

## **Exported as a Commodity: North Korean Workers Officially Dispatched Overseas**

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### **Abstract**

North Korea officially dispatches over 60,000 workers to a minimum of 20 countries in Asia, Africa, Europe, and the Middle East. The regime confiscates much of the USD 200 million earned by these workers annually. Despite the known exploitation and hardship, North Koreans continue to covet these positions, which provide rare opportunities to spend time outside the world's most isolated dictatorial regime and send small amounts of money to their families at home. Only those deemed loyal to the regime as measured by North Korea's *songbun* system have access to these jobs. Even those with "good *songbun*" frequently bribe government officials to secure one of the few positions available. Once overseas, workers labor under harsh and dangerous conditions that border on slavery. North Korea's pervasive security apparatus continues to survey all activities while spouses and children serve as de facto hostages to prevent defections. The Kim Family Regime's dispatch of workers amounts to exporting its subjects as a commodity. Efforts to address this issue must be based on applicable international standards. Governments bound by international agreements should first seek redress, as difficult as it may be, before terminating the contracts that cover North Korea's overseas workers.

**Key words:** North Korea, Kim Jong-un, Kim Family Regime, Royal Palace Economy, hard currency, *songbun*, overseas workers, loggers, construction workers, restaurant workers, UN Security Council, sanctions, human rights violations, labor rights violations, forced labor, slave labor

### **Introduction: North Korea's "Royal Palace Economy"**

North Korea's nuclear weapons tests, ballistic missile launches, and other military provocations continue to threaten international peace and security, presenting significant challenges to American foreign and security policy. Pyongyang's ruthless prevention and suppression of dissent among its population, isolation from the outside world, and denial

of fundamental human rights have all worked to undermine peace and security on the Korean peninsula. Meanwhile, the “royal palace economy”<sup>1</sup> has generated the hard currency needed by North Korea’s leaders, enabling three generations of Kims to stay in power despite sanctions.

The Kim Family Regime’s (KFR) exploitation of its overseas workers is a critical component of the government’s hard currency earning apparatus. North Korea exports tens of thousands of workers to sustain the regime in one of the more visible examples of human rights violations. Understanding this important facet of the “royal palace economy” provides insight into the regime’s longevity. It also allows governments to more effectively implement the current sanctions regime, as well as develop more effective sanctions to address the security and human rights challenges the regime poses.

The 30,800 North Korean escapees currently residing in South Korea have provided invaluable testimony on Pyongyang’s abysmal human rights record. Examining North Korea’s systemic exploitation of its overseas workers—a population nearly double the size of successful defectors—provides an opportunity to highlight and address the nexus between human rights violations and the “royal palace economy” that fuels the development of nuclear weapons and ballistic missiles that are critical to the regime’s survival.

### **Linking Human Rights, Weapons, and Sanctions**

Although security concerns continue to dominate international actions related to North Korea, American legislation and UN resolutions increasingly address Pyongyang’s egregious human rights record. The U.S. Congress passed “The North Korean Human Rights Act of 2004” to promote respect for the fundamental human rights of the North Korean people. The act was reauthorized in 2008 and 2012. Four years later, the Congress passed US Public Law No. 114-122, “The North Korea Sanctions and Policy Act of 2016.” The landmark legislation not only sanctions North Korean activities associated with the development and proliferation of nuclear weapons, but also addresses the KFR’s human rights violations.

In February 2014, the UN Human Rights Council (UNHRC) released the *Report of the Commission of Inquiry on Human Rights in the Democratic People’s Republic of Korea (COI)*. The landmark COI established the KFR’s systemic human rights violations, leading to

strongly worded UNCRC and UN General Assembly resolutions on the topic. Additionally, the UN Security Council included North Korea's human rights violations in its permanent agenda in December 2014, 2015, and 2016. These actions have raised awareness of North Korea's human rights violations to its highest point ever.

On August 5, 2017, the UN Security Council passed UN Security Council Resolution (UNSCR) 2371, which called for a ban on the hiring and paying of additional North Korean laborers used to generate foreign export earnings. While notable, this resolution is based entirely on political and military security concerns, and not on human rights rationale. Enhanced understanding of North Korea's quasi-licit and illicit international economic activities and their connection to human rights will enable experts, policymakers, and the public to more effectively seek ways to improve the human rights of North Koreans, especially of workers sent overseas.

The international sanctions imposed on Pyongyang have been based on the threats North Korea has posed to international peace and security, as defined in Chapter VII, Article 41 of the UN Charter. These sanctions have been frequently ineffective due to lack of cooperation by UN member states. Two of the states that have made sanctions implementation difficult, China and Russia, host the largest number of North Korean workers. Effectively documenting supply chain linkages between the "royal palace economy" and human rights violations can provide the basis for deepening, expanding and diversifying the ground for action beyond existing North Korea sanctions.

While fully acknowledging the importance of the security challenges North Korea presents, a better understanding of the linkages between the "royal palace economy" and human rights violations, in particular those relating to North Korean workers residing in foreign countries, will continue to help shift international attention and the ground for action to human rights and labor violations committed by the North Korean regime, in particular the exploitation of workers, human trafficking, and forced labor.

### ***Songbun and Sanctions***

The KFR has ruthlessly suppressed dissent and denied North Korean citizens their most fundamental human rights in order to achieve its strategic objective of remaining in power. North Korea's human rights situation has shown no signs of improvement in the five years since the

nation completed its second hereditary transfer of power. Under Kim Jong-un's leadership, North Korea continues the same brazen provocations that occurred under his father and grandfather. The money spent to develop nuclear weapons and ballistic missile could have fed millions of North Koreans for years.

