to press for closure on several contentious issues with the United States. (S)

Pyongyang recently has gone out of its way to indicate that Kim Jong II will accept his father's titles late this year, though even without the titles the totality of evidence places him at the apex of Pyongyang's power pyramid. The current food shortage is putting his leadership to the test. (C)

More food now

Structural problem

North Korea's mountainous terrain and short growing season are not conducive to attaining agricultural self-sufficiency. Revamping policy might increase crop production, but this alone cannot increase grain output enough to meet minimum needs. The gap between minimum needs and domestic availability, including net imports, has exceeded 1 million tons annually since 1992. (C)

To afford the grain imports it needs, the North must boost exports. Principal grain suppliers--the USSR in the 1980s and China in the 1990s--are no longer granting Pyongyang easy terms and subsidized prices. The North's default last year on payments to Thai and US grain companies currently blocks return to the international market. (C)

Long-term solution