



SEPTEMBER • 27 • 2019  
9:00 A.M. - 4:15 P.M.

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# **THE NORTH KOREAN ECONOMY AND ITS FUTURE: CHANGE VS. THE STATUS QUO**

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CITY VIEW ROOM  
ELLIOTT SCHOOL OF INTERNATIONAL AFFAIRS  
THE GEORGE WASHINGTON UNIVERSITY  
1957 E ST. NW, WASHINGTON DC, 20052

Institute for  
Korean Studies

THE GEORGE WASHINGTON UNIVERSITY



**KDI SCHOOL**  
KDI School of Public Policy and Management

## THE FIRST NORTH KOREA ECONOMIC FORUM ANNUAL CONFERENCE

### “THE NORTH KOREAN ECONOMY AND ITS FUTURE: CHANGE VS. THE STATUS QUO”

The North Korean economy went through a turbulent period since the UN Security Council imposed unprecedented sanctions targeting North Korea’s key foreign currency earning exports. In response to the changing external dynamics and internal marketization, Kim Jong Un announced a “new strategic line” putting relatively more emphasis on economic development. In this context, our first North Korea Economic Forum Conference will examine the current state of the North Korean economy and North Korea’s adaptation and coping strategies. The first session will focus on North Korea’s changing monetary system, the likelihood of North Korea’s reform and opening up, and the ways to demystify North Korea’s economic conditions and sources of resilience. The second session will discuss North Korea’s economic coping strategies and the signs of political leadership adaptation in dealing with the UN sanctions and changing security dynamics. The third session will examine the role of top-down economic policies and institutional strategy and bottom-up logistics revolution.

#### PROGRAM

09:00 a.m. – 09:15 a.m. Registration

09:15 a.m. – 09:45 a.m. Breakfast Reception

09:45 a.m. – 10:00 a.m. **CONGRATULATORY REMARKS**

Moderator: **Jisoo M. Kim** (Director, GW Institute for Korean Studies)

**Reuben E. Brigety** (Dean, Elliott School of International Affairs at the George Washington University)

**Jong-Il You** (Dean, KDI School of Public Policy and Management)

10:00 a.m. – 12:00 p.m. **SESSION I. CURRENT STATE OF THE NORTH KOREAN ECONOMY**

Moderator: **Wook Sohn** (Professor and Associate Dean, KDI School of Public Policy and Management)

**William Brown** (Adjunct Professor, Georgetown University), "North Korea and Its Money"

**Joongho Kim** (Visiting Scholar, GW Institute for Korean Studies), "Demystifying the North Korean Economy: Implications for the Future Engagement"

**Kevin Gray** (Professor of International Relations, Center for Global Political Economy, University of Sussex), "Present and Future Trajectories of North Korean Development in Comparative Perspective"

Comments and Q&A

12:00 p.m. – 01:30 p.m. **KEYNOTE LUNCHEON**

Keynote Speaker: **Mark Lippert** (Former U.S. Ambassador to the Republic of Korea)

01:30 p.m. – 02:45 p.m. **SESSION II. NORTH KOREA'S COPING STRATEGIES AND POLITICAL ADAPTATION**

Moderator: **William Newcomb** (Chair, North Korea Economic Forum at the GW Institute of Korean Studies)

**Sue Mi Terry** (Senior Fellow, Korea Chair, Center for Strategic and International Studies), "Assessing the Impact of Sanctions, North Korea's Evasion Efforts, and Its Overall Strategy"

**Ken Gause** (Director, Adversary Analytics Program, International Affairs Group, Center for Naval Analyses), "North Korean Leadership Dynamics, Sanctions, Relief, and the Period of Diplomacy"

Comments and Q&A

02:45 p.m. – 03:00 p.m. Coffee Break

03:00 p.m. – 04:15 p.m. **SESSION III. THE ROLE OF ECONOMIC POLICIES AND MARKET EFFICIENCY IN ADAPTATION AND COPING STRATEGIES**

Moderator: **Celeste Arrington** (Korea Foundation Assistant Professor of Political Science and International Affairs, the George Washington University)

**Jong-Kyu Lee** (Research Fellow, Korea Development Institute), "North Korea's Economic Challenges: Focusing on the Kim Jong Un Era"

**Yonho Kim** (Associate Director, GW Institute for Korean Studies), "North Korea's Logistics Revolution and a New Business Era of 'Stay-at-Home' Merchants"

