

DPRK SETS 2009 BUDGET AT 3.45 BILLION USD

On April 9, North Korea opened the first session of the 12th Supreme People's Committee, at which this year's budget, 5.2 percent larger than that of last year, was passed. Pyongyang set the 2009 budget at 482.6 billion Won (1 USD=140 Won).

At this meeting, North Korea's newly appointed Minister of Finance Kim Whan-su reported on last year's budget and introduced the spending plan for 2009. While details were not revealed, it was noted that the overall budget had grown by 5.2 percent, with expenditures up 7 percent. The 2008 budget had been set at 451.5 billion won. It was also reported that last year's spending was 1.6 percent over-budget, but that 99.9 percent of budgeted expenditures had been carried out.

Minister Kim reported that taxes from Chinese enterprises and related national businesses had grown by 5.8 percent, and that cooperative organizations were up 3.1 percent, production earnings were up 6.1 percent, real estate income had grown 3.6 percent, and social insurance had brought in an addition 1.6 percent.

As for the expenditure plan, city administration was allotted an additional 11.5 percent, while mining of metal, coal, steel, and other natural resources was boosted by 8.7 percent, education received an additional 8.2 percent, public health care grew by 8 percent, farming was bumped by 6.9 percent, physical education by 5.8 percent, light industry by 5.6 percent, and cultural activities by 3.2 percent. National defense accounted for 15.8 percent of the overall budget, just as it did last year, meaning that 545 million USD will be put toward the military.

Kim explained that the 2009 budget was based on the idea of "reducing unproductive expenditures in order to find the utmost source of revenue to ensure perfect support for the funds necessary to strengthen national security, improve the lives of the people, and build an economically strong nation."

At this meeting, Kim Jong Il was reappointed to the post of chairman of the national defense commission, and Kim Yong Nam was reaffirmed as the head of the Cabinet.