The UN Security Council has imposed successive rounds of sanctions against North Korean individuals, institutions, and affiliated entities. Nonetheless, the KFR has not only found the resources to produce nuclear weapons and inter-continental ballistic missiles, but it has also managed to lavish luxury goods on some of Pyongyang's elite residents. At the same time, no fewer than 22 million of the 25 million North Koreans live in dire circumstances.

North Korea's social classification system, *songbun*, is critical to the KFR's ability to minimize the effects of sanctions. Developed over a decade, the government's socio-political classification system assigns all citizens to one of 51 categories based on loyalty to the Kim family.<sup>2</sup> The estimated two to three million citizens with "good *songbun*" constitute the KFR's "core class." They enjoy considerably better living conditions than their countrymen. The most privileged live in the best apartments in Pyongyang, shop at luxury stores, drink foreign liquor, and eat foods unavailable and unimaginable to the rest of the population; some even have access to cell phones. The core class is largely, but not entirely, insulated from the economic burdens and shortages—whether caused by natural disaster, poor planning or international sanctions—that affect the majority of North Korea's population. The 22 million North Koreans who lack "good *songbun*" bear this burden.

The "royal palace economy" doesn't improve the livelihoods of ordinary North Koreans. By design, the KFR seeks to earn hard currency for itself and its immediate supporters; i.e., those with "good *songbun*." North Korean overseas workers are one of the few legal means available to generate hard currency. As the international community contemplates further sanctions, the North Korean government will continue to rely upon its overseas workers to fund the "royal palace economy."

### **North Korean Overseas Workers**

Migrant workers are an important component of the global economy, accounting for 150.3 million of a total of 232 million international migrants.<sup>3</sup> Their working conditions vary depending on whether host countries are members of the International Labor Organization (ILO), the

adequacy of law and legal systems, the capacity to implement labor laws and the effectiveness of the laws implemented. Although North Korea is not a member of the ILO, all states known to host North Korean workers are ILO members.

In 1967, North Korea dispatched loggers to the former Soviet Far East.<sup>4</sup> The agreement between Pyongyang and Moscow was part of a crude barter: North Korean labor, often forced, in exchange for Soviet weapons and some goods for civilian use, such as rudimentary electronics. As the North Korean economy deteriorated in the 1970s and 1980s, dispatched workers “realized that Russia was a better place as soon as they crossed the border.”<sup>5</sup>

This epiphany concerned regime leaders, who feared the dispatched workers would defect. In response, government officials limited these opportunities to select male candidates of “good *songbun*.” KFR bureaucrats and security officials believed belonging to the “core” would deter defections. To further dissuade workers from defecting, only married workers with at least one child were sent abroad; families remained in North Korea.

It should be noted that none of the dispatched workers belonged to the *crème de la crème* of highly privileged KFR loyalists. They were on the fringes of the “core” class, loyal and employed in “respectable” positions, but poor (even the standards of North Korea). This remains the case today, and also applies to young women sent abroad as restaurant workers. Most of them have come from privileged “core” class families. Young women of “good *songbun*” have also been recently dispatched to work in China’s textile industry.

The KFR earns significant amounts of foreign currency by exporting North Korean laborers. The number of North Korean workers dispatched overseas declined after the collapse of Communism in the former Soviet Union and Eastern Europe. More recently, Pyongyang appears to have increased the number of workers it sends abroad. The increase is likely the result of Kim Jong-un’s attempts to diversify and increase his sources of foreign currency to offset the effects of international sanctions brought about by Pyongyang’s nuclear weapons and ballistic missile tests and other brazen military provocations.

The KFR dispatches workers for overseas assignments under bilateral contracts with foreign governments. Since the inception of the program, the KFR has assigned North Korean workers to 45 countries in Asia, Africa, the Middle East and Europe.<sup>6</sup> Standard contracts range from three

to five years, but can be extended indefinitely depending on the worker's performance and loyalty. As of the end of 2016, there were at least 60,000 North Korean workers in at least 20 countries. Table 1 lists the countries employing the most number of overseas workers:

**Table 1: Countries Employing North Korean Overseas Workers**

	2016	2014	Change	Industries
Russia	29,000	20,000	+9000	Logging, construction and agriculture
China	18,000	19,000	-1000	IT and sewing
Kuwait	3,700	5,000	-1300	Construction
Qatar	2,800	1,800	+1,000	Construction and healthcare
UAE	1,500	2,000	-500	Construction
Mongolia	1,300	1,300	0	Construction, agriculture and sewing
Angola	600	1,000	-400	Military and healthcare
Algeria	500	200	+300	Construction
Poland	400	500	-100	Agricultural and medical
Malaysia	400	300	+100	Construction and IT
Others	1,800	1,900	-100	Construction, agriculture and sewing
Total	60,000	53,000	+7000	

**Source: Developed by the Author from Multiple Sources**

The KFR also sends workers to Belarus, Equatorial Guinea, Ethiopia, Libya, Malta, Myanmar, Nigeria, and Vietnam, earning the regime an estimated USD 200 million per annum.<sup>7</sup> Both the number of workers dispatched and the income they generate are likely conservative estimates. According to recent media reports, the number of North Korean laborers officially working abroad may be much higher, with as many as 98,000 working in China alone.<sup>8</sup>

There has been no significant change in the number of workers dispatched overseas: from 2014 to 2016, the approximate number of workers increased from 53,000 to 60,000. The biggest change has occurred in Russia, which today hosts 9,000 more North Korean workers than it did in 2014. Faced with increased international pressure, EU member states Poland and Malta are phasing out programs to host North Korean workers.

Poland stopped issuing visas, and the program to host North Korean workers will likely be terminated by 2018. Qatar reportedly repatriated 100 North Korean workers; however, the overall number of North Korean workers in Qatar increased by more than 30 percent over the past two years.