Comments and Q&A

## PROFILES

### HONORABLE GUEST SPEAKERS



**DEAN REUBEN E. BRIGETY II**, who served as U.S. Ambassador to the African Union, joined the Elliott School as Dean in 2015. Dean Brigety's distinguished career includes service as the permanent representative of the United States to the UN Economic Commission for Africa and as deputy assistant secretary of state in the Bureau of African Affairs from Nov. 14, 2011, until Sept. 3, 2013, at which time he had responsibility for Southern African and regional security affairs. In the two years prior to that, he was deputy assistant secretary of state in the Bureau of Population, Refugees, and Migration. In this capacity, he supervised U.S. refugee programs in Africa, managed U.S. humanitarian diplomacy with major international partners and oversaw the development of international migration policy.



**DEAN JONG-IL YOU** graduated from Seoul National University and received his Ph.D in Economics from Harvard University. He taught at University of Cambridge, University of Notre Dame and Ritsumeikan University before taking Professorship at the KDI School of Public Policy and Management. He also had Visiting Professor positions at University of California, San Diego and University of Beijing. Dr. You is widely published in such areas as economic growth and income distribution, macroeconomic and development policies, and labor issues. He has been active as a policy advisor and served as a member of the Presidential Committee on Northeast Asia Economic Hub and chaired the Special Committee on Economic Democracy of the Democratic Party. He also served as a member of the Public Funds Management Committee, the Advisory Committee for the Constitutional Revision Committee of the National Assembly, and the Commission on Financial Administration Reform. As a leader in civic movement, he is currently the Head of Knowledge Cooperative for Good Governance, a network of researchers, and the President of Jubilee Bank, an NGO working to help debt-stricken low-income individuals.



**DIRECTOR JISOO M. KIM** is Korea Foundation Associate Professor of History, International Affairs, and East Asian Languages and Literatures and Director of the Institute for Korean Studies at GW. She received her Ph.D. in Korean History from Columbia University. She is a specialist in gender and legal history of early modern Korea. Her broader research interests include gender and sexuality, crime and justice, forensic medicine, literary representations of the law, history of emotions, vernacular, and gender writing. She is the author of *The Emotions of Justice: Gender, Status, and Legal Performance in Chosŏn Korea* (University of Washington Press, 2015), which was awarded the 2017 James Palais Prize of the Association for Asian Studies. She is also the co-editor of *The Great East Asian War and the Birth of the Korean Nation* by JaHyun Kim Haboush (Columbia University Press, 2016). She is currently working on two book projects titled *Suspicious Deaths: Forensic Medicine, Dead Bodies, and Criminal Justice in Chosŏn Korea* and *Sexual Desire and Gendered Subjects: Decriminalization of Adultery Law in Korean History*.



## KEYNOTE SPEAKER



**AMBASSADOR MARK LIPPERT** had a distinguished career in the United States government that spanned approximately two decades and included series of senior-level positions across multiple agencies. From 2014-2017, he served as the United States ambassador extraordinary and plenipotentiary to the Republic of Korea, based in Seoul. He previously held positions in the Department of Defense, including as chief of staff to Secretary of Defense Chuck Hagel (2013-2014) and as assistant secretary of defense for Asian and Pacific Security Affairs (2012-2013), the top official in the Pentagon for all Asia issues. Lippert also worked in the White House as chief of staff to the National Security Council in 2009. He served in the United States Navy as an intelligence officer in support of Naval Special Warfare (SEAL) teams, with deployments to Iraq and Afghanistan, among other service.

## SESSION PRESENTERS



**MR. WILLIAM B. BROWN** (Bill) is Principal of his consulting company, Northeast Asia Economics and Intelligence Advisory, LLC (NAEIA.com) and is an adjunct professor at Georgetown University's School of Foreign Service, where he teaches courses on the Chinese, Japanese, and Korean economies. He also is a non-resident fellow and Board member of the Korea Economic Institute of America, where he contributes to its Peninsula blog and he teaches an on-line course on Contemporary China for UMUC. Mr. Brown served a career in the federal government, working as an economist and East Asia specialist at the Central Intelligence Agency, Commerce Department, and National Intelligence Council (NIC). At the NIC, he served as Senior Research Fellow for East Asia and as Deputy National Intelligence Officer for Economics. His most recent service was as Senior Advisor to the National Intelligence Manager for East Asia in the Office of the Director of National Intelligence. Mr. Brown's research is focused on the North Korean and Chinese economies and he is widely quoted in national and Korean media, especially with Voice of America. His publications include "Money and Markets in North Korea," an unclassified study for the National Intelligence Council, and the "Economics of Korean Unification" published by the Council of Foreign Relations. Mr. Brown was raised in Kwangju, Korea, by Presbyterian missionary parents. He earned a B.A. in international studies from Rhodes College in Memphis, and an M.A. in economics and Chinese studies from Washington University in St. Louis, where he has completed most coursework for a Ph.D. He and his wife Helen have four grown children and live in Herndon, Virginia.



