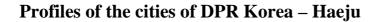


Rainer	<b>Dormels</b>	(2014)	)
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# IV.2.17. Haeju

# An important city in the Koryo and Joson era

The port city of Haeju has been several times under consideration as a possible site for a special economic zone due to its proximity to South Korea. The capital of the Hwangnam Province has a great strategic military importance and is located directly near the maritime border between the two Koreas. The industry of the city is characterized by smelters, agricultural engineering and a cement factory. Furthermore, Haeju has a touristic potential. Haeju is one of the geographically smallest cities of the DPR Korea.

Table Haeju-I. Basic data

Population	273,300 (Rank 13)
Area	207 km² (Rank 24)
Population density	1,320 I./km² (Rank 6)
Administrative units	26 <i>dong/</i> 5 <i>ri</i> (84%) (Rank 5)
"Urban" population/"rural" population	88.4%/11.6% (Rank 9)

Already in the Koryo and Joson period, Haeju was an important strategic traffic point between Pyongyang, Kaesong and Seoul. Consequently, a lot of relicts of the old times exist in the downtown area of the city. When Korea was divided into twelve mok 牧 in 983, Haeju-mok was one of them. At the end of the Joson period, Haeju belonged along with Seoul, Pyongjang, Jonju and Kaesong to one of the five largest cities of the country. The Suyang mountain fortress dates back to the Koguryo period. The city wall of Haeju was built in 1291, and restored in 1555 and 1591, as well as rebuilt in 1747 (Panzercho 2012).

The fact that in 1906 the railway line between Seoul and Sinuiju was far from Haeju, due to Namchon, and placed in Sinmak, initially had a negative effect on the development of the city. However, already in the period of the Japanese occupation, narrow gauge railways towards Haeju were built. After 1945, the railway network was then further expanded around Haeju. In the period of the Japanese occupation, the port of Haeju was expanded between 1928 and 1932 and used for the removal of rice and natural resources from Korea to Japan.

In 1938 Haeju was designated as a city. After 1945, light and heavy industry were settled in this area.

Important guidelines for the development of the city Haeju were formulated in 1976:

The development of Haeju into a resort town, in which there would be cure and medical treatment services

as well as the enlargement of the port and the promotion of Haeju as an international port city and

the active development of Haeju into a center of light industry and agriculture (Kim Wŏn 1998, 247-248).

# A city between sea and mountains

Characteristic of Haeju is its location between the sea and mountains. In front of Haeju, Kyonggi bay has developed with numerous islands. From the ground and the climate, Haeju is actually balanced. Haeju is, in terms of traditional Korean standards, geographically well situated on a river, the Kwangsŏk-chŏn, whereby a built-up urban area on the opposite

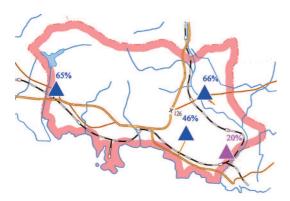


Figure Haeju-I. Forest area in the ri

northern Suyang-san (899 m) and the Jangdae-san (685 m) is leant against, and the Namsan (122 m) is opposite. From Haeju the Ryongdang peninsula protrudes into the Haeju bay and opposite is the Jinpho peninsula, so that between these two islands lies only a narrow neck. The region around the Suyang-san was proclaimed as a natural reserve by the North Korean authorities. Of the total area more than 90% are hills and ridges, which are located below sea level of 200 m.

The Kwangsŏk-chŏn flows through the city, from the North towards Southeast, and east of the Ryongdang peninsula it flows into the sea. On its banks in the region of Kwangha-dong, Kwangsŏk-dong, Haechŏng-dong; the Kwangsŏk-chŏn-park was established.

The average annual temperatures as well as the August temperatures are the highest of all cities of the DPR Korea. The strong wind that blows here is very characteristic for this city.

Table Haeju-II. Climate values

Annual average	January temperature	August temperature	Precipitation
11.1°C (1)	-3.4°C (4)	24.5°C (1)	1,080.80 mm (9)

The forest makes up 42% of the total area of the city. In Chakchŏn-ri, there are a lot of freshwater fish hatcheries. The pear is considered to be a speciality of this city.

### Smelters, cement factory and manufacture of agricultural machinery

Among the most important industrial companies of Haeju are the agricultural equipment factory, a cement factory, two cabins and a glass plate factory, However, Haeju also has a fishing port and is a naval base of North Korea. Haeju is located in the south of the country, far away from the power plants in the North. Thus, there are major problems due to the lack of power supply.

