

Agricultural Cooperatives^{*} in the Democratic People's Republic of Korea (DPRK)

by

Hans-H. Münkner

**Former Director, the Institute for Cooperation in Developing Countries
University of Marburg, Germany**

and

Jeon, Hyeon-Soo

University of Daegu, Republic of Korea

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Abstract

This survey on the current situation and working of agricultural cooperatives (collective farms) in North Korea is subdivided into four parts. After a brief survey of relevant information on the country, the framework conditions for economic development are described, including the limits set by the current system of central planning. A third part deals with the banking system and the access to credit, which – in a socialist setting – is very much focused on the central (state) bank, however, with some arrangements dealing with imports and exports and with new trends to open up new credit facilities for agricultural cooperatives and individual members on a limited scale. Part four offers a closer look at the role and working conditions of agricultural cooperatives in a difficult physical, economic and political environment, followed by a more detailed description of the organization and working of these collective farms, the legal framework and planning processes into which they are integrated, the organizational set-up and the planning system under which they have to operate. Finally, some ideas for solutions of the problems of agriculture in North Korea are presented, taking account of experience gained in Germany with the transformation of socialist collectives into market oriented cooperatives.

*A socialist type farm based on the model of the Soviet Kolkhoz in a centrally planned economy.