

Rainer Dormels (2014)

Profiles of the cities of DPR Korea – Kaesong

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IV.2.16. Kaesong

Former capital of the Koryo dynasty

Kaesong is the former capital of the Koryo dynasty (918-1392). The city is situated in the west of the country near the DMZ. Because the city lies south of the 38th degree of latitude, it was granted to South Korea after 1945. However, the Korean War (1950-1953) resulted in the fact that Kaesong became a part of the DPR Korea. In 2002 a special economic zone, in which South Korean investors employ North Korean workers, was established in Kaesong.

Table Kaesong-I. Basic data

Population	308,440 (Rank 9)
Area	766 km ² (Rank 8)
Population density	403 l./km ² (Rank 18)
Administrative units	31 <i>dong</i> /33 <i>ri</i> (48%) (Rank 23)
“Urban” population/“rural” population	62.4%/37.6% (Rank 25)

Kaesong was chosen to be a capital already in 901 under the name Songak, when the unfaithful Silla Prince Kungye had brought wide areas of Kangwon, Kyonggi and Hwanghae in central Korea under his control and declared the state “Later Koguryo.” Subsequently he built a new capital in Chŏrwŏn and later proclaimed the State of Majin, later Thaebong. At last the ruler was hunted by his own generals from the throne and was killed on the run. The latter generals supported Wan Kŏn, who came from the area of Songak. He founded in 918 the State of Koryo (918-1392), and built in 919 the capital of Songak, today’s Kaesong (Lee, Ki-baek 1984, 99-100). The city was established in a basin, which has Songak-san in the North and looks at the Ryong-san. It is not only the home region of the ruler, but also the nature from geomantic considerations that is described as ideal for the construction of a capital. Kaesong was called a “City of the Geomancy” on account of the excellent situation. The starting point of these geomantic considerations was the Manwŏldae, where the royal palace is situated (Yun Jŏng-sŏp 1987, 48). There are numerous discourses about the geomancy of the city Kaesong.⁶⁵

Then under the Joson dynasty (1392-1910) the capital was shifted in 1396 to Hanyang, today’s Seoul. The inhabitants of Kaesong therefore were at a distance from the political power and from administrative positions. Consequentially many turned to trade.

65 Yoon, Hong-key’s (2006, 241) theory on the high number of discourses on the geomancy of Kaesong is as follows: “Kaesong’s geomantic conditions were interpreted and modified to serve the Wang family in establishing, legitimizing, and maintaining their power”.

After the 18th century traders from Kaesong began with the cultivation of ginseng, which became an important commercial product from this region (Kang, Man-gil 1982, 89).

The municipal area is in the western coastal lowland. Merely the south part of the Ahobiryong mountain range rises in the direction of southwest pulling into the city. The Ryesŏng-gang limits the city in the West, the Han-gang in the Southwest and the Rimjjang in the Southeast. Important mountains in the city are the Moji-san (778 m), the Songak-san (490 m), the Jinbong-san (310 m), the Kunjang-san (277 m), the Tusŏk-san (415 m) and the Hani-san (219 m) (PSC-8 2009, 645).

Table Kaesong-II. Climate Values

Annual average	January temperature	August temperature	Precipitation
10.7°C (3)	-4.1°C (7)	24.2°C (6)	1,264.9 mm (4)

In Kaesong’s agriculture primarily grain is cultivated, although there is also livestock breeding, fruit cultivation and the sericulture.

Dominance of light industry

In the following considerations as well as in the statistics the companies of the Kaesong Industrial region are not considered. In Kaesong, industrial sectors of light industry rule, in particular the textile industry, but also the food sector.⁶⁶ A specialty of Kaesong is the “Koryo Ginseng,” also alcoholic beverages made from ginseng are produced. Furthermore oils, different chili pastes, vegetable products etc., are produced.

Table Kaesong-III. Ranking (in parenthesis: number of the industrial companies or cultural institutions)

Kaesong	KOFC	MOU	IPA	KCNA	KIET	Summary
Companies-total	15 (13)	5 (33)	4 (27)	19 (7)	5 (72)	6
Companies-important	27 (1)	21 (1)	5 (10)		6 (24)	16 (6)
Cultural institutions			7 (16)			

⁶⁶ According to KJY-26 (1990, 810) the food industry had a share of 80% of the city’s total industry production in 1953. In 1984 the food production was down to 15.4%, and the textile industry grew to a 40%.

Table Kaesong-IV. Ranking (Total number of the companies in relation to population)

Kaesong	KOFC	MOU	IPA	KCNA	KIET	Summary
Companies-total	19	2	4-6-5	21	1-2	4-20

In the ranking of the number of the companies Kaesong, the city with ninth-most inhabitants of the DPRK, has bad ratings in both KOFC and KCNA, although Kaesong has especially good ratings in the other sources. The former sources are both sources with the smallest number of companies. I.e. Kaesong has good ratings when a lot of companies are mentioned. This is a hint for the fact that in Kaesong a lot of companies exist, but they are not among the important ones.