Table Haeju-III. Ranking (in parenthesis: number of industrial factories or cultural institutions)

Haeju	KOFC	MOU	IPA	KCNA	KIET	Summary
Companies- total	9 (17)	11 (25)	12 (16)	16 (9)	8 (43)	10
Companies- important	19 (2)	15(2)	16 (5)		12 (12)	14 (7)
Cultural institutions			8 (15)			

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

Haeju	KOFC	MOU	IPA	KCNA	KIET	Summary
Companies - total	8	9	9-17-6	14	8-15	6-18

Nowadays Haeju is better positioned in the number of companies ranking than in the population ranking (Rank 13). However, most companies of Haeju are not among the most significant ones of the country.

Table Haeju-V. Specification (in parenthesis: number of industrial companies)

 Haeju	Light Industry	Heavy Industry	Mining	Energy
KOFC	5 (6)	17 (10)	_	11 (1)
MOU	11 (16)	8 (9)	_	_
IPA	21 (5)	5 (10)	12 (1)	_
KCNA	14 (4)	5 (5)	_	_
KIET	20 (15)	3 (25)	18 (1)	7 (2)

Except in KOFC, Haeju shows a specialization on heavy industry, where smelters and agricultural manufacturing play an important role.

In chapter III.7.3. seven companies are identified as important: the Haeju October 13<sup>th</sup> Youth Smeltery, the Haeju Smeltery, the Haeju Trailed Farm Machine Factory, the Haeju Cement Factory, the Haeju Plate Glass Factory, the Haeju Knitted Goods Factory and the Haeju Shoe Factory.

The Haeju October 13<sup>th</sup> Youth Smeltery is located in Sŏkmi-dong and has a total area of 390,000 m<sup>2</sup>. Here, lead ore is melted. The smelting furnace and the electrolysis plant were introduced by the Japanese company Tojo (KOFC 2010, 237). In 1982 the construction of the plant was started and in 1985 the building was completed (IPA-8 2003, 73). The Haeju Smeltery dates back to the period of the Japanese occupation. For example, Superphosphate, sulfuric acid and copper are melted here. It is located in Ryongdang-dong and has a plant area of 94,000 m<sup>2</sup> (KOFC 2010, 237).

The Haeju Trailed Farm Machine Factory has a plant area of 110,000 m<sup>2</sup> (IPA-8 2003, 72) and manufactures rice combines, threshers, trailers, rice-seedling trans planters, other farm machines and various kinds of farm machine accessories. It was founded in October 1958. The products are also used in other provinces of the country (KCNA September 29, 2005).

The Haeju Cement Factory is located in Ryongdang-dong and was built in 1936 by the Japanese company Ube Cement Production Ltd. The total plant area is 500,000 m<sup>2</sup>. It is located about 1 km away from the port of Haeju. The cement which is produced here is also exported to Southeast Asia and China (KOFC 2010, 425).

In the Haeju Plate Glass Factory, a wide variety of glass bottles and glass products are produced for everyday life. Sand of Kumipho and Manggumpho is processed here (IPA-8 2003, 73).

The most important light industry companies in Haeju are the Haeju Knitted Goods Factory and the Haeju Shoe Factory.

### The planned Haeju Special Economic Zone

Haeju was considered as the ideal location for a special economic zone for a long time. In the late 1990s Hyundai and North Korea agreed in principle to build an industrial complex in the DPR Korea. Kim Jong-il wished Sinuiju to be the site for the new industrial complex.

Hyundai preferred Haeju, Nampho and Sinuiju were their second and third choices. Specifically, in September 1999 a "Plan for Industrial Complex Development" was prepared by Hyundai, which showed Kangryong-kun located in the Southwest of Haeju as a prospective site. However, these plans were responded to by rejection and incomprehension in North Korea, since Haeju was also a strategically sensitive naval port. Additionally, this region is known as a military zone, in which even farming is prohibited and where there is neither water nor electricity. In 2000 the location of Kaesong for an Industrial Complex was agreed on (Lim, Eul-chul 2007, 9-24).

In 2007 the leaders of the two Koreas, Roh Moo-Hyun and Kim Jong-il, agreed at their most recent summit meeting to develop the North Korean port of Haeju together into a special economic zone. It was to be centered around the Haeju port. In the 2nd South-North Korean Summit Joint statement it was read: "The South and the North have agreed to create a "special peace and cooperation zone in the West Sea" encompassing Haeju and vicinity in a bid to proactively push ahead with the creation of a joint fishing zone and maritime peace zone, establishment of a special economic zone, utilization of Haeju