**DR. JOONGHO KIM** is a visiting scholar at GWIKS with the expertise on political economic issues of North Korea and Northeast Asia. Before joining to the GWIKS in 2018, he worked as a senior research fellow at the Export-Import Bank of Korea (KEXIM) over 8 years, particularly participating in numerous government projects and task forces regarding strategy making for effective engagement with North Korean economy. Prior to the career at the Bank, he taught at the University of Hawaii at Manoa and also served as a researcher at the Institute of Foreign Affairs & National Security (IFANS) of the ROK Foreign Ministry. He obtained Ph.D. in political science at the University of Hawaii at Manoa.



**DR. KEVIN GRAY** is a Professor of International Relations at the School of Global Studies, University of Sussex, United Kingdom. He has researched widely on the political economy of both North and South Korea. His research has been published in *Review of International Political Economy*, *Journal of Contemporary Asia*, *Pacific Review*, *North Korean Review*, *Globalizations*, *New Political Economy*, *Third World Quarterly* and *New Left Review*. He is also the author of *Korean Workers and Neoliberal Globalisation* (Routledge, 2008), *Labour and Development in East Asia: Social Forces and Passive Revolution* (Routledge, 2015). He has co-edited volumes on (with Barry Gills) *People Power in an era of global crisis: rebellion, resistance and liberation* (2012); (with Craig Murphy) *Rising Powers and the Future of Global Governance* (2013); (with Barry Gills) *Rising Powers and South-South Cooperation* (2017).



**DR. SUE MI TERRY** joined CSIS in 2017 as Senior Fellow for Korea after a distinguished career in intelligence, policymaking, and academia following Korean issues. She also teaches at the Asian Studies Program at Georgetown University and is an analyst and commentator for MSNBC and NBC News programs. Prior to CSIS, she served as a senior analyst on Korean issues at the CIA from 2001 to 2008, where she produced hundreds of intelligence assessments-including a record number of contributions to the president's Daily Brief. She has received numerous awards for her leadership and mission support, including the CIA Foreign Language award in 2008. From 2008 to 2009, Dr. Terry was the director for Korea, Japan, and Oceanic affairs at the National Security Council under both Presidents George W. Bush and Barack Obama. In that role, she formulated, coordinated, and implemented U.S. government policy on Korea and Japan, as well as Australia, New Zealand, and Oceania. From 2009 to 2010, she was deputy national intelligence officer for East Asia at the National Intelligence Council. In that position, she led the U.S. Intelligence Community's production of strategic analysis on East Asian issues and authored multiple National Intelligence Estimates.



**DIRECTOR KEN GAUSE** is the Director of the Adversary Analytics Program at the CNA Corporation. His team is responsible for doing deep dive studies on the leadership/decision-making, armed forces, military doctrine, and capabilities of US adversaries. Mr. Gause began his career as a Sovietologist for the US government in the 1980s and has worked in think tanks since the late 1980s. He is a noted expert on the North Korean leadership and is the author of several books on the topic.



**DR. JONG-KYU LEE** is a Research Fellow at the Korea Development Institute (KDI). His main research focuses on current macroeconomic situation of North Korea as well as its special trade relationship with China. Prior to joining KDI, he was a Research Fellow at Samsung Economic Research Institute(SERI) from 2008 to 2013. As a British Chevening Scholar, he obtained a doctorate at University of London(UCL) in 2008. His current interest lies in understanding the impact of sanctions, marketization, dollarization, and demographic change on the North Korea's economy and its policy responses.