### **Workers' Motives**

Previously, the ambitions of those workers dispatched overseas were modest. For example, the author interviewed a former North Korean worker who, in the late 1980s, chose to work as a logger in the Russian Far East for two years. He agreed to work in substandard conditions, hoping that upon his return he would be able to “improve his family’s life, by offering them a color TV.” His fellow loggers were there for similar reasons, he said. However, in his and other cases, they never saw their families again as a result of the great famine and death toll in North Korea. This worker—and many others—defected from the logging camp when he could no longer manage to help his family. He wandered around Russia for years, before finally finding his way to South Korea.<sup>9</sup>

North Koreans currently working overseas include individual volunteers in search of better opportunities. Others are employees of state-run companies, but volunteers nonetheless. A third group includes those who have been dispatched by their employers, with no regard for the individual’s preference.<sup>10</sup> As market forces replaced the Public Distribution System (PDS), money gained a more prominent role in North Korea, and more workers sought overseas positions in hopes of better opportunities than those available at home.

The Daesung Trading Company controls the dispatch of overseas workers, as well as the repatriation of the wages they’ve earned abroad. Daesung Trading Company is part of Office 39, the organization responsible for acquiring merchandise and hard currency for Supreme Leader Kim Jong-un.<sup>11</sup> Affiliated and independent entities perform various administrative tasks under the direction of the Daesung Trading Company to facilitate sending workers overseas. The Pyongyang Overseas Construction Enterprise handles matters related to construction workers dispatched to the Middle East. The Forestry Department oversees loggers sent to the Russian Far East. Since “North Korea has to select the ones [workers] of good *songbun*, the Ministry of Public Security takes charge of the background investigation.”<sup>12</sup> As part of the security process, individuals desiring to work abroad are required to obtain references. A former logger in the Russian Far East described his pre-deployment

experience:

“The difficult thing was that we had to have seven people as guarantors, so I asked my wife, older brother, the president of my company, manager, the party secretary, the State Security Department agent in charge of managing my company, and a police officer (Ministry of Public Security agent) to do it for me. After I reported seven guarantors on the application document, they gave me the authorization stamp which allowed me to leave.”<sup>13</sup>

Prior to departing, workers undergo indoctrination sessions and a physical examination. The physical examination is generally done six months prior to departure. Applicants receive a blood test, and must pass eye, ear, and liver examinations. The regime seeks to avoid any medical expenses, and sends only workers judged to be in excellent health. Minders confiscate workers passports upon arriving in their destination country. Workers will next see them when they board the plane taking them back to North Korea, or prior to crossing the land border from China or Russia.

As noted, competition is stiff for the limited opportunities to work abroad. Those desiring to secure one of the few positions available frequently pay bribes to officials involved in the selection process. Some workers interviewed for this article recalled paying bribes of USD 100-200, a very hefty amount by North Korean standards. One said his position cost a carton of cigarettes and two bottles of high quality liquor.

In the 1980s and early 1990s, overseas workers did not receive money for their work. Instead, their families received coupons, which could be used to purchase food or highly coveted items—washing machines or color televisions—from special stores. The redemptions ended when the PDS collapsed as a result of the great famine of the mid- to late 1990s. However, loggers and other workers still had to work without pay. Through the few letters received from home, they learned their families continued to receive the coupons, which were worthless as the stores were empty. As their families starved, some of these hardened men, who had survived appalling working conditions, decided to assume the ultimate risk: they left the logging camps, desperate to find a way to help their dying families. However, few of those who ultimately found their way to South Korea or other countries were ever reunited with their families.

Two former restaurant workers interviewed—graduates of both



college and *sojo* (performing arts “institute”)—stated they wanted to work overseas, “to see the world, and didn’t think much about the pay.”<sup>14</sup> The reality was much different, as workers were secluded in their living quarters and workplace for almost their entire time abroad. Excursions were limited to a few hours of local shopping under the constant surveillance of colleagues and minders.

During and after the great famine, the number of overseas workers declined. As the number began increasing during the final years of the Kim Jong-il regime, North Korean workers gained very limited access to opportunities to make a little money for themselves. This didn’t occur at all locations, but was limited to the Russian Far East (Khabarovsk and Vladivostok) and the Middle East. In order to earn money, overseas workers had to be cleared by three supervisors: the Workers’ Party secretary (90 percent of the workers are party members), the State Security Department (SSD) agent, and the worksite manager.

Corrupt supervisors routinely clear workers in order to extract a portion of the workers wages. Supervisors also allow North Korean workers to be “subcontracted” by other foreign workers at the same site. In such cases, other North Koreans at the site have to increase their already overwhelming level of effort to make up for the absent worker. South Asian construction workers in the Middle East frequently “subcontract” North Korean workers to do their jobs. A foreign worker getting paid USD 40 a day hires the North Korean to do his job, paying him only half the daily wage. The respective foreign worker is free to work another job, thus increasing his income. The North Korean is left with very little, as he has to share the USD 20 with the three supervisors.<sup>15</sup> The North Korean worker ends up being exploited by his government, by the recipient country—which is ultimately responsible for enforcing the labor rights of foreign workers within its territorial jurisdiction—by his three worksite supervisors, and other foreign workers. The loyalist pauper is now at the bottom of the heap, a fact known to the KFR. Upon returning to North Korea, the SSD keeps the workers under strict surveillance for at least three years.

### **Working Conditions**

As a party to the International Covenant on Civil and Political Rights (ICCPR), North Korea is legally obligated to not undertake forced labor or servitude.<sup>16</sup> The international community expects North Korea to

observe ICCPR Article 8, 3 (a), which states, “no one shall be required to perform forced or compulsory labour.”<sup>17</sup> North Korea is also responsible for observing ICCPR Article 8, 1, which prohibits “slavery,” and Article 8, 2, which prohibits “servitude.”

