NORTH KOREAN GOVERNMENT-OPERATED RESTAURANTS IN SOUTHEAST ASIA

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Abstract:

Plenty has been written about relations between Japan, China and South Korea with Southeast Asia, but there is far less examining North Korea and their relationship with this region. During the cold war North Korea interacted primarily with China, the USSR and other European countries behind the so called “Iron Curtain”. Following the collapse of communist countries in Europe, North Korea has had increasing dealings with Southeast Asia. This paper explores the topic of North-Korean Government operated restaurants in Southeast Asia. The restaurants are located in a number of countries in the region, including Cambodia, Laos, Myanmar and Vietnam. In the past there were also restaurants in Thailand and there are also a number of restaurants in China and several other countries outside of Southeast Asia. Why did they establish restaurants first in Siem Reap first rather than say Kuala Lumpur? Why did the North Korean government decide to open restaurants rather than attempt to make money another way and what purposes do they serve in addition to generating revenue? The paper focuses on restaurants in Cambodia and Laos.

Keywords: North Korea, Southeast Asia, restaurants, Cambodia, Laos
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Introduction

In order to narrow down my research I decided to focus solely on the North Korean government-operated restaurants in Siem Reap in Cambodia and Vientiane in Laos. So, why focus on these two cities? Firstly, because the largest of the two North Korean government owned restaurants in Siem Reap is the oldest such outlet in Southeast Asia and probably also the largest. Secondly, and more importantly, both Cambodia and Laos have enjoyed steady relationships with North Korea over the last few decades. This means, of course, that the restaurants were unlikely to close down shortly before I visited and also are likely to still be operating now.

The same criteria could not be applied to restaurants in other Southeast Asian nations. For example, in the case of Myanmar, there is a restaurant in Yangon, but relations between the two countries have been rocky in the past four decades. Myanmar severed relations with North Korea following the 1983 bombing in Yangon by North Korean operatives. Relations were only normalized in 2007. In the last few years Myanmar has changed immensely and is trying hard to improve its international image and reputation, therefore it would not be so surprising if in an effort to distance itself from North Korea that their restaurant suddenly closed down.

Relations between Vietnam and North Korea also are up and down. After establishing relations with (North) Vietnam in 1950, North Korea backed them in their war against South Vietnam and America by providing soldiers, pilots and 2 million uniforms. However the relations later cooled as the re-united Vietnam established relations with South Korea. Then North Korea-Vietnam relations improved with more bilateral trade during the 1990s and Vietnam backed them to join the ASEAN regional forum as an observer in the 2000s, and then they soured again as more North Korean refugees arrived in Vietnam by sea, including 468 in 2004. Relations were said to be patched up again by 2007, but things can change quite quickly and a number of unverified blog posts suggest that most, but not all, North Korean government operated restaurants in Vietnam have closed in the last few years.

In other countries in Southeast Asia it is a similar story. Relations between Thailand and North Korea were formerly good and a number of articles and blog posts suggest that North Korea operated restaurants in Bangkok and later also in the coastal city of Pattaya in the late 2000s before they closed due to a variety of reasons. Some articles from the last few years about North Korean government operated restaurants in other countries suggest that the Bangkok branch is still open, but having lived in the city from April 2012 to December 2013 I can say only that it was closed down sometime before I arrived. A large number of articles hint at why these restaurants closed, some citing the global financial crash. The number of South Korean tourists to Thailand, perhaps the main target group for customers, decreased from 2007 to 2009, fitting in with this theory, but then picked up and surpassed the number of previous visitors. Even at the low of 2009 with 618,227 South Korean tourists visiting Thailand it is still far higher than the 81,799 South Koreans who visited Laos in 2013 (their record high and close to triple the number of 34,707 for 2011) and their restaurant in Vientiane did not close.

So, clearly the two restaurants in Thailand more than likely closed due to other factors, mentioned in numerous other articles and TV news reports from the late 2000s and early 2010s, including, but not limited to, increasing numbers of North Korean refugees being allowed to enter Thailand and make their way to the South

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1 Hoare, James E., 2012, pp.268-9, Historical Dictionary of Democratic People's Republic of Korea
3 Visitor numbers to Thailand are from the Thai Department of Tourism, Ministry of Tourism and sports. Figures from Laos are from the Lao PDR Department of Tourism, Ministry of Tourism and sports.
Korean embassy in Bangkok. North Korean embassy staff in Bangkok being implicated in producing fake American currency and pressure on North Korea from Thailand to release a Thai lady allegedly kidnapped by them in Macau more than three decades ago.

Research methods and theoretical framework

This study is based on visits to two restaurants in Siem Reap and one in Vientiane made in late March and early April 2014, explorations of the two cities and prior readings of available literature. Before visiting the three restaurants a check list of a number of questions and things to look out for in the three restaurants was also created to spot patterns that might be expected of a chain restaurant.