**ASSOCIATE DIRECTOR YONHO KIM** is Associate Research Professor of Practice and Associate Director of GW Institute for Korean Studies. He specializes in North Korea's mobile telecommunications and U.S. policy towards North Korea. Kim is the author of *North Korea's Mobile Telecommunications and Private Transportation Services in the Kim Jong-un Era* (2019) and *Cell Phones in North Korea: Has North Korea Entered the Telecommunications Revolution?* (2014). His research findings were covered by various media outlets, including Wall Street Journal, The Atlantic, Yonhap News, and Libération. Prior to joining GWIKS, he extensively interacted with the Washington policy circle on the Korean peninsula as Senior Researcher of the US-Korea Institute at Johns Hopkins University School of Advanced International Studies, Senior Reporter for Voice of America's Korean Service, and Assistant Director of the Atlantic Council's Program on Korea in Transition. He holds a B.A. and M.A. in International Relations from Seoul National University, and an M.A. in International Relations and International Economics from Johns Hopkins University School of Advanced International Studies.

## MODERATORS



**DR. WOOK SOHN** is a professor and Associate Dean of the Office of Development Research and International Cooperation at the KDI school of Public Policy and Management. He specializes in financial intermediaries, financial markets and monetary policy. Sohn published many articles in academic journals and edited several books on the Korean economic and financial issues, and participated in the collaborative research projects among the Korean, Hungarian and Cambodian governments. He was a visiting professor at the University of British Columbia's Sauder School of Business and taught at Yonsei University, Seoul National University, and the KAIST Business School. Most recently, he was Executive Director of Economic Research Institute of Bank of Korea. After receiving his B.A. from Seoul National University, he was awarded his M.A. and Ph.D. from Columbia University.



**MR. WILLIAM NEWCOMB** chairs the North Korea Economic Forum at the Institute of Korean Studies, Elliot School of International Affairs, the George Washington University. He is a Fellow at C4ADS (Center for Advanced Defense Studies) and a member of the National Committee on North Korea. From October 2014 to May 2018, he was a Visiting Scholar at the US-Korea Institute, Johns Hopkins School of Advanced International Studies, and from July 2014 to December 2015 he was a Senior Advisor at Global Threat Advisory Services LLC. In 2011, Mr. Newcomb was appointed by UN Secretary General Ban Ki-moon to serve on the Panel of Experts established pursuant to resolution 1874 (2009). He subsequently was reappointed to the DPRK sanctions panel for successive mandates as the expert on finance through June 2014, when he resigned. A former US government economist, Mr. Newcomb in 2008 retired from the Treasury Department where he was Senior Economic Advisor to the Assistant Secretary for Intelligence and Analysis. At Treasury, he led the investigation into Macao's Banco Delta Asia, which had been identified as being instrumental in DPRK money laundering. During 2003-2005, Mr. Newcomb was Deputy Coordinator of the State Department's North Korea Working Group and alternate co-chair of the North Korean Policy Coordinating Committee. From 1984 to 2005, he served as the Senior Economist for Asia, Bureau of Intelligence and Research, US Department of State, and wrote extensively on developments in China, the DPRK and Vietnam for US policymakers. Prior to joining the State Department, he followed East Asian and East European economies in the Office of East Asian Analysis and the Office of Economic Research, US Central Intelligence Agency. He served in the US Army 1970-1972.



**DR. CELESTE ARRINGTON** is Korea Foundation Assistant Professor of Political Science and International Affairs at GW. She specializes in comparative politics, with a regional focus on the Koreas and Japan. Her research and teaching focus on law and social movements, the politics of redress, the media, litigation, lawyers, policy-making processes, historical justice, North Korean human rights, and qualitative methods. She is also interested in the international relations and security of Northeast Asia and transnational activism. She is the author of *Accidental Activists: Victims and Government Accountability in South Korea and Japan* (2016) and has published in *Comparative Political Studies*, *Law & Society Review*, *Journal of East Asian Studies*, *Pacific Affairs*, *Asian Survey*, and the Washington Post, among others. She received a Ph.D. from the University of California, Berkeley, an MPhil from the University of Cambridge, and an A.B. from Princeton University. She is currently writing a book that analyzes the role of lawyers and legal activism in Japanese and Korean policies related to persons with disabilities and tobacco control.

## BACKGROUND

The North Korea Economic Forum (NKEF) is part of policy program at the George Washington University's Institute for Korean Studies (GIKS). The Forum aims to promote the understanding of North Korean economic issues, distribute the well-balanced, deeply touched, and multi-dimensionally explored pictures of North Korean economy and to expand the network among the various North Korean economy watchers. The Forum is mostly a closed and off-the-record meeting where participants can freely and seriously discuss the critical issues. Mr. William Newcomb is currently the chair of the NKEF and is leading the meetings. It also organizes two conferences which is made public throughout the academic year. The Forum is made possible by a generous grant provided by the KDI School of Public Policy and Management.

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