Newspaper investigations, research reports, defector and businessman testimony, and additional empirical evidence indicate North Korea violates internationally accepted labor standards across all aspects of its overseas worker program. Testifying before the European Parliament, high-profile defector Kim Tae-san stated that the coercive nature of North Korea’s international labor practices amounted to “21<sup>st</sup> century slave labor.”<sup>18</sup> Even if overseas workers chose to work of their own accord, they are trapped as soon as they leave the country. Supervisors confiscate their passports and security officers conduct close surveillance on and off the job. North Korea overseas workers have no choice but to accept sub-par, coercive working conditions. They are forced to stay in jobs through tactics and policies that would be beyond questionable elsewhere.

The conditions faced by North Korea’s overseas workers range from cruel and violent acts to ruthless exploitation. At worst, workers may end up as a corpse inside a sealed coffin, decaying for months before being repatriated. At best, supervisors permit workers to moonlight or perform side jobs to earn meager amounts of cash. Even then, workers must fulfill the traditionally heavy workloads of their assigned jobs and pay the requisite bribes to worksite overlords for the privilege of moonlighting.

Former loggers and a logging camp truck driver told the author a terrifying story: When a worker dies at the camp, the body is not automatically repatriated. The cost of fuel is high in the isolated regions in which logging is done. Accordingly, management waits until ten corpses have piled up before shipping the remains to North Korea. Reflecting the dangerous working conditions, this typically takes five months. In most cases, the families receive decomposing or already decomposed bodies. The truck driver recounted the most frightening sound he heard while driving: the sound of water sloshing inside sealed coffins as ten corpses slowly thawed.<sup>19</sup>

### **Freedom of Association/Collective Bargaining**

The European Parliament’s 2010 resolution on North Korea asserted, “the government subjects the population to forced labour as part of labour mobilization campaigns, and does not permit free association of labour or collective bargaining.”<sup>20</sup> The ILO’s Freedom of Association and

Protection of the Right to Organise Convention affirms these rights are fundamental characteristics of a clean supply chain.<sup>21</sup> Available evidence indicates that North Korean workers abroad do not have the freedom to associate with groups and individuals as they choose, or to engage in minimal collective bargaining practices that are prevalent around the world. Additionally, the International Covenant on Economic, Social and Cultural Rights (ICESCR), to which North Korea acceded in 1981, places an obligation on parties to ensure “the right of everyone to form trade unions and join the trade union of his choice, subject only to the rules of the organization concerned, for the promotion and protection of his economic and social interests.”<sup>22</sup>

Desk research and 30 interviews completed by the author indicate North Korean workers dispatched overseas have no right to freedom of association or collective bargaining. Any attempt to protest their working conditions, to strike, or to organize would result in their swift repatriation and harsh punishment:

“They put plaster casts on both of the worker’s legs and send him back. The casts are taken off after they cross the border. They let the workers go home if it’s a minor problem, but for bigger issues they are sent to the *kwan-li-so* (political prison camp).”<sup>23</sup>

In most cases, the working conditions amount to forced labor. Only the scale differs, depending upon the recipient country, industry, or specialization. Differences in the scale of forced labor are circumstantial, rather than intentional.

### **Gender Discrimination**

The selection of young women only for restaurant and textile jobs overseas is indicative of deeply embedded gender discrimination. Women, for one, tend to be selected to work in overseas restaurants if “you have a pretty face [and] are taller than 1.62 meters (approximately 5’3”).”<sup>24</sup> In addition to the requisite “good *songbun*,” a Pyongyang education or music degree is helpful. For men, overseas labor opportunities are limited to logging and construction, both requiring extraordinary levels of demanding physical labor and extremely long hours. As noted, the situation inside North Korea is grim enough that its citizens believe working abroad under such conditions is still preferable to life at home.

Further discriminatory practices of only selecting those of “good *songbun*” amounts to blatant discrimination against those belonging to the “wavering” or “hostile” class based on their perceived lack of loyalty to the regime. Because families are held hostage in North Korea to prevent defection, single men are precluded from access to overseas jobs.

### **Health and Safety**

North Korea’s overseas workers have limited access to healthcare. As noted, the regime sends only those workers assessed to be in good health to avoid paying overseas medical expenses. In the case of female restaurant workers, most of whom are daughters of North Korean elites, the government will only pay for appendectomies.<sup>25</sup> If a worker’s health problems are too serious to be resolved through self-medication, the government repatriates the worker.

Health and safety violations are rampant at overseas North Korean worksites, varying according to location, industry and specialization. Logging is considered the most dangerous work. Loggers frequently work into the night to meet production quotas, with no illumination other than moonlight or occasional truck headlights. Drivers traverse difficult terrain in heavy vehicles with shifting loads. When accidents occur, injured workers are typically hours away from emergency care facilities. Safety training is minimal, and basic safety procedures are often not observed.

### **Protection of Wages**

North Korea blatantly violates international law and labor standards designed to protect workers’ wages. As mentioned, North Korea acceded to the ICESCR. As such, it has the affirmative duty to adhere to the treaty, which includes Article 7:

The States Parties to the present Covenant recognize the right of everyone to the enjoyment of just and favourable conditions of work which ensure, in particular:

(a) Remuneration which provides all workers, as a minimum, with:

(i) Fair wages and equal remuneration for work of equal value without distinction of any kind, in particular women being guaranteed conditions of work not inferior to those enjoyed by men, with equal pay for equal work;

(ii) A decent living for themselves and their families in

- accordance with the provisions of the present Covenant;
- (b) Safe and healthy working conditions;
  - (c) Equal opportunity for everyone to be promoted in his employment to an appropriate higher level, subject to no considerations other than those of seniority and competence;
  - (d) Rest, leisure and reasonable limitation of working hours and periodic holidays with pay, as well as remuneration for public holidays.<sup>26</sup>

In spite of the provisions of this core international human rights treaty, North Korea does nothing to ensure these rights, and in fact purposefully and directly violates them.