harbor, passage of civilian vessels via direct routes in Haeju and the joint use of the Han River estuary" (Institute for Far East Studies 2007). Plans envisaged a size of 16,500,000 m<sup>2</sup>. Additionally, the port of Haeju should have been extended. The estimated cost of over 4.5 billion US\$ was mentioned. An economic agreement between South Korea and North Korea was planned, which should have allowed a trade between the port of Haeju and the port of Inchon, located 20 km from the former. At the end of 2007 the South Korean government announced the plan of establishing and launching an international investment fund for the development of the North Korean Haeju port (RKI October 31, 2007). Also planned was "a business hub covering a wide array of industries, from fisheries to manufacturing. The Haeju project and the Kaesong Industrial Complex should be complementary to each other" (Ko, Kyong-tae 2007). However, ultimately the Haeju project was refused by the DPR Korea due to the strategic importance of Haeju port to the North Korean Navy. One major problem was the controversial dispute over the North Limit Line in the Yellow Sea.

## Disputed maritime border between North and South Korea

When the inter-Korean Armistice Agreement was signed on May 27th 1953, the United Nations Command (UNC) and the army of the DPRK established a Military Demarcation Line (MDL) in the country. In regards to the islands, an agreement was found as well. Due to the superiority of the naval forces of the UN troops, practically all significant islands of the Korean peninsula were in their power. Since the military defense of the Northern islands was not possible, all islands north of the 38th latitude came into North Korean influence, according to the ceasefire agreement. Five islands, 71 which were directly in front of the coast of the North Korean province Hwanghae however were located south of the 38<sup>th</sup> latitude, were consequently awarded to South Korea.

Conflicts occurred in regards to the question of the affiliation of the sea. In the East, this was not a problem due to the natural extension of the MDL to the sea, which was recognized by both sides. It was however more difficult in terms of the situation on the west side, which was rich with islands. The former UNC Commander Mark Wayne Clarke highlighted the current "Northern Limit Line" (NLL) on 30th August 1953 and notified the DPRK later about this "sea border." This boundary is located between the North Korean mainland and those five islands, which are south from the 38th latitude.

For a long time the DPR Korea did not answer this proposal, which was the reason why South Korea and the UNC assumed that the DPR Korea would accept this draft.

<sup>71</sup> The talked about islands are: Yŏnphyŏng island (7.4 km²), Paegnyŏng (47 km²), Taechŏng (25 km²), Sochŏng (6 km²) and U (0.2 km²) (Sin Hyo-hŏn 2006, 18). Nowadays, about 15,000 people live on the largest island of Paekryŏng, of which several thousands are marine soldiers.

However, from December 1973 the DPR Korea rejected the NLL. Although it was recognized that the five islands were under the power of the US, the DPR Korea designed a new maritime border and declared that the South Korean ships could only pass through the waters around these islands with permission. From this point on, both countries are accusing each other of intrusion into their territorial waters.

The reason for the North Koreans concerns are obvious. For one, there are strategic military reasons, since the South Koreans expanded the Paegnyong island into a naval base and thus this embodies a threat to the many North Korean naval bases on the Yellow sea coast. Additionally, the NLL complicates the journey of North Korean ships, for example, from Haeju to China. Furthermore the NLL is located in an area with rich fishing grounds (Choe Yŏng-jae 1999). On September 2<sup>nd</sup> 1999 the DPRK announced their version of an "Inter-Korean MDL in the West Sea (Yellow Sea)." This is basically an extension of the boundaries between the provinces of Kyonggi in the South and the Hwanghae provinces in the North.

On March 23<sup>th</sup> 2000 three zones were built by the North Koreans around the five islands, which are according to the North Koreans, in the military power of the US, although within the waters of North Korea. Furthermore, two sea routes were established, which should facilitate the access to the islands Paegryong, Taechŏng and Sochŏng (zone 1) and to the Yŏngphyŏng islands (zone 2).

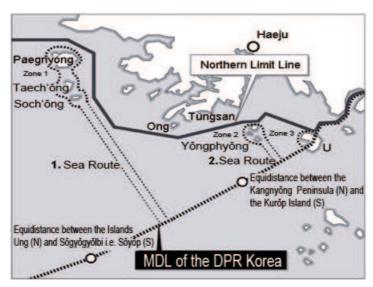


Figure Haeju-II. NLL and MDL, which is proclaimed by the DPRK

The NLL thus was proclaimed as annulled. South Korea and the UNC, however, insist on the validity of the NLL as the *de facto* maritime border, until a new maritime MDL is

determined by a Joint Military Commission in a cease-fire agreement. The different views on the maritime border between the two Koreas are a constant source of conflict.

### Haeju as a touristic and cultural center

Haeju is open to foreigners. A major attraction is the Puyong Pavilion in Puyong-dong, which originates from the 16<sup>th</sup> century. It was destroyed during the Korean War and restored in 2003.

