

ASIA

North Korea to Revamp Former Site of Cooperation With South on Its Own

Leader Kim Jong Un expresses rare displeasure with predecessors for relying too much on Seoul to build mountain resort



North Korean leader Kim Jong Un at the Mount Kumgang resort. PHOTO: KCNA/REUTERS

By Andrew Jeong and Dasl Yoon

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SEOUL—A dormant North Korean mountain resort that was once a rare example of inter-Korean economic cooperation will be refurbished, leader Kim Jong Un said, but this time without South Korea's help.

Carrying a cane and dressed in white and gray, Mr. Kim ordered workers to demolish South Korean-constructed buildings at the Mount Kumgang resort “to build new modern service facilities our own way,” according to a state-media report on Wednesday.

In a rare criticism, Mr. Kim also expressed displeasure with his predecessors—an apparent reference of his late father's regime—for relying too much on Seoul to build the resort.

Mr. Kim's tour of the site and his plans for its renovation were signals to the U.S. and South Korea that Pyongyang can still push ahead with large construction projects, despite sanctions, experts say.

"Mount Kumgang is an important economic project for Kim Jong Un, and he is expressing discontent with the sanctions blocking its resumption," said Cho Bong-hyun, a senior researcher at the IBK Economic Research Institute in Seoul.

American officials have been reluctant to ease sanctions until Mr. Kim takes further steps toward dismantling his nuclear-weapons program. Formal contact between the Koreas has fallen off since a February summit in Vietnam between President Trump and Mr. Kim failed to produce a deal, despite efforts by South Korean President Moon Jae-in to re-engage with the North.

The Kumgang resort, which opened in 1998 on North Korea's east coast, has been nearly deserted since 2008, after a North Korean soldier shot dead a South Korean woman staying at the site who the North alleged had wandered into a sensitive military zone.

Until then, about two million tourists from the South had visited the scenic mountain area, South Korean government tallies show, providing the Kim regime with much-needed income. A spokesman for Hyundai Asan Corp., the South Korean company that organized trips to the resort, said about \$487 million from the visits was paid to Pyongyang until 2008.

The Kumgang resort and an inter-Korean factory park near the demilitarized zone are the only major business projects that Seoul and Pyongyang have jointly developed since the 1950-53 Korean War.

At the factory park, South Korean companies manufactured textiles and household goods, employing some 50,000 North Koreans. In 2016, Seoul pulled out of the project because of North Korea's continued nuclear-weapons development.

In September 2018, Messrs. Moon and Kim agreed to revive the two inter-Korean projects at a summit in Pyongyang, but there has been little progress since, which has helped increase the North's distrust of the South, analysts say.

During his visit to Mount Kumgang, Mr. Kim was accompanied by his wife and a group of senior officials, including Choe Son Hui, a senior North Korean diplomat who has participated in nuclear negotiations with Washington, according to state media.

Mr. Kim's tour of the resort follows a visit on horseback to Mount Paektu—the nation's most sacred mountain, believed in North Korea to be the birthplace of his father. Mr. Kim blamed his country's hardships on "ceaseless sanctions" and pressure from U.S.-led forces, according to state media.

Through Mr. Kim's visits and defiant rhetoric, "North Korea is telling the U.S. to ease sanctions. To the South, it's saying go convince the U.S. to do it," said Shin Beom-chul, a senior fellow at the Asan Institute in Seoul, a private think tank.

—*Nayoung Kim contributed to this article.*

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