Additionally, the ILO's Protection of Wages Convention stipulates that wages should generally be paid directly in legal tender.<sup>27</sup> The Protection of Wages Convention gives some leeway to governments to apply provisions within the limits of "national laws and regulations," and Article 4 does allow for partial payment of wages in the form of allowances. However, it stipulates that these allowances should be "fair and reasonable" and that "such allowances are appropriate for the use and benefit of the worker and his family." An analysis of North Korea's international labor practices clearly indicates Pyongyang's unwillingness to protect wages against unilateral, government-sanctioned deductions. Because workers are not paid directly by the foreign employers, violations of international conventions protecting workers are rampant and systemic.<sup>28</sup>

A former construction worker in the Middle East told the author: "We were slaves. [...] Bangladeshi workers doing similar work got paid 450 dollars a month on average. We also did earn the same amount, but it just all went to the Worker's Party... [...] But our families at home are still waiting in the hope of getting at least one TV when the fathers come back." Another witness said:

"The system is so strict that no one in North Korea can ever criticize Kim Jong-il. That is why we continued working unpaid even after five months passed. The managerial staff would tell us, 'Back in our homeland people are starving and participating in the *Arduous March*.'<sup>29</sup> We are blessed by the General to be out here and

have white rice and beef soup every day. We should thank him for everything we have here.' That was our life at the construction site in the Middle East."<sup>30</sup>

Overtime violations are so egregious that the workers simply don't understand the concept. While overseas, North Koreans work between 14 and 16 hours a day; there are no holidays, except perhaps one day a month, depending on the worker's location and industry:

"My morning shift was from 7 am to 12 pm. I had a lunch break from 12 pm to 1 pm. My evening shift was from 1 pm to 6 pm, and then I had a dinner break from 6 pm to 7 pm. After that I worked for three to four hours more. So it was 13 to 14 hours in total. There were no holidays."<sup>31</sup>

Skilled North Korean workers also worked excessive hours, though not as bad as their unskilled counterparts. A former construction welder in Russia told the author that he could leave the site earlier than other North Koreans, at about 7 or 8 pm. However, his life was harder than that of Russian co-workers. While he reported for work at 6 am, they did not show up until 9 am. They all got off by 5 pm, two or three hours before he did.<sup>32</sup>

The evidence gathered from the aforementioned indicates that North Korean workers abroad face steep, unilateral and unfair deductions from their wages. Workers don't receive their full income directly. Anecdotal evidence, defector testimonies, and NGO investigations indicates that workers receive no more than 20 percent of wages due. This doesn't constitute a "fair and reasonable" allowance pursuant to Article 4, (2)(b) of the Protection of Wages Convention.

### **Forced Labor**

The fact that many workers go abroad to improve their socioeconomic status or to escape the country's miserable living conditions does not mean that North Korea's overseas workers aren't victims of forced labor. Neither the ICCPR nor the ILO's definition of forced labor fits North Korea's unique system. Nonetheless, forced labor doesn't necessarily mean that a worker was initially forced into employment. It may mean that the work environment is coercive and the employer or government prevents the worker from leaving on his or her own terms. Using this

definition of forced labor, coupled with the reality of 14-16 hour days with no time off, North Korea's overseas workers are certainly victims of forced labor.

Furthermore, the ICESCR speaks of the right to work as involving "productive employment under conditions safeguarding fundamental political and economic freedoms to the individual" (Art 6 (2)), as well as providing for unions (Art 8).<sup>33</sup> In every instance of overseas employment, the North Korean government provides minders, conducts ideology sessions, and erects barriers (even physical ones, as seen in Kuwait) to prevent its workers from associating with other individuals and groups or leaving their employment. Freedom of association is a fundamental labor right. It is clear that North Korean workers abroad do not have this essential freedom, much less the right to organize or bargain collectively for better terms.

When emergencies take place in foreign countries, North Korean workers are abandoned. This was the case of hundreds of North Korean workers who were left in Libya once the 2011 civil war began. The North Korean government made no attempt to repatriate them. It is not clear whether this happened due to the lack of resources, inability to make logistical and transportation arrangements, or fear that they may bring back home their eyewitness account of the "Arab spring."

### **Future Direction: The Global Supply Chain**

The term "global supply chain" aptly identifies both the challenges and opportunities inherent in addressing North Korea's international economic outreach. North Korea's overseas labor force encompasses tens of thousands of workers in many different countries. It involves diverse businesses and consumers.

This new global outreach means that Pyongyang can no longer play solely on its own terms. North Korea may not be a party to most agreements governing human rights and labor, but the KFR is dealing with an increasingly globalized world. Countries that employ North Korean workers are highly enmeshed in a body of international organizations and law setting forth standards for worker treatment.

As a country participating in this global supply chain, North Korea has opened itself up to additional recommendations to improve its labor standards. For example, in 2014, the UN Human Rights Council's Universal Periodic Review (UPR) completed a second review of North Korea's human rights record. Participating states (noted in parentheses)

made a variety of recommendations to the Pyongyang government on labor and migrants issues, including:

- Consider acceding to the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD) and the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (ICRMW) (Egypt);
- Ratify international conventions, particularly the ICERD, CAT, ICRMW and the International Convention for the Protection of All Persons from Enforced Disappearance (CPED), with the aim of enacting them into national law (Sierra Leone);
- Consider promptly joining the International Labour Organization (Uruguay); and
- Take practical measures to provide safer working conditions, suitable for its citizens (Nicaragua).