Table Kaesong-V. Specification (In parenthesis: number of industrial companies)

Kaesong	Light Industry	Heavy Industry	Mining	Energy
KOFC	1 (8)	24 (5)	-	-
MOU	2 (29)	24 (4)	-	-
IPA	2 (22)	25 (3)	11 (2)	-
KCNA	1 (7)	-	-	-
KIET	3 (39)	23 (28)	17 (3)	10 (2)

Table Kaesong-V shows the unequivocal specialization of Kaesong on light industry. From chapter III.7.3. there are important companies, five belong to the textile industry and one produces essential goods: Kaesong Textile Factory, Kaesong Sewing Thread Factory, Kaesong Knitting Goods Factory, Kaesong Garment Factory, Kaesong Aeguk Garment Factory, Kaesong Essential Plastic Goods Factory.

The Kaesong Textile Factory was established in 1952, is located in Pangjik-dong and produces grid-pattern cloth (IPA-2 2003, 253). The Kaesong Garment Factory is situated in Kwanhun-dong and was opened in 1957 (KJY-26 1990, 810). The Jannansan Export Garment Factory began in 1957 as a co-operative and was established in 1973 as a factory (IPA-2 2003, 254).

The Kaesong General Foodstuff Factory in Ryonghŭng-dong was established at the time of the Six-Year-Plan (1971-1976). Main products of this factory are soy paste, oils, soy sauce and processed vegetable products and meat products (IPA-2 2003, 253-254).

The Kaesong Koryo Insamsul Factory was founded in 1952 as a spirit factory. After the factory received its current name in 1961, alcoholic beverages from ginseng were produced which were also exported to foreign countries, (IPA-2 2003, 252-253). In the Kaesong Porcelain Goods Factory in Pangjik-dong different goods are produced of porcelain and glass, such as vases, ashtrays and dishes (IPA-2 2003, 253). The Kaesong Essential

Plastic Goods Factory is located in Unhak-dong and was established in 1973 and produces different articles of vinyl, such as mackintoshes, shoes or bags (IPA-2 2003, 253).

There are universities in Kaesong for the party cadre as well as for the departments of art, light industry and educational theory. Furthermore, there are cultural institutions such as a radio station, an artist's group, a newspaper, museums etc.

The Kaesong industrial region

Start of the construction of the Kaesong Industrial region was in 2003, and in 2005 the official opening took place. In April 2013 the work stopped at times. At that time 123 companies operated in the Kaesong Industrial region, 53,000 people from North Korea and 800 people from South Korea were employed and produced⁶⁷ “everything from clothing and electronics to chemicals and metals” (Cronin 2012, 6). A specific feature of this special economic zone is that it also was continued even after “May 24 2010, [when] all commerce outside of Kaesong was shut down completely” (Cronin 2012, 14).

Moreover, the creation of an economic development zone was announced in 2013 for top technology in Kaesong.

Unesco world heritage

Above all Kaesong is also town with a big touristic potential. In 2013 several places of interest of the city of Kaesong were enrolled as a Unesco world heritage site. Among them are parts of the town wall, the Manwoldae Palace, the Namdaemun (South gate), the Koryo Sönggyungwan and several mausoleums and graves (tombs).

The city of Kaesong is an important traffic junction. The discontinuous railway line between Pusan and Sinuiju crosses the city. Also, there is a highway between Pyongyang and Kaesong.

67 The initial plan actually had included a larger size of the industrial park: „The original master plan negotiated by Hyundai Asan and the North Korean government included a 10-square-mile industrial park incorporating residential housing and all of the commercial enterprises typically found in a town. The first phase was planned to encompass more than 800 acres, house some 300 companies with 70.000 workers and be completed by 2007. Phase two would add another 1,225 acres, 700 companies and 130,000 employees and was set to be finished by 2009. The third phase would add nearly 3,000 acres, 1,000 more companies and 150,000 more workers, and would be finished in 2012. Fully occupied, the complex would occupy over 5,000 acres, include 2,000 South Korean businesses, employ more than 350,000 North Koreans and produce \$20 billion in annual revenue” (Cronin 2012, 6).



Figure Kaesong-I. View from Janam-dong to Janam-san with the Kim Il-sung Statue (2006)



Figure Kaesong-II. South Gate (2006)



Figure Kaesong-III. Highway of Pyongyang to Kaesong (2006)



Figure Kaesong-IV. Journey of the workers to Kaesong Industrial region (2006)

Kaesong – once part of South Korea

Kaesong is situated south of the 38th degree of latitude and was after the separation of Korea part of South Korea. Due to border movements as a result of the Korean War (1950 - 1953) Kaesong became part of North Korea.

