

## **DPRK ESTABLISHING YEARLY ECONOMIC DEVELOPMENT PLANS**

The Jochongryeon mouthpiece, Chosun Sinbo, reported on January 5 that North Korea is working to boost economic production by establishing “concrete attainment goals” in each sector in a “yearly, phased plan” from last year until 2012 in order to reach the goal of establishing a “Strong and Prosperous Nation” by the 100<sup>th</sup> anniversary of the birth of Kim Il Sung. The paper reported that the North had not made an official announcement regarding this plan, but that it was currently in the process of implementing a 5-year economic development plan

In the textile industry, North Korea is focusing efforts on upgrading equipment in five weaving factories, including major sites in Pyongyang and Sariwon, with the goal of increasing cloth production 400 percent by 2012. The newspaper also reported that North Korea is aiming to increase coal production over the next few years, with the goal of reaching 1980s-levels of production. Coal production peaked in 1989 at 43 million metric tons, and it is estimated that North Korea has over 20 billion metric tons of coal reserves, but the Bank of (South) Korea estimates that in 2007, the North mined a mere 24.1 million metric tons of coal due to a lack of electricity and spare parts. Many of North Korea’s coal reserves are below the waterline, and require constant electricity in order for pumps to maintain an environment in which mining can take place. Last year, in order to boost coal production, North Korea increased budget allocations for energy, coal and metal industries by nearly 50 percent.

This year’s New Year’s Joint Editorial placed heavy emphasis on the metals industry, and emphasized that efforts last year to modernize equipment and improve technology increased

2008 steel production by 150 percent at the Chollima Steel Complex and the Kim Chaek Iron and Steel Complex. The newspaper stressed that these plans were not merely wishful thinking, but that they were “the basis for meaningful achievements,” pointing out that last year, the North Korean cabinet increased investment into both basic industries and vanguard enterprises 49.8 percent. In 2008, North Korea either refurbished or newly constructed over 140 new production facilities, and, “in particular, actively promoted metal, instrument, science, and light industrial sectors.”

According to the newspaper, North Korea would continue to promote economic development in the new year, as well, citing the current global economic crisis and the need to build an independent economic foundation not reliant on South Korea.