These recommendations were in addition to those forwarded during Cycle 1 of the UPR, which are noted below:

- Amend the Labour Law of the Industrial Complex of Kaesong and incorporate the minimum age of 18 years for work hazardous to the health, security or morality of minors (Spain);
- Consider joining ILO and accede to and implement its core conventions, in particular Numbers 29, 105 and 182, on child and forced labour (Brazil);
- Consider signing-ratifying the remaining international human rights instruments, including ICERD and ICRMW (Nigeria);
- Invest sufficient resources to promote and protect the principle of equality in the fields of work, education and health (Libya);
- Join ILO and accede to its core instruments and extend an open invitation, and without restrictions, to ILO officials to analyze the situation of workers' rights in the country (Spain);
- Join ILO and ratify core conventions, particularly Numbers 105, 182 and 138, and allow related monitoring by ILO staff (United States);
- Put an end to forced labour practices (Chile, Cycles 1 and 2); and
- Take effective measures against the practice of forced labour, including child labour and join ILO (Italy).



Several states recommended North Korea join the ILO and implement better safety standards for its workers abroad. This theme was also taken up in reports by the former UN Special Rapporteur on the human rights situation in the DPRK (North Korea), Mr. Marzuki Darusman.

External to the UN system, Nongovernmental Organizations (NGO) may be more effective in convincing host countries to change the conditions in which North Korean workers are contracted. This approach precludes the need to confront Pyongyang directly. Pressuring host countries that are accountable under international law and integrated to the international economic system may improve the chances of facilitating real change in the treatment of North Korean overseas workers.

In practice, NGOs have been effective in identifying the contributions of North Korean overseas workers to the global supply chain. Writing in *The Independent*, Simon Ostrovsky highlighted that North Korean workers in Mongolia produced textiles for leading United Kingdom clothing labels, including Edinburgh Woolen Mill.<sup>34</sup> Photographers captured Lands' End dress shirts bearing "Made in China" labels at the North Korean textile factory in Rason.<sup>35</sup> The company investigated the issue and found no evidence that its China-based suppliers were outsourcing work to North Korea, and speculated that the shirts were counterfeit or used without the company's authorization.<sup>36</sup>

Because supply chains depend on global consumption, NGOs may effectively reduce demand for goods and services produced by North Korean workers by highlighting cases where work conditions violate international standards. Yet the aforementioned cases underscore the challenges facing NGOs in this regard. North Korea's Office 39 has overseen a decades-long effort to counterfeit high-end products as part of Pyongyang's efforts to earn hard currency for the KFR.

NGOs can also influence corporations to adhere to the Global Sullivan Principles. Developed by the Reverend Leon Sullivan "to support economic, social and political justice by companies where they do business," the principles have been widely adopted by global corporations.<sup>37</sup> A campaign based on the Global Sullivan Principles aimed to improve the labor rights of overseas North Korean workers could target governments, employers' associations, companies, labor unions, NGOs, consumer groups, media organizations, and the general public in countries hosting North Korean workers. The objective of this campaign would be to present a persuasive case to the North Korean authorities that improving the labor conditions of these workers is in Pyongyang's economic interest.

There are risks in this approach as well. In 2015, the Construction Development Company in Qatar fired half its North Korean workers due to violation of labor rights by Pyongyang government officials.<sup>38</sup>

Despite the challenges in obtaining information on North Korea's international economic activity, let alone the status of its workers, there is sufficient evidence to argue that goods and services produced by North Korean overseas workers do not constitute part of a "clean" supply chain. Further, since supply chains that produce clothes or industrial goods are typically international, it is perfectly legitimate to use the ILO conventions as a standard for a clean supply chain. The ILO does not have to deal with North Korea directly; it can evaluate and publicize the situation of North Korean workers in its 183 member states.

### **The Way Forward**

The U.S. Congress has been the most active branch of the American government in addressing North Korean human rights issues. Periodic congressional hearings on North Korea's overseas workers dispatched would enable legislators to receive updates from stakeholders and increase public awareness of the plight of these laborers. These hearings would be critical in urging North Korea to abide by its legal obligations under the ICCPR and the ICESCR and its own domestic legislation to protect the rights of its workers, at home and abroad. Keen on legitimacy, the KFR pays close attention to U.S. Congressional hearings. Human rights NGOs can lead this initiative by organizing events on Capitol Hill.

NGOs able to monitor the severe labor and human rights violations occurring at worksites employing overseas North Korean workers can inform American corporations conducting business in host countries, as well as the American public. Public and private support for these investigations is critical to their success. The Congressional Research Service and U.S. Department of State can benefit from the information provided through such research. The presence of North Korean workers in at least twenty countries may even elicit the publication of a Congressional Service Report, if sufficient information is gathered by other research organizations. Certainly, much of this work has been done by South Korean organizations such as the Database Center for North Korean Human Rights, the Asan Institute, and the North Korea Strategy Center. However, these organizations' ability to continue this important research depends upon political will and the resources allocated to this task.

The U.S. and like-minded states, including the Republic of Korea,

Japan and European Union member countries should continue to urge North Korea to join the ILO and ratify its eight fundamental conventions, as well as allow the ILO staff to monitor compliance with these critical conventions. As noted, multiple governments have made similar recommendations in previous UPR rounds. North Korea responded by “noting” the recommendations, neither accepting nor rejecting them. Encouragingly, perhaps, North Korea “accepted” Nicaragua’s recommendation to “take practical measures to provide safer working conditions, suitable for its citizens.” The aforementioned governments should pursue this initiative well in advance of North Korea’s next UPR in 2019.