From 1957 to 2003 Kaesong had a province-independent special status. The city had an area of 1,308,634 km², the number of inhabitants is estimated at just 400,000. Kaesong is 78 km away of Seoul and it is less than 12km to the internal Korean border at Phanmunjöm.

In 2002 a special economic zone, in which South Korean investors employ North Koreans, was established in Kaesong.

Kaesong was granted city (*pu*) status in October 1930. As a part of South Korea it

became in 1949 a city (*si*) of Kyonggi Province. After the city had become part of North Korea in the course of the Korean War, the Kaesong-jigu was founded in December 1952. In June 1957 Kaesong-jikhalsi was founded. Kaesong-jikhalsi consists of Kaesong city in a narrower sense as well as of the counties of Kaephung and Phanmun and from 1960 also the county of Jangphung.

2002: Formation of the economic zone Kaesong; in 2003: Kaesong is incorporated into the Hwangbuk Province

In November, 2002 the special economic zone of Kaesong was formed. Until then the province-independent city of Kaesong, consisted of four parts:

- Kaesong-si (in a narrower sense),
- Kaephung-kun,
- Phanmun-kun and
- Jangphung-kun.

In 2002 numerous reorganizations took place, through which the area of the city Kaesong is increased in the narrower sense due to the splitting of the county of Phanmun, whose parts were divided to the city of Kaesong and the county of Kaephung. In June 2003, Kaesong becomes a normal city and was merged into province Hwangbuk like the counties of Kaephung and Jangphun. Then in September 2005, the Kaephung-kun was added to Kaesong. A North Korean map from 2009 (JC 2009, 50-51) shows Kaesong as city that consists of the areas, which existed before the reorganizations in November 2002 of Kaesong-si (in a narrower sense) and the counties of Kaephung and Phanmun. Jangphung however remains a county of the province Hwangbuk.

If we therefore count the areas, which belonged to the four parts of the province-independent city of Kaesong before the reorganization In 2002, Kaesong consisted therefore in the course of time roughly seen of the following parts:

Table Kaesong–VI. Changes in the size of the municipal area of Kaesong

Districts (as of 2002)	Kaesong (in the narrower sense)	Kaephung	Phanmun	Jangphung
1952	X	X	X	
1954	X			
1955	X	X	X	
1960	X	X	X	X
2003	X		partly	
2005	X	X	X	

If we look therefore at Kaesong as an area in the borders of three units: the city of Kaesong (in the narrower sense), the counties of Kaephung and Phanmun (state of 2002), we can register following changes outgoing from the current municipal area (state, map from 2009, changes of borders within areas which belong to the city of Kaesong are not registered)

- In 1958 a part of Sŏam-ri (Jangphung-kun) joins the county of Phanmun.
- In March, 1961 Kaephung-kun was extended by Ryohyŏn-ri (Kumchon-kun, Hwangbuk).
- Also in 1961 Jangphung-kun handed over three *ri* (Ryonghŭng-ri, Samgŏ-ri and Sansŏng-ri) to the Kaesong-si (in the narrower sense).
- In 2002 Sŏnjŏk-ri (Phanmun-kun) is added to Jangphung-kun. However, on the map from the Toro-jidochŏp from 2009 (JC 2009, 50-51) the area is shown again as a part of Kaesong-si.

Statistics

In 1957 Koryŏ-dong was split up and Haeun-dong was created. Suchang-dong came to Naman-dong and rose in it. In 1958 Sŏhŭng-dong rose into Naman-dong, from a part of Tŏkam-ri Posŏn-dong was created. In 1959 a *dong* originated from Unhak-ri. In 1961 Songhak-dong originated from a splitting from Manwŏl-dong.

	<i>Dong-Formation</i>	<i>Dong-Splitting</i>
1955 (14)		
1957 (14)	-	1/-1
1958 (14)	1	-1
1959 (15)	1	-
1961 (16)	-	1
1967 (20)	-	4
1983 (23)	2	1
1988 (25)	1	1
1993 (26)	-	1
1994 (27)	1	-

Structure

In the area of today's Kaesong 14 *dong* (and, in addition, Phanmun-up,⁶⁸ which later has been renamed to Pongdong-ri, and in addition, Kaephung-up) exist since 1955. Twelve of these *dong* are situated in the south or in the west of the Janam-san. Therefore, the area south and west of the Janam-san can be seen as the old part of the city.