Findings/Discussion

It is difficult to establish with firm evidence exactly when the restaurant in Vientiane opened. An interview with a customer who has visited there a number of times over the years suggests that it has been there in its present location for five years or more. One of the original research questions for this project is to attempt to work out why the North Korean government decided to open restaurants rather than attempt to make money another way and what purposes do they serve in addition to generating revenue? Additionally, another question, why this city? The second question has already been answered, Vientiane and Pyongyang have friendly relations, an example of this can be seen in the social realist statues built by North Korea and placed outside the museum dedicated to former Lao PDR leader KaysonePhomvihane. Also there are, as mentioned earlier an increasing number of South Korean tourists and businessmen visiting the city who provide part of the customer base.

However, during the visit to the restaurant in the evening in late March aside from our table there were only 3 other customers, all Chinese. The restaurant has two floors with seating for around 50 on the main floor and is apparently used on occasions by Lao government staff to have a party in a discrete location. A customer who had visited the restaurant a number of times during the last five years or so could not recall an occasion when it was full and mentioned that in fact it was often not busy. The rent is no doubt high as it is not far from downtown Vientiane, although there were few businesses open in this area at night. Also for a restaurant presumably aimed mainly at foreign customers the prices on the 33 page menu are not outrageously high, with even the most expensive dish costing 160,000 Lao Kip or around 20 US dollars. The languages displayed in the menu provide hints at who the customer base will be; Lao, Chinese, English and Korean. The English menu offered no translation for the dog soup (which was written in the other languages), suggesting that the owners are aware that this dish offends some westerners. The propaganda inside the restaurant is subtle with no pictures of any current or former North Korean leader. It is tough to see that this restaurant, ‘Korea Pyongyang Restaurant’ is run purely as an attempt to make a profit. If that was the case they would have perhaps opened a smaller restaurant in an even more central location offering a more popular cuisine.

Siem Reap, as noted earlier, is home to the oldest and probably largest North Korean government-operated restaurant in Southeast Asia. Called ‘Pyongyang Traditional Restaurant’ and located on the highway, a few km from downtown on the way to the airport. Across the street is the much smaller ‘Pyongyang Friendship Restaurant’ which seems to function as a spill over restaurant when the main one is full or perhaps as somewhere people can enjoy a more quiet and intimate meal. Again Siem Reap and Cambodia in general enjoy a good relationship with North Korea. In the past this was evidenced by the Cambodian King, Sihanouk spending a number of long periods of time in Pyongyang. In the more modern times the good relationship is evidenced by the fact that North Korea earned money by constructing a 15 million dollar museum in Siem Reap recently according to stories in a number of newspapers. A visit to ‘Lucky Supermarket’ in downtown Siem Reap in early April 2014 revealed another source of income for North Korea in Cambodia, kimchi. All of the jars of the popular pickled cabbage dish in the bustling supermarket were made in the capital Phnom Penh, and the labeling showed that they were made by two other branches of North Korean government-operated restaurants operating in that city.

See for example the following story from the Independent on Jan 2nd, 2014.
The larger of the two North Korean restaurants in Siem Reap was busy, with many of the dozens of tables occupied. The majority of the customers were rich Cambodians and there were also plenty of Koreans and a few westerners. The menu, as in Vientiane was written in the local language plus Chinese, English and Korean. The prices were much higher than in Laos, despite the fact that food in general is of a similar price in the two countries. Again the only local items on the menu were beer. North Korean beer was absent, but South Korean beer was openly served, suggesting that these restaurants are not functioning primarily as propaganda outposts. This theory is backed up by the music that is played; the songs seem to be mostly South Korean songs or songs that were written before the nation was divided.

Both restaurants in Siem Reap featured local security staff but all other labor seemed to be performed by North Korean women. The second, smaller restaurant in Siem Reap was, like its counterpart in Vientiane almost empty at the time of visiting with a few South Korean and Chinese male customers. If that was a typical night it seems impossible to think that it could make a profit.

After explaining why the restaurants are in those cities rather than say Singapore or Manila, we must go back to the other key research question; why restaurants rather than another type of business, especially as some of them do not appear to be particularly profitable.

There is no simple answer to this, most likely to be a combination of reasons. Restaurants are relatively easy to set up if you have funding, requiring little technical knowledge and if many of your potential customers are foreigners there is no need to study the local market or learn their language. Secondly there is the popular theory written in many newspaper articles about these restaurants; that they are a chance to spy on South Korean business people and gain knowledge from them when they are drunk. Additionally, and perhaps importantly the fact that the business is cash in hand gives a reason for North Korean government workers to have large amounts of cash with them and could be used to cover other illicit activities. As a perhaps unintended consequence they provide South Koreans a chance to interact with a people they otherwise would never meet.

It will be interesting to see with the recent change in Thailand from an elected civilian government to a military junta if North Korean escapees will still be able to get to the South Korean embassy in Bangkok or if they will be captured and returned by the authorities. This recent change also poses the question as whether conditions may be put into place in the future to allow a North Korean government-operated restaurant to exist in Bangkok again.

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