UN bodies will continue to have a critical role in improving the lives of overseas North Korean workers. The UN Committee on Migrant Workers (UNCMW) must remind countries hosting North Korean laborers to abide by their international obligations.<sup>39</sup> These states must take steps to protect the rights of all foreign workers, including North Korean workers, with a focus on those whose rights related to wages and working hours are violated. The UNCMW should push for an investigation of North Korean overseas workers in countries that are party parties to the International Convention on the Rights of Migrant Workers. In addition to investigations and reporting by the UN Special Rapporteur on the human rights situation in North Korea, the UN Special Rapporteur on Contemporary Forms of Slavery and the UN Special Rapporteur on the situation of human rights in the DPRK should further investigate North Korea’s exported laborers. Furthermore, North Korea should be urged to accede to or sign the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families.<sup>40</sup> The UN Economic and Social Commission for Asia and the Pacific, which has been training North Koreans in business management and law, should incorporate the UN Global Compact’s principles for companies into its curriculum. These principles specify labor standards and workers’ rights.<sup>41</sup>

In a related issue, UNSCR 2371 bans the hiring of North Korean workers whose wages are entirely or partially confiscated by the North Korean authorities. This applies to new hires, and doesn’t apply to workers currently under contract. The resolution seeks to sever one of the sources of funding for the KFR’s nuclear weapons and ballistic missile programs. Unfortunately, UNSCR 2371 does not take into account any human rights issues. Addressing these concerns should go beyond simply providing legal, moral, and ethical justification for the termination of one of the

KFR's hard currency revenue streams. Through transnational grassroots advocacy and like-minded government support, host countries should be persuaded to conduct both scheduled and surprise inspections of worksites employing North Korean workers, pursuant to their international obligations. The presence of over 60,000 North Korean workers overseas may provide opportunities to expose them to core and non-core ILO standards and other applicable international and domestic standards.

Lastly, the UN and its member states should develop and implement effective bans on products made by North Korean overseas workers if those items were produced in violation of international labor and human rights laws.<sup>42</sup> As noted, this poses significant challenges given the breadth of global supply chains and North Korea's production of counterfeit goods. Nonetheless, corporations are responsible for monitoring their global supply chains. Companies doing business with North Korea—either directly or indirectly—should operate under a set of standards inspired by the Global Sullivan Principles or terminate their relationship.

## **Conclusion**

North Koreans working abroad labor under abysmal working conditions and face frequent wage payment violations. Nonetheless, they endure these conditions at the prospect of being able to send money home to their families. Although it is difficult to determine a worker's average monthly income in North Korea, experts with access to sources in the country estimate it to be as low as \$1.40. The prospect of sending nominal amounts home will continue to attract applicants.

If international pressure results in improving the working conditions for North Koreans dispatched abroad, the continued operations of these sites may ultimately become a source of limited prosperity for the workers and families left behind. As long as there is hope for a cure, there is no need to “amputate” without trying an “antibiotic.” Terminating North Korea's overseas labor programs due to security considerations will also end the conversation on human rights. That said, “amputation” might be the international community's only option should North Korean authorities refuse to cooperate.

Host governments should adhere to the ILO's eight fundamental conventions to improve the conditions of North Korea's overseas workers and the situation of their families at home.<sup>43</sup> These are the minimum standards by which North Korea and host countries should be held accountable. Should the KFR refuse to meet these standards, countries

hosting North Korean workers should terminate their contracts with Pyongyang.

### Notes:

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<sup>1</sup> Kim Kwang-jin, a North Korean defector and non-resident fellow at the Committee for Human Rights in North Korea, coined the term “Royal Palace Economy.”

<sup>2</sup> Robert Collins, “Marked for Life: Songbun, North Korea’s Social Classification System,” (Washington: The Committee for Human Rights in North Korea, 2012), p. 25.

<sup>3</sup> *ILO Global Estimates on migrant workers. Results and Methodology*. International Labour Organization (ILO) Labour Migration Branch, Conditions of Work and Equality Department, Department of Statistics Report. Geneva, 2015. Available online at [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_436343.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_436343.pdf)

<sup>4</sup> *Logjams in the Soviet Timber Industry*. A research Paper. U.S. Central Intelligence Agency. Directorate of Intelligence. SOV 83-10206X. December 1983. Declassified in part, sanitized copy approved for release, January 26, 2012.

<sup>5</sup> Author’s interview with a former North Korean logger in Russia. July 2013. (Editor’s note: The names of North Koreans interviewed for this article have been redacted for their privacy and safety).

<sup>6</sup> Information on North Korean workers in 2014 comes from Shin Chang-hoon and Go Myong-hyun, *Beyond the UN COI Report on Human Rights in DPRK*, (Seoul: The Asan Policy Institute, 2014), p. 21.

<sup>7</sup> Information on the number of workers and the overall amount earned for the regime as of late 2016 was provided by sources in the field.

<sup>8</sup> “Hong Kong Paper: 94,000 N. Koreans Working in China.” *KBS News*, June 12, 2017, Available online at [http://world.kbs.co.kr/english/news/news\\_In\\_detail.htm?No=127957&id=In&\\_\\_s=5puqudobbuuwwtg38q8o](http://world.kbs.co.kr/english/news/news_In_detail.htm?No=127957&id=In&__s=5puqudobbuuwwtg38q8o).

<sup>9</sup> Author’s interview with a former North Korean logger in Russia, July 2013.

<sup>10</sup> *Pukhan Haewoe Nodongja Inkwon Shilthae* [The Current Human Rights Situation of North Korean Workers Dispatched Overseas], (Seoul: Database Center for North Korean Human Rights, 2015), p. 41.

<sup>11</sup> Author’s interview with a former ROK government intelligence expert and senior North Korean defector, currently a senior analyst with the Institute for National Security Strategy.