Between 1957 and 1961 four new *dong* originated (two of it due the splitting from already existing *dong*). Both split *dong* lie in the southwestern edge of the old city center, the two *dong* which were created by the change of former *ri*, are situated in the east of the city center (Unhak-dong in the Southeast, Posŏn-dong in the Northeast). Inside of the city center three *dong* were centralized in 1957/1958 to one.⁶⁹

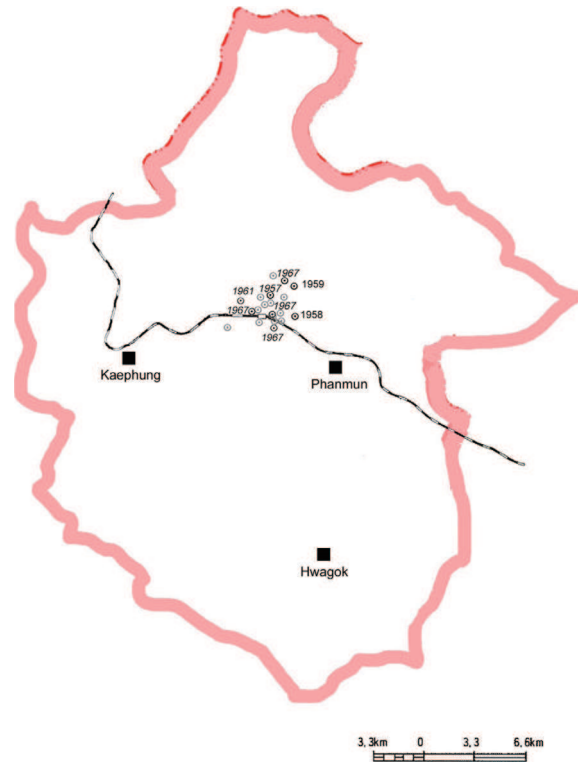


Figure Kaesong-V. Dong (1967)

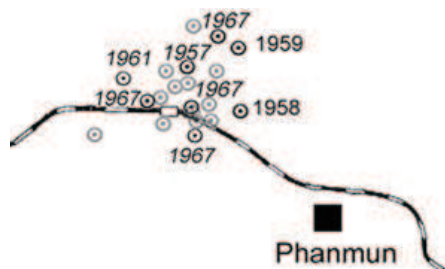


Figure Kaesong-VI. Dong (1967)

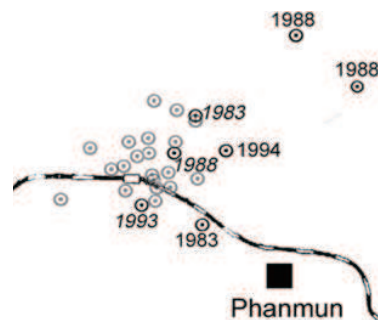


Figure Kaesong-VII. Dong (1994)

68 In 1953 the administrative center of the county of Phanmun had moved. From the former Phanmun-up Sangdo-ri was created and Pongdong-ri became the new Phanmun-up.

69 In 1957 Koryŏ-dong was split and Haeun-dong originated. Suchang-dong was transferred into Naman-dong. In 1958 Sŏhŭng-dong was swallowed by Naman-dong, a part of Tŏkam-ri turned into Posŏn-dong. In 1959 Unhak-ri was made a dong. 1960 a part of Manwŏl-dong was cut off and transferred to Songhak-dong. 1961 Songhak-dong originated out of a splitting of Manwŏl-dong.

Four *dong* originated in 1967 due to the splitting from other *dong*. Three (Yökjön-dong, Nammun-dong and Namsan-dong) lie in the center area south or west of the Janam mountain. One *dong* (Pusan) lies southeast of the city center.

Moreover, in 1967 Hwagok-ri (Phanmun-kun) became a working-class district, but again turned into a *ri* in 1977.

In the 70s no new *dong* developed. Between 1983 and 1994 seven *dong* originated. Four of them lie east of the city center, one south of the city center and two in the periphery east of the city. The latter two settlements show very regular settlement forms in the satellite picture. In Ŭndök-dong⁷⁰ there are large chicken and duck farms. In Ryonghŭng-dong, which became a *dong* in 1988, there is the Ryöngthong temple, which was rebuilt with South Korean help and whose reconstruction was finished in 2005.

Kaesong – City in the middle of the Korean peninsula with big developing potential

The proximity to South Korea led to the fact that in Kaesong no strategically important companies of heavy industry were developed.

New city developments can be ascertained in the periods from 1957 to 1967 and from 1983 to 1994 above all in the east and in the south of the city. Until the start of construction of the Kaesong Industrial region in 2003 and the related opening of the city for the tourism, Kaesong was a city strongly characterized by the military. The original plans for the Kaesong Industrial region which have only partially been implemented indicate the big developing potential of this city.

70 In 1983 a part of Jonjae-ri (Phanmun-kun) was incorporated into Kaesong-si (in a narrower sense). From this part the Ŭndök-dong was newly formed. (IPA-2, 2003 gives different information, according to page 247, this incorporation took place in 1983, according to page 294 and page 421 in 1988.)