

MEDIA RELEASE

**HRNK LAUNCHES
GULAG, INC.: THE USE OF FORCED LABOR IN NORTH KOREA'S EXPORT INDUSTRIES
BY KIM KWANG-JIN**

NORTH KOREA'S MINERAL SUPPLY CHAIN IS TAINTED BY THE USE OF FORCED AND SLAVE LABOR

WASHINGTON, May 26, 2016—Coal, iron ore, copper, and other commodities constituting the bulk of North Korea's exports are mined using forced and slave labor, according to a new 50-page report by the Committee for Human Rights in North Korea (HRNK). Authored by Kim Kwang-jin, North Korean escapee and senior analyst currently residing in South Korea, *Gulag, Inc.: The Use of Forced Labor in North Korea's Export Industries* is an examination of North Korea's forced and slave labor practices, highlighting North Korea's extractive industry. According to Marcus Noland, HRNK Board Member and Executive Vice President and Director of Studies at the Peterson Institute for International Economics, "Kim Kwang-jin carefully documents the 21st century feudalism that is at the heart of the mining sector" in North Korea. Gordon Flake, HRNK Co-Chair and CEO at the Perth USAsia Centre of the University of Western Australia, notes, "North Korea's abuse of human rights extends far beyond political prison camps." Flake points out that this new HRNK report "makes it clear that those concerned about human rights in North Korea must take an expansive view of the problem."

HRNK Co-Chair Emeritus and Director of the Scowcroft Institute of International Affairs Andrew Natsios says, "Kim Kwang-jin's report suggests that the North Korean regime's economic survival depends on the mining sector, which functions using a brutal system of hereditary slave labor to which entire families are perpetually bound." Natsios further notes that "this system is one more piece of documented evidence of ongoing institutionalized crimes against humanity by the North Korean government, and one more argument for accountability."

Even though the price of commodities has decreased in recent years, this industry continues to play a central role in North Korea's exports. Arrested by the North Korean regime's refusal to open up and reform, and crumbling under the burden of its obsession with nuclear and missile development, the North Korean economy has little else to offer. In fact, in 2013, coal and mineral resources constituted half of North Korea's total exports, and China accounted for over 90% of overall mining exports.

At first glance, this state-run mining industry may appear to be a legitimate means for the North Korean government to earn money, mainly from China. Yet, as the report documents, North Korea's mining industry abuses individuals who are forced to work in mines and extremely harsh environments because of their low *songbun*—North Korea's loyalty-based social classification system. The dark reality of this industry reveals a vast system of unlawful imprisonment, forced labor, and human rights violations.

According to David Maxwell, HRNK Board Member and Associate Director at the Center for Security Studies and the Security Studies Program at Georgetown University, the scale of the forced labor documented in Kim Kwang-jin's *Gulag, Inc.* "is difficult to fathom in the 21st century." Maxwell further notes, "Anyone who is interested in understanding how the regime treats Korean people living in the north in order to raise hard currency to ensure regime survival will want to read this report. This is another human rights atrocity that has been institutionalized by the regime and it needs to be brought to light in the international community. This report goes a long way in doing so."

Nicholas Eberstadt, HRNK Board Member and Henry Wendt Chair in Political Economy at the American Enterprise Institute, says, "North Korea's limited economic recovery over the past decade has been financed to some considerable degree through export revenues accrued from the 'extractive sector': mining for coal, gold, and other minerals. But just how did Pyongyang amass and process these natural resources it sold abroad? *Gulag, Inc.* provides the dark answer to that question: these are produced through the toil of the regime's domestic enemies, including outright slave labor in prison camps." According to Eberstadt, "thanks to *Gulag, Inc.*, there is now

documentation that North Korea's international commerce in minerals is actually a trade in blood—all too close in moral terms to the more familiar traffic in *conflict diamonds*.”

Suzanne Scholte, HRNK Co-Vice-Chair of the Board and President of the Defense Forum Foundation, remarks that the report “reveals yet another example of why the North Korea regime is often described as the world's worst human rights tragedy and having no parallel in modern history.” According to Scholte, “in order for the sanctions by the international community to be effective, the findings in this report require our immediate attention.”

HRNK Board Member Lisa Colacurcio adds, “We urge international businesses which operate in China to carefully review whether DPRK labor is used in their Chinese factories or if any raw materials they source in China actually come from the DPRK.” HRNK Executive Director Greg Scarlatoiu also emphasizes that “countries and business entities directly or indirectly importing North Korean minerals or products including North Korean mineral content must demand that North Korea shut down its gulag, end its state-sponsored forced and slave labor, and adhere to internationally accepted industry standards.”

In 2014, a United Nations Commission of Inquiry concluded that grave, systematic, and widespread human rights abuses amounting to “crimes against humanity have been committed” in North Korea, “pursuant to policies established at the highest level of the state.” The tightly closed, nuclear-armed communist regime rejects such accusations, which it regards as part of a U.S.-led effort to overthrow it.

Kim Kwang-jin is HRNK Non-resident Fellow and senior analyst for the ROK Institute for National Security Strategy. Through his analyses and invaluable insight, Kim Kwang-jin has shed light into the darkest corners of the North Korean regime's secret and illegal international financial operations. Since arriving in South Korea 13 years ago, he has been a household name on TV and radio programs addressing North Korea. Working for the North Korean regime, Mr. Kim served as Singapore Representative of North East Asia Bank (2002–2003), an agent of the Korean Foreign Insurance Company and North East Asia Bank, Pyongyang, (1998–2002), and Professor of the Pyongyang Computer College (1991–1997). He has published numerous papers and articles on the North Korean economy and the current power transition in North Korea, including “After Kim Jong-il: Can We Hope for Better Human Rights Protection?” (HRNK, 2009, 2011).

HRNK was founded in 2001 as a nonprofit research organization dedicated to documenting human rights conditions in the Democratic People's Republic of Korea (DPRK), as North Korea is formally known. Visit www.hrnk.org to find out more about HRNK and to download “Gulag, Inc.: The Use of Forced Labor in North Korea's Export Industries” along with previous publications.

The report launch was held from 09:30 to 11:00 am on Thursday, May 26, at the National Press Club's Holeman Lounge (529 14th Street NW, 13th Floor, Washington, DC 20045).

You may download the report directly by accessing the link enclosed below:

http://www.hrnk.org/uploads/pdfs/KKJ_Gulag_INC_FinalFinal_WEB.pdf.

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