<sup>12</sup> Author’s interview with a former North Korean construction worker in the Middle East, July 2013.

<sup>13</sup> Author’s interview with a former North Korean logger in Russia, July 2013.

<sup>14</sup> Author’s interviews with former North Korean restaurant workers, July 2013 and August 2014.

<sup>15</sup> Author’s interview with former North Korean construction worker in the Middle East, July 2013.

<sup>16</sup> “International Covenant on Civil and Political Rights.” Office of the United Nations High Commissioner for Human Rights, Available online at <http://www2.ohchr.org/english/law/ccpr.htm>.

<sup>17</sup> *Ibid*.

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- <sup>18</sup> Barbara Demick, "N. Koreans Toil Abroad under Grim Conditions." *The Los Angeles Times*, Available online at <http://articles.latimes.com/2005/dec/27/world/fg-slaves27>.
- <sup>19</sup> Author's interview with former North Korean loggers and a truck driver in Russia, July 2013.
- <sup>20</sup> "European Parliament Resolution on North Korea," The European Parliament, Available online at <http://www.europarl.europa.eu/sides/getDoc.do?type=MOTION&reference=B7-2010-0446&language=EN>.
- <sup>21</sup> "C87 Freedom of Association and Protection of the Right to Organise Convention, 1948," International Labour Organization. February 15, 2012, Available online at <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C087>.
- <sup>22</sup> ICESCR, Article 8, 1 (a), Available online at <http://www.ohchr.org/EN/ProfessionalInterest/Pages/CESCR.aspx>.
- <sup>23</sup> Author's interview with a former North Korean logger in the Primorsky, Tinda, Amur Oblast, Russian Federation, July 2013.
- <sup>24</sup> INHL Report, *supra* note 1, at 33.
- <sup>25</sup> Author's interview with a former restaurant worker, August 2014.
- <sup>26</sup> ICESCR, Article 7, <http://www.ohchr.org/EN/ProfessionalInterest/Pages/CESCR.aspx>.
- <sup>27</sup> "C95 Protection of Wages Convention." International Labour Organization, [http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C095](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C095). See also, International Labour Organization Convention No. 29 concerning Forced or Compulsory Labour; Convention No. 105 concerning the Abolition of Forced Labour; Convention No. 87 concerning Freedom of Association and Protection of the Right to Organise; Convention No. 98 concerning the Application of the Principles of the Right to Organise and to Bargain Collectively; Convention No. 100 concerning Equal Remuneration for Men and Women Workers for Work of Equal Value; Convention No. 111 concerning Discrimination in Respect of Employment and Occupation; Convention No. 138 concerning Minimum Age for Admission to Employment; Convention No. 182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour.
- <sup>28</sup> The author's findings on this topic concur with those of the Asan Institute of Policy Studies and the Database Center for North Korean Human Rights.
- <sup>29</sup> Euphemism used by Kim regime propaganda to describe the great famine of the 1990s.
- <sup>30</sup> Author's interview with former construction worker in the Middle East, July 2013.
- <sup>31</sup> *Ibid*.
- <sup>32</sup> Author's interview with a former worker in Russia. July 2013.
- <sup>33</sup> ICESCR, *supra* note 20.
- <sup>34</sup> Simon Ostrovsky, "Profit from Its People: North Korea's Export Shame." *The Independent*, October 13, 2011, Available online at <http://www.independent.co.uk/news/world/asia/profit-from-its-people-north-koreas-export-shame-2370220.html>.
- <sup>35</sup> Chad O'Carroll and Curtis Melvin, "American brand clothing seen at North Korean garment factory," *NK News*, September 12, 2013, Available online at <https://www.nknews.org/2013/09/american-brand-clothing-seen-at-north-korean-garment-factory/>.
- <sup>36</sup> Justin Rohrlich, "Lands' End denies clothing being manufactured in North Korea," *NK News*, October 17, 2013, Available online at <https://www.nknews.org/2013/10/lands-end-denies-clothing-being-manufactured-in-north-korea/>.

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<sup>37</sup> “The Global Sullivan Principles,” University of Minnesota Human Rights Library, Available online at <http://hrlibrary.umn.edu/links/sullivanprinciples.html>.

<sup>38</sup> Cho Eun-jung, “Qatari Firm Fires North Koreans, Cites Labor Exploitation.” Voice of America exclusive report. May 7, 2015, Available online at <http://www.voanews.com/content/exclusive-qatari-firm-fires-north-koreans-citing-labor-exploitation/2753359.html>.

<sup>39</sup> Members are from the following states: Philippines, Ecuador, Honduras, Argentina, Mali, Egypt, Morocco, Bangladesh, Sri Lanka, Algeria, Peru, Burkina Faso, Azerbaijan, and Senegal. For additional information, please see <http://www.ohchr.org/EN/HRBodies/CMW/Pages/Membership.aspx>.

<sup>40</sup> ICRMW, December 18, 1990, Available online at

<http://www.ohchr.org/EN/ProfessionalInterest/Pages/CMW.aspx>.

<sup>41</sup> Roberta Cohen, *Must UN Agencies Also Fail in North Korea?* April 21, 2015, 38 North, USKI-SAIS, <http://38north.org/2015/04/rcohen042115/>. See also ESCAP, *NGOs and the Private Sector*, <http://www.unescap.org/partners/working-with-escap/ngos-and-the-private-sector>. The ROK is a major donor to ESCAP.

<http://www.unescap.org/partners/working-with-escap/donors>

<sup>42</sup> As recommended by PSCORE; see A/HRC/28/NGO/51, February 20, 2015, [http://ap.ohchr.org/documents/dpage\\_e.aspx?c=50&su=59](http://ap.ohchr.org/documents/dpage_e.aspx?c=50&su=59).