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## Jang's Mistake: N. Korea Trade Network Tarnished By Envy

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Long before he was executed, Jang Song-thaek signaled what he thought of the excesses of the North Korean regime.

Why join in silly wild applause over the election of [Kim Jong-un](#) to some Workers' Party position when the young new leader knew little about the country's core problems? And why have the kid's meaningless remarks on a field trip to a tile factory carved in stone and placed on prominent display when the gesture was a complete waste of time and money?

Those slurs, as intimated in the statement of Jang's crimes, all indicate the much more serious nonsense that Jang saw was happening to the economy. By going to such lengths to publicize Jang's sins, the regime offers the best exposé possible of its internal problems.



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It's all there — defrauding construction projects, selling coal and precious resources, profiting off a land deal, messing up the economy with a disastrous reform program four years ago, stealing from a bank. Jang's crimes, according to the indictment, ranged from plotting a coup to indulging a lust for pornography to gambling at a foreign casino and probably much more.

The C words, “chaos,” “catastrophe” and “collapse,” also “coup,” all of which Jang is accused of conspiring to create, figure in the indictment. Some of this stuff seems like the kind of reading one might expect in a report on the malfeasance of some titan of finance and industry in a capitalist society, not in a country that goes to incredible lengths to hide its internal problems.

The authors of the indictment were, of course, seizing upon all they could imagine to pillory Jang. You can picture this man having a great time as he ran his network of state trading companies on deals mainly with China, but there's no way to prove anything. Jang is “not only a scapegoat,” says Bruce Klingler of the Heritage Foundation. “He's blamed not only for the current state of the economy but for the future.”

But how did Jang come under such scrutiny? Bruce Bechtol, author of such works as “Defiant Failed State” and “Red Rogue,” believes the arch-villain in the drama was Choe Ryong-hye, political director of the armed forces, a four-star general, possibly a vice marshal, who has little real military background but long experience in undermining rivals. “He is a guy whom Kim Jong-un can rely on to spy on the military,” says Bechtol. “He may well have been spying on Jang.”

Choe's ascendance was obvious when he, not Jang, visited Beijing last May to meet Chinese leaders. Jang might have been expected to go since he had made the journey amid much ceremony in August 2012, seeing [Hu Jintao](#), then the president, and talking about economic reform.

Clearly Hu's successor, President [Xi Jinping](#), had other ideas, as did Kim Jong-un, who had to have rejected Jang for a return trip while sending Choe in his place. But why? Was Jang a real reformer — or pocketing too much for himself while fantasizing himself as not just an adviser to Kim Jong-un but his surrogate and possible successor?

The answers may never be clear, but Jang's economic success was definitely cause for envy — and suspicion.

Now North Korea is recalling managers from China who might have been close to Jang, who had to have formed an extensive network with the Chinese. He was so effective, says Stephanie Kleine-Ahlbrandt of the U.S. Institute for Peace, that Chinese-North Korean trade increased to \$6 billion in 2012. “Jang had the Midas touch,” she says. “They are trying to rip the tentacles from Jang's network.”

Jang may well have been making a fortune for his own purposes. The indictment's reference to selling “precious natural resources,” according to Kleine-Ahlbrandt, is “a clear reference to China.” His offense may have been

not to have made enough from the deals — enough for the state if not for himself. The Chinese, she predicts, will go on buying North Korean resources, albeit at higher prices.

But was Jang's seeming interest in reform really different from that of the regime in which he once had such influence. "Was Jang a reformer," asks Bechtol. "He did what he had to do to survive" — until jealous rivals, unhappy with his success, destroyed him.

Will anything change? "North Korean economic development is advancing thanks to relations with China," says Kleine-Ahlbrandt. "North Korea will continue to engage with reforms that are not real reforms."

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