

A Conversation with Dr. Stephan Haggard:

International Relations Today, Democratization, and a Pygmy with the Giant Right Arm

By Jennifer Good

On Wednesday, September 22nd at the Marian Minor Cook Athenaeum, Dr. Stephan Haggard analyzed the pressing economic and political issues of North Korea in his speech entitled *Whither North Korea?* Dr. Stephan Haggard is the Lawrence and Sally Krouse Professor of Korea-Pacific Studies and Director of the Korea-Pacific Program (KPP) at UC San Diego. Haggard's major works include: *Famine in North Korea: Markets, Aid, and Reform* *The Political Economy of the Asian Financial Crisis*, and *Pathways from the Periphery; The Political Economy of Democratic Transitions*. His collaborations with Dr. Mark Noland, a senior fellow at the Peterson Institute for International Economics, include *Witness to Transformation* and *Opens North Korea* (forthcoming).

Not Just Stalinist Gobbly Goo

Researching North Korea is difficult because the government allows only limited information about the internal state of the country and does not allow visitors to conduct field research. Haggard relies on a variety of methods to investigate the North Korean government and economy. By compiling refugee interviews and trade information from other countries, Haggard pieces together events occurring on the other side of the border. Although many people discount the messages of the North Korean government, Haggard thinks there are valuable kernels of truth in what they say.

“It just sounds like Stalinist Gobbly Goo, but they’re often very straightforward about how they see the world,” Haggard said.

Haggard, together with Dr. Marc Noland, has used these sources of information to explore North Korea’s economic and political policies since the North Korea famine in the 1990s. One of the intriguing

discoveries from his research is his finding that the famine stimulated market activity and reform on the ground.

“We were surprised at how North Koreans were already engaged in market-oriented activities as the result of the famine,” Haggard said. “That wasn’t our image of a Stalinist system.”

Haggard then turned the economic information about market activities to examine the political structure. The internal economic policies helped Haggard explore how much the North Korean government would be willing to reform and what the government’s economic and international policy agenda looks like. Haggard found some that some important changes are occurring.

“They triggered their own crisis with the currency reforms,” Haggard said, referring to Pyongyang’s disastrous attempt to use currency confiscation in fighting back free market activities. “They had to roll it back.”

The North Korean government tried to ban markets, but had to allow them in the face of famine. In the winter of 2009, the government tried to end Korean private entrepreneurial activities by effectively ending the circulation of existing currencies. But this effort failed spectacularly. The currency reform resulted in new famine and widespread anger, so the government had to end its draconian measures. North Korea also established a development bank.

North Korea is “trying to do these ad- hoc things, but no one can figure out whether they really changed their mind or they’re just reeling under the shortage, hyper inflations, and failing markets,” Haggard said.

With the impending succession of Kim Jong-Il’s third son, Kim Jong-Un, some think that real government and economic reforms may occur. Haggard doesn’t predict real change. Haggard said that Kim Jung Il is creating a set of institutions that will maintain the system after he is gone. Since Kim Jung

Un is not a strong leader, Haggard said that the most important developments have to do with the structures and appointments of new party leaders.

“I’d love to be wrong,” Haggard said. “I’d love to see this regime magically disappear.”

Even if reform started now, at an 8-percent growth rate, in 10 years North Korea could be where Indonesia was 10 years ago.

North Korea “is like a pigmy with a giant right arm,” Haggard said. “It has the income per capita of a poor African country.” But this is also a nuclear-armed country located in a strategically important region, northeast Asia.

Not surprisingly, this is not the image the North Korean government wants disseminated around the world.

“They won’t talk to me because of the type of things I’ve been writing,” Haggard said. “And, I don’t think this next book is going to help,”

Inequity and Democratic Reversals

Haggard also is an expert in democratization. Much has changed since Haggard started this research in the middle of the “Third Wave” of democratization, which refers to a series of democratic transitions starting in the mid-1970s.

“The research agenda has shifted away from ‘why countries democratize’ to ‘did they democratize,’ ‘is it working,’ and ‘what about these stable systems that show no signs of transiting towards democracy,’” Haggard said.

Haggard is now working on a project on the role of inequality in democratic reversals. Countries that are unequal may be more likely to transition because they are incapable of handling distributive issues or because of right wing responses to distributive pressures.

“Democracy starts with a pretense that things are going to become more equal, and then they don’t,” Haggard said. “That’s going to be one of the biggest issues now that we have economic downturn.”

Haggard said that providing basic services might help combat these reversals, which, in countries like Pakistan and Mexico are of strategic importance to the United States.

An Interdisciplinary World

Haggard said that the increasing interdisciplinary nature of international relations is the major current trend in the field. Amongst these important interdisciplinary issues, he said, the environment and public policy issues as the two most critical current topics.

To deal with the environment “there needs to be a coordinated post-Kyoto structure,” Haggard said. “But you can’t do it without the science and international political dynamics.”

Global public health also involves an interdisciplinary understanding.

It is necessary to have an “understanding of the relationship between aid, donor governments, recipient governments, the private sector, public sector, NGO sector and public behavior,” Haggard said. “There is a huge complex of issues that are about more than just about getting kids vaccinated.”

Issues in Asia are also increasingly interdisciplinary. Haggard identified aging populations and sustainability as the two largest obvious problems in Asia today.

“High growth means challenges to sustainability,” Haggard said. “Those challenges are compounded in China where the free rein of civil society is bounded and the government wants to keep its foot on the gas for political reasons. It’s destroying the country and citizens don’t like that.”

Haggard particularly enjoys researching Asia, because “studying Asia is studying success.” Haggard said that the important challenge is to see how to address issues so that this success continues.

Haggard advises International Relations students to consider careers in diplomacy, the private sector, and the NGO sector.

“Many more students aspire to be in the Foreign Service than available openings,” Haggard said. “International Relations is also valuable to the private sector, and we have seen an explosion of the NGO sector. There is a whole world there of humanitarian organizations and think tanks and international organizations.”