

## **DPRK BUDGET EXPENDITURES GROW 2.5% THIS YEAR**

On May 9, the sixth round of North Korea's 11th Supreme People's Assembly opened, at which this year's budget expenditures were announced to be 2.5% greater than last year. It was also reported at the assembly that the Cabinet would pursue a new 5-year plan to develop the nation's science and technology sector by 2012.

Despite officially holding a seat on the Assembly, General Secretary Kim Jong Il did not attend this year's assembly meeting. In addition, there was no mention during the assembly of inter-Korean, U.S.-DPRK or other foreign relations.

Cabinet Deputy Prime Minister Roh Doo-chul announced this year's budget, stating that "this year, in order to strengthen national defense, and while building strength, to decisively advance the people's economy and existing industry as well as improve the lives of the people, the national budget expenditure plan will be expanded to 102.5% of last year."

According to this statement, this year's budget is estimated to be 451.5 trillion won (3.2 billion USD). An estimated 15.8%, or 71.3 billion won (510 million USD), is slated for national defense. Last year's national defense budget was 15.7%, or 69.2 billion won (490 million USD), of the national budget.

North Korea has also decided to increase budget allocations for energy, coal, and metal industries as well as the railway sector by 49.8% as compared to 2007, and will focus investments on staple industries. In the past, the North had stressed the importance of the 'four

main sectors' of improvement in the people's economy, including energy, but this year the government will actually focus investment on these sectors.

Cabinet Prime Minister Kim Young-il stated, "From this year until 2012, we will proceed forward with a new 5-year plan for the development of national science and technology...As we systematically increase national investment in this sector, we will raise the sense of responsibility and the role of technicians and raise the level of science and technology development as quickly as possible."

In 2012, North Korea will celebrate the 100th anniversary of the birth of national founder Kim Il-sung, and has set a goal of constructing an economically powerful nation by that year.