The Suyang-san is known for its waterfalls that plunge 128 m, as well as due to the Suyang fortress. On the Suyang-san an amusement park is located for the population of

In Hakhyŏn-dong the remains of the in 937 built Kwangjo Temple are located.

Haeju is also a cultural centre of the province of Hwangnam. There are several universities in the fields of agriculture, teacher training, engineering and medicine.

# Developments of the city after 1945 and development centers

In 1961 and 1965 the city area has been increased by the rural countryside. Two ri each from neighbouring kun were incorporated into the city of Haeju.

The development of the city of Haeju was focused on the city centre. The Ryongdang peninsula, the area of Yonha in the West and the region of Hakyon, which was incorporated in 1965, are further development centres of the city.

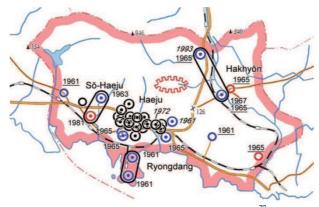


Figure Haeju-III. Dong and ri of Haeju<sup>73</sup>

<sup>72</sup> Figure-Haeju III shows in the middle the Suyang-san fortress. Underlined years indicate that the relevant municipal unit was incorporated in the year in question into Haeju. Cursively written years placed next to the dong that have arisen in the year in question, by splitting from other dong. The other year figures next to the dong are the years, in which the ri were elevated to a dong.

### 1. City center

15 of the 26 *dong* of the city already existed in 1957 and are all located in the city center. Two other *dong* within the center originated in 1961 (Taegok-dong<sup>73</sup>) and in 1972 (Sansŏng-dong) by splitting from existing *dong*.

In 1965, three *ri* of Haeju-si were made into *dong*, which adjoin the south of the city center: Sokmi and Kyŏlsŏng in the Southwest and Sŏkchŏn in the Southeast. 20 of the 26 *dong* of Haeju are therefore focused in the centre of the city.

## 2. Ryongdang peninsula (port)

The city's port is located in the south of the Ryongdang peninsula. In 1961 Ryongdang-ri was divided into the two *dong* of Ryongdang and Sŏae. On the Ryongdang peninsula several industrial plants are located, for example the Haeju October 13<sup>th</sup> Youth Smeltery, the Haeju Cement Factory and the Haeju Fertilizer Factory.

Between the port and the city centre, there are several areas used for agriculture as well as probably for military purposes.

# 3. West (So)-Haeju (Yŏnha, Ŭppha)

In the west of the city area, Yŏnyang-ri developed into Yŏnha-dong in 1963 and into a growth pole. Because of the expansion of the inner city area of Haeju in the western direction, this has already almost been merged with the downtown area. Recent settlements have developed in the southwest of Yŏnha, where Ŭppha-ri was made into a *dong* in 1981. In 1993 Yŏnyang-ri was newly formed from parts of Yŏnha-dong and Ŭppha-dong.

Sinwang-ri, which adjoins in the East, was incorporated in 1961 from the neighbouring Pyoksong-kun. In 1968 the Singwang Reservoir was built in the North.

### 4. Hakhyŏn

In the northeast of the municipal area, Hakyŏn-dong, which is separated from the city center through hills, has developed into another settlement area. In 1967 this *dong* was established from a splitting from Jakchŏn-ri. In Hakyŏn there is a dairy farm. In 1993 the eastern part of the *dong* was split into Yanji-dong.

This whole eastern part of the city Haeju, Jakchŏn-ri (from which later Hakhyŏn-dong and Yangji-dong emerged) and Jangbang-ri, was incorporated only in 1965 from Chongdan-kun. Yŏngyang-ri, which adjoins in the Southeast, joined the city Haeju in 1961.

<sup>73</sup> Taegok-dong is located in the Northeast of the city centre. Here, the significant Haeju Trailed Farm Machine Factory is located.

#### **Statistics**

Haeju 26 dong, 5 ri; 1955 17 dong

	Dong-Formation	Dong-Splitting
1955 (17)		
1957 (15)	-	-2
1961 (18)	2	1
1963 (19)	1	-
1965 (22)	3	-
1967 (23)	1	-
1972 (24)	-	1
1981 (25)	1	-
1993 (26)	-	1

## Haeju - high potential for development after reunification

Currently Haeju is located in the south-western tip of the country and thus has major energy problems. The port function is severely limited due to the NNL sea border with South Korea. Haeju has developed as a provincial capital into a cultural center, which is also open for foreign visitors. Among other touristic attractions are the Puyong pavilion as well as the waterfalls of Suyang-san. However, there are only few significant industrial plants, albeit the economical and touristic potential is large, in case of an approach or a reunification with South Korea.

From the 1970s, one dong was established per decade.

a